

OILMEAL

25th August 2005

MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Remained Weak
- CBOT Soymeal Remained Down on Speculative Selling

COMMENTARY

DOMESTIC MARKET

Soy meal

The soy meal market price witnessed a weak undertone at most of the places like Nanded, Latur, Kota, Mumbai, Vizag and Kandla today. Where as Nagpur market showed a upward trend on soy meal prices. The market-moving factor was less demand from poultry industry, no export situation etc. The new crop will hit the market at October-November. The Vyada market showed a upward trend sentiment today on the NCDEX. There was no trading activity on October contract.

Plant delivery quotes of Soy seeds also remained stable today as compared to last day and traded at Rs 1265 per qtl in Indore while soy meal in physical market has been traded at range bound with stable price of Rs.8500 per MT, as per quality. FOR quotes remained at Rs 9250-9350 per MT in Kandla in jute bags, FAS has been put at \$ 216-217 per MT.

India's soy meal exports totalled **135,550** tons in June 2005 compared with 19,250 tons in June 2004.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	25.08.05	24.08.05
Indore	8500	8500
Satna/Morena	8600	8600
Nanded	8700	8800
Nagpur (42-43%)	8700	8500
Latur	8700	8800
Sangli	-	-
Dhulia/Jalna	8600	8600-8900
Kota	8700	8800
Kandla	9200	9400
Mumbai	9300	9500
Vizag	9200	9300

Soy Meal Vessel Report (25.08.05)

Kandla Port is loading 13,600 MT of SBM to Japan on the vessel 'IKI'. The vessel is being handled by JM Baxi agents. 'An Guang Jiang' has berthed at Kandla Port and

continues to load 12,200 MT of SBM to Japan. Shantilal agents is handling the vessel. Loading of 11,000 MT of SBM is expected at Kandla Port on the vessel 'Jat Na Mu' to Vietnam. Interocan agents is handling the vessel. 'Indruwa Valley' is expected at Mumbai Port to deliver 2,500 MT of SBM. Sai Freight agents will be handling the vessel.

NCDEX Soy meal Futures price (25th August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8502.00	8800.00	8589.00	8589.00	+87.00
Oct'05	8700.00	0.00	0.00	8700.00	0.00

Rape/ Mustard meal

The rapeseed/mustard meal market remained range bound with stable undertone today as compared to last day. However the demand from poultry industry remained poor but promising demand from cattle and dairy industry, moderate domestic demand etc. The demand in the market is expected to be stable and continue the trend in the coming week.

In Shivpuri/ Morena, it was traded at Rs.4550 per MT; Kota at Rs.4450 & Barah at Rs. 4500 per MT, which was remained range bound with stable undertone from previous day.

India exported **45,750** tons of rapemeal in June 2005 as compared to 54,400 in June 2004.

Groundnut meal

The market sentiment for groundnut meal continued its range bound with stable sentiment today as against of previous day. According to the traders, the new kharif crop will hit the market in November and production is expected to be good. In the coming days the prices may remain within the range and later on will be comfortable.

In Rajkot, the GN extraction has been quoted at Rs 5650/ MT for 40% protein at stable position and in Dhulia it remained at Rs.7750/MT.

India exported around **17,700 MT** groundnut meals in June 2005 as compared to 2,300 MT in June 2004.

INTERNATIONAL MARKET

CBOT Soymeal Remained Down on Speculative Selling

Soymeal futures on the Chicago Board of Trade (CBOT) rebounded from its recent gains and ended to the downside, stumbling lower in unison with soybeans on speculative selling amid the absence of fresh fundamental drivers. November soybeans ended 7.75 cents lower at \$6.128, December soymeal settled \$2.30 lower at \$190.50 a short ton, while December soyoil ended 5 points lower at 22.76 cents a pound. The other related factor for price downward was a dearth of fresh fundamental news, coupled with speculative selling.

The Meteorologix weather forecast said a slow-moving weather system, which has been a persistent thunderstorm producer, is now in the southeastern Plains and promises to be a rainmaker for the southern through central areas of the Midwest during the next three to five days.

U.S. Department of Agriculture is scheduled to release its weekly export sales report 7:30 a.m. CDT Thursday, with analysts looking for soybean commitments in a range of 275,000 to 550,000 metric tons. Commodity fund selling was estimated at 1,500 contracts.

CBOT Soymeal Futures as on 24th August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	190.0	199.5	199.5	188.2	-1.7	188.3
Oct'05	190.5	189.5	193.2	188.6	-1.9	188.6

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (25.08.05)

MAIN FEATURES

During the past 24 hours, fairly widespread rainfall with isolated heavy occurred over northeastern States, west Bengal & Sikkim, parts of Bihar and East Uttar Pradesh. Chief amounts of rainfall, during past 24 hours, recorded (in cm) are: Dehradun-12, North Lakhimpur-10, Kolkata-8, Tezpur-8, Agartala, Sundernagar, Gorakhpur-5 each and Patna-4.

Western end of the monsoon trough continued to lie close to the foothills of Himalayas. The eastern end of the monsoon trough passes through Behraich, Gorakhpur, Patna, Bhagalpur and thence southeastwards into northeast Bay of Bengal.

Yesterday's upper air cyclonic circulation over Sub-Himalayan West Bengal & Sikkim and adjoining Bihar

extending up to 3.1 km above sea level has become less marked. However, a north-south trough runs from Sub-Himalayan West Bengal & Sikkim to north Bay of Bengal in the lower level.

Under this scenario, enhanced rainfall activity over northeastern States, Sub-Himalayan West Bengal & Sikkim and Bihar is likely to continue for another 2 days.

Yesterday's upper air cyclonic circulation over Lakshadweep extending between 3.1 and 4.5 km above sea level has also become less marked. However, an off shore trough at sea level chart lies off Karnataka-Kerala coasts.

FORECAST VALID 0830 HOURS IST OF 28th AUGUST, 2005

NORTH : Rain/thundershowers likely at a few places over East Uttar Pradesh, Himachal Pradesh and Uttaranchal. Mainly dry weather in the rest region

EAST : Rain/thundershowers likely at many places over northeastern states, Bihar, Sub-Himalayan West Bengal & Sikkim and at a few places over Gangetic West Bengal, Orissa and isolated in the rest region.

SOUTH : Rain/thundershowers likely at many places over Andaman & Nicobar Islands and Coastal Karnataka and at a few places over the region outside Interior Andhra Pradesh, interior Karnataka and Tamil Nadu where it may be isolated.

WEST : Rain/thundershowers likely at a few places over Konkan & Goa and isolated in the rest region outside Rajasthan, West Madhya Pradesh and Gujarat where weather may be mainly dry.

WARNING

Isolated heavy rainfall is likely over north Bihar, northeastern States and Sub-Himalayan West Bengal & Sikkim.

OUTLOOK for subsequent two days based on NCMRWF and other numerical weather products:

Subdued rainfall activity is likely to continue over northwest & westcentral India. Slight increase in rainfall activity over south Peninsula and Lakshadweep.

FOREX RATES (25.08.05)

Country/ Continent	Currency	Value in Rupees
SA	Dollar	43.76
European Union	Euro	53.86

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>
© 2005 Indian Agribusiness Systems Pvt Ltd.