

OILMEAL

11th August 2005

MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Witnessed A Bearish Tone
- CBOT Soyoil Futures Witnessed a Bearish Tone
- Latest Oilseeds Sowing Showing a Downfall

COMMENTARY

DOMESTIC MARKET

Soy meal

The soy meal market sentiment witnessed a mixed undertone today against the previous day. The soy meal spot market showed a mixed sentiment. At NCDEX, the August soy meal future contract remained on slight higher side against previous day's closing. Where as the soy meal futures at CBOT on Wednesday also showed a mixed sentiment due to choppy trading.

Plant delivery quotes of Soy seeds traded at the range of Rs 1270-1275 per qtl in Indore while soy meal in physical market has been offered at Rs 8800 -9200 per MT, as per quality. FOR quotes remained at Rs 9450-9550 per MT in Kandla in jute bags, FAS has been put at \$ 224-226 per MT.

India's soy meal exports totalled **115,750** tons in June 2005 compared with 94,500 tons in June 2004.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	10.08.05	11.08.05
Indore	8800-9200	8800-9200
Satna/Morena	8650	8700
Nanded	8800	8750-8800
Nagpur (42-43%)	8900	8850-8900
Latur	8800	8750-8800
Sangli	-	-
Dhulia/Jalna	8900-9100/8900-8950	8900-9100
Kota	9000	8850
Kandla	9500	9500
Mumbai	9700-9650	9650
Vizag	9600	9600

Soy meal vessel report (11.08.05)

Kandla Port is loading 13,000 MT of SBM to Japan on the vessel 'Far East Glory'. The vessel is being handled by Interocean agents. Loading of 13,500 MT of SBM is continuing at Kandla Port on the vessel 'Thor Mercury' to Indonesia. Shantilal agents is handling the vessel.

NCDEX Soy meal Futures price (11th August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Aug	8775	8790	8750	8790	+15.00
Sep	8812	0	0	8825	+13.00

Rape/ Mustard meal

The rapeseed market price remained almost unchanged and there was no scope for enough trading in most places. The demand in the market is expected to be firm early.

In Shivpuri/ Morena, rates remained at unchanged position and traded at Rs 4450 per MT; Kota & Barah at Rs. 4450 per MT.

Central Organisation For Oil Industry And Trade (COOIT), 1st Advance estimates for the year 2004-2005 has put the Rapeseed/Mustard crop production along with Kharif Toria (1.8 lakh tonnes) to 72.0 lakh tonnes in 2005.

India exported **53,975** tons of rapemeal in June 2005 as compared to 45,575 in June 2004.

Groundnut meal

Groundnut meal market continued its present tone in most of the places that is from where it left off last day and maintained the sluggish tone. The market remained on unchanged position. In the coming days the prices may remain within the range and later on will be better off.

GN extraction in Junagarh, Rajkot has been quoted at Rs 6450 for 40% protein and at Dhulia market there was no trading for today.

Central Organisation for Oil Industry and Trade (COOIT), 1st Advance Rabi Estimates for the 2004-2005 has put the Rabi GN crop at 17 lakh tonnes, same as last year.

India exported around **8,900 MT** groundnutmeal in June 2005 as compared to 30,475 MT in June 2004.

INTERNATIONAL MARKET

CBOT Soymeal Futures Witnessed a Mixed Sentiment

Soymeal futures on the Chicago Board of Trade (CBOT) ended mixed, following the choppy tone of soybeans, stabilizing after Tuesday's sharp declines. Where as soybean futures remained unchanged on Wednesday after a choppy two-sided session, due to the market consolidated from Tuesday's speculative sell off. November soybeans ended unchanged at \$6.528, December soymeal settled flat at \$205.90 a short ton, and December soyoil ended 16 points lower at 22.98 cent a pound. The influence of weather forecasts projecting cooler and wetter conditions were also a bearish for soybean crops. South American soybean futures ended mostly lower. The September futures settled 3 cents lower at \$6.75. On the other hand the soyoil futures continued their move back from previous highs, extending their bearish trend amidst technically motivated selling. The market experienced two-sided activity early in the session, but once the most-active December future failed to hold support at the psychological 23.00- cents-per-pound level, speculative selling remerged to pin prices in negative territory, according to traders. The December soyoil futures fell to its lowest level since May 24, shedding 254 points from last week's high -25.52 - to Wednesday's close. December oil share ended at 35.82%, and the November/December crush finished at 53 cents.

CBOT Soymeal Futures as on 10th August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Aug'05	207.4	206.5	208.5	206.1	0.6	208.0
Oct'05	205.5	204.5	206.0	203.9	-0.7	204.8

CBOT remained closed on Saturday and Sunday

NEWS ANALYSIS

Latest Oilseeds Sowing Showing a Downfall

Kharif sowing is down merely 2.53 per cent at 150.37 lakh hectare compared with 154.59 lakh hectare last year. This shortfall is largely due to delayed monsoon.

Soybean sowing is slightly lower than last year, the data suggests. The coverage is better in Andhra Pradesh, Maharashtra and Rajasthan. The acreage in Madhya Pradesh is less on year, as of today, due to delayed onset and advancement of monsoon.

Experts, however, are still hopeful of improvement in area acreage. Sowing in other states has been completed.

Soybean acreage is now down 1.4 per cent at 74.36 lakh hectare compared with 75.48 lakh hectare last year.

A significant improvement in groundnut acreage has been seen within the last week. However, the coverage still is down 6 per cent on year at 50.24 lakh hectare. This is largely due to lower acreage in Gujarat due to delayed onset of monsoon coupled with heavy rains subsequently.

Other states registering lower acreage on year are Karnataka and Tamil Nadu. While the sowing in Gujarat and Maharashtra is over, it is still on in Karnataka and Andhra Pradesh.

Sunflower sowing is down 24 per cent at 4.39 lakh hectare and niger seed down 38 per cent at 78,000 hectare. On the other hand, castor seed acreage is up 57 per cent at 6.15 lakh hectare and sesamum up 2.5 per cent at 13.65 lakh hectare.

WEATHER WATCH: (11.08.05)

Forecast valid for next 72 hours

North: Rain/thundershowers likely at a few places over Himachal Pradesh and Uttaranchal and isolated in the region outside Punjab, West Uttar Pradesh where weather may be mainly dry.

East: Rain/thundershowers likely at many places over northeastern States, West Bengal & Sikkim and at a few places over Orissa, Bihar and Jharkhand and isolated in the rest region.

South: Rain/thundershowers likely at many places over Coastal Karnataka and at a few places over Interior Karnataka and Coastal Andhra Pradesh and isolated in the rest region.

West: Rain/thundershowers likely at a few places in Konkan & Goa and Madhya Maharashtra and isolated in the rest region.

Warning

Isolated heavy rainfall likely over northeastern States and West Bengal & Sikkim.

Outlook for subsequent two days

Increase in rainfall activity likely over Orissa, Jharkhand and Chhattisgarh.

Forex Rates (11.08.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.33
European Union	Euro	53.91

Export of Oilmeal

COMMODITY WISE

India's oil meal exports of April - June '05 (compared to comparative period of previous year 2004-05)

Quantity in metric tonnes

Month	S.B. EXT	R.S. EXT	G.N. EXT	R.B. EXT	CST EXT	TOTAL
April 2005	99,250 (366,625)	90,900 (96,000)	12,950 (14,800)	--- (---)	17,800 (---)	220,900 (477,425)
May 2005	156,100 (278,300)	69,650 (100,875)	3,025 (44,750)	6,875 (---)	50,200 (---)	285,850 (423,925)
June 2005	115,750 (94,500)	53,975 (45,575)	8,900 (30,475)	12,675 (5,800)	20,225 (6,200)	211,525 (182,550)
TOTAL	371,100 (739,425)	214,525 (242,450)	24,875 (90,025)	19,550 (5,800)	88,225 (6,200)	718,275 (1,083,900)
2004-05	1,861,325	588,805	121,475	43,056	70,750	2,685,411
2003-04	2,683,675	447,050	126,750	---	65,550	3,323,025
2002-03	1,333,318	455,533	15,225	---	92,445	1,896,521
2001-02	2,509,207	313,012	101,001	---	97,557	3,020,777
2000-01	2,182,142	62,968	18,609	---	10,992	2,336,638
1999-00(F.Y)	2,249,505	79,874	1,808	---	93,365	2,428,470

S.B.- Soybean Extns., R.S.- Rapeseed Extns., G.N.- Groundnut Extns., CST - Castorseed Extns, R.B.- Ricebran Extns

Source: SEA Data Bank

PORTWISE

MONTH	BEDI	MUMBAI	BHAV-NAGAR	KANDLA	VIZAG	KAKI-NADA	MAGD-ALLA	MUNDRA	TOTAL
April 2005	35,175 (61,525)	43,250 (102,175)	--- (34,700)	126,625 (235,500)	15,850 (24,125)	--- (7,500)	--- (---)	--- (11,900)	220,900 (477,425)
May 2005	10,500 (115,600)	48,325 (61,250)	--- (12,225)	188,975 (155,950)	30,425 (56,400)	6,875 (9,000)	750 (---)	--- (13,500)	285,850 (423,925)
June 2005	8,600 (39,300)	45,625 (70,925)	--- (---)	120,650 (59,475)	29,900 (---)	6,750 (12,850)	--- (---)	--- (---)	211,525 (182,550)
TOTAL	45,675 (177,125)	91,575 (163,425)	--- (46,925)	315,600 (391,450)	46,275 (80,525)	6,875 (16,500)	750 (---)	--- (25,400)	506,750 (901,350)

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