

## OILMEAL

26<sup>th</sup> August 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Remained Range Bound
- CBOT Soymeal Fell on Speculative Selling

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

The soymeal market price witnessed a range bound with slight weak undertone at most of the places. The market-moving factor was less demand from poultry industry, no export situation etc. The new crop will hit the market at October-November. There was trading activity on the NCDEX today.

Plant delivery quotes of Soy seeds also remained stable today as compared to last day and traded at Rs 1260-1265 per qtl in Indore while soymeal in physical market has been traded at range bound with stable price of Rs.8500-8550 per MT, as per quality. FOR quotes remained at Rs 9200-9250 per MT in Kandla in jute bags, FAS has been put at \$ 213-214 per MT.

India's soymeal 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	26.08.05
Indore	8500	8500-8550
Satna/Morena	8600	8600
Nanded	8700	8650-8700
Nagpur (42-43%)	8700	8700
Latur	8700	8650-8700
Sangli	-	-
Dhulia/Jalna	8600	8600
Kota	8700	8600-8650
Kandla	9200	9200
Mumbai	9300	9300
Vizag	9200	9200

#### Soy Meal Vessel Report (26.08.05)

'Indruwa Valley' has berthed at Mumbai Port and continues to load 2,500 MT of SBM. Sai Freight agents is handling the vessel.

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. Interoccean agents is handling the vessel.

#### NCDEX Soy meal Futures price (26<sup>th</sup> August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8589.00	0.00	0.00	8589.00	0.00
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

Today the groundnut meal market witnessed range bound with stable undertone today as compared to last 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 Fell on Speculative Selling

Soymeal futures on the Chicago Board of Trade (CBOT) stumbled to nearly five-month lows along with soybeans. Speculative selling was featured, with the bearish influence of a higher-than-expected stocks figure from the July Census crush report adding to the defensive tone filtering through the market. November soybeans ended 15 cents lower at \$5.978, December soymeal settled \$4.30 lower at \$186.20 a short ton, and December soybean ended 44 points lower at 22.32 cent a pound. Speculative and technical selling was the key market-moving factor for price downwards.

In soybean trades, Bunge Chicago bought 700 December, Fimat bought 400 December and Cargill bought 200 September and 200 December. Calyon Financial sold 600 September and 700 December, ABN Amro sold 300 December, and Cargill Investor Services sold 300 September and 800 December. Speculative fund selling was pegged between 2,000 and 3,000 contracts.

### CBOT Soybean Futures as on 25<sup>th</sup> August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	188.3	187.5	187.5	182.8	-4.6	183.7
Oct'05	188.6	188.0	188.0	183.4	-4.3	184.3

CBOT remained closed on Saturday and Sunday

## WEATHER WATCH: (26.08.05)

### MAIN FEATURES

During past 24 hours, fairly widespread rains have occurred over northeastern States, Sub-Himalayan West Bengal & Sikkim, Coastal Andhra Pradesh and Tamil Nadu. Chief amounts of rainfall (in cm) are: Kolkata-6, Ongole-5, Passighat & Coochbehar-4 each, North Lakhimpur, Dibrugarh, Jalpaiguri, Cuddalore & Pondicherry-3 each.

The monsoon trough continues to lie close to the foothills of Himalayas

The north-south trough from Sub-Himalayan West Bengal & Sikkim to north Bay of Bengal has become less marked.

Under this scenario, enhanced rainfall activity over northeastern States, Sub-Himalayan West Bengal & Sikkim and north Bihar is likely to continue for another 2 days. Whereas the subdued rainfall activity may continue over northwest, central India and north peninsula.

An upper air cyclonic circulation has formed over central parts of Bay of Bengal in the mid tropospheric levels. This is likely to cause scattered to fairly widespread rainfall over the south peninsula.

The off shore trough off Karnataka-Kerala coasts has become less marked.

### FORECAST VALID FOR NEXT 72 HOURS

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

**EAST :** Rain/thundershowers likely **at many places** over northeastern states, North Bihar, Sub-Himalayan West Bengal & Sikkim and **at a few places** over Gangetic West Bengal, and **isolated** in the rest region outside east Madhya Pradesh whether the weather will be mainly dry.

**SOUTH :** Rain/thundershowers likely **at many places** over Andaman & Nicobar Islands, Coastal Andhra Pradesh and Coastal Tamil Nadu & Pondicherry and **at a few places** over the region.

**WEST :** Rain/thundershowers likely **at a few places** over Konkan & Goa; and **isolated** in the rest region outside Rajasthan & West Madhya Pradesh 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.

Moderate rainfall activity over south Peninsula is likely to continue.

### FOREX RATES (26.08.05)

Country/Continent	Currency	Value in Rupees
SA	Dollar	43.73
European Union	Euro	53.82

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