

## OILMEAL

30<sup>th</sup> August 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Remained Steady
- CBOT : Soymeal Traded Steady on Latest Crop Estimates

### COMMENTARY DOMESTIC MARKET

#### Soy meal

There was no trading of soymeal at the NCDEX today for September and October contract. Prices in the major spot markets improved in the afternoon. The market sentiments are improving. The crop estimate is lower. The seed prices also improved today.

Plant delivery quotes of Soy seeds witnessed slight weak today as compared to last day and traded at Rs 1265 per qtl in Indore while soymeal in physical market has been traded at range bound with stable price of Rs.8600 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)	
	29.08.05	30.08.2005
Indore	8500-8550	8600
Satna/Morena	8600	8650
Nanded	8650-8700	8650-8700
Nagpur (42-43%)	8700	8700
Latur	8650-8700	8650-8700
Sangli	-	-
Dhulia/Jalna	8600	8700
Kota	8600-8650	8650
Kandla	9200	9200
Mumbai	9300	9300
Vizag	9200	9200

#### Soy Meal Vessel Report (29.08.05)

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

Loading of 11,000 MT of SBM is expected at Kandla Port on the vessel 'Jat Na Mu' to Vietnam. Interocean agents is handling the vessel.

#### NCDEX Soy meal Futures price (30<sup>th</sup> August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8449.00	0.00	0.00	0.00	0.00
Oct'05	8746.00	0.00	0.00	0.00	0.00

#### Rape/ Mustard meal

Following the firmness in soymeal, the rapemeal market remained firm and is expected to gain further ground. However, the demand from poultry industry is to catch up and support the prices upward. 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 continued the steady trend but the market is expected to get a boost as soon the month of sawan is over. 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 Traded Steady on Latest Crop Estimates

November soybeans improved marginally after news on the crop estimate on Friday afternoon from the crop tour last week, less than expected rains for Illinois over the weekend and some light concerns with potential crop loss.

The Pro Farmer crop tour estimated the production to be at 75.74 million tonnes, down 0.19 million tonnes from the August USDA forecast. The lower estimate of the production in US is certainly going to add bullishness to the soybean complex market in the near future.

Hurricane Katrina could keep the port of New Orleans shut down for several days were seen having a bearish influence on Prices.

It is anticipated that crops rated in good-to-excellent condition to come in 1 to 2 percentage points higher than last week in the weekly crop progress reports to be released today evening.

The US soybean is expected to continue range bound on the lower side on Tuesday evening amidst continuing uncertainty in the US soybean production prospects.

### CBOT Soymeal Futures as on 29<sup>th</sup> August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	183.7	-	-	-	+6.00	184.3
Oct'05	184.8	-	-	-	+6.00	185.4

CBOT remained closed on Saturday and Sunday

## WEATHER WATCH: (30.08.05)

### PROGRESS OF MONSOON

During past 24 hours, monsoon activity remained subdued over most parts of the country as break monsoon conditions continue to prevail. The monsoon trough continues to remain close to foothills of Himalayas. This condition is likely to prevail during next 2-3 days. Yesterday's upper air cyclonic circulation over Lakshadweep area persists & extends between 3.6 and 5.8 km a.s.l.. The upper air cyclonic circulation over south interior Karnataka and neighbourhood now lies over southeast Tamil Nadu and adjoining southwest Bay of Bengal extending between 2.1 and 3.6 km a.s.l. These systems likely to cause moderate rainfall activity over south peninsular India during next two days. The upper air cyclonic circulation extending between 2.1 to 4.5 km above sea level over Gujarat & neighbourhood persists. The

north-south trough running from sub Himalayan West Bengal to north Bay of Bengal extending upto 1.5 km a.s.l. now runs from northeastern states to north Bay of Bengal. During past 24 hours, southwest monsoon was vigorous over Rayalaseema. Rain/ thundershowers occurred at a few places over Andaman & Nicobar Islands, West Bengal & Sikkim, coastal Andhra Pradesh, south interior Karnataka, Kerala and Lakshadweep and isolated over rest regions of the country outside Jharkhand, Uttar Pradesh, Haryana, Punjab, Uttaranchal, Himachal Pradesh, Jammu & Kashmir, Rajasthan, Uttar Pradesh, Gujarat region and Vidarbha where the weather was mainly dry

### Zone-Wise Rainfall Forecast for Next Week

North & North-West India: [ J&K, HP, Uttranchal, Punjab, Haryana, Delhi, West UP]

Mainly dry weather is likely to prevail over most parts of the region.

East and NE India: [East UP, Bihar, Jharkhand, West Bengal, Orissa, NE states]

Scattered rainfall activity is likely to continue over Sub-Himalayan West Bengal & Sikkim, and NE States during next 3 days. Isolated rains are likely over rest areas of the region.

Central India: [ MP, Chattisgarh, Vidarbha]

Isolated rainfall activity is likely over the region for next 3-4 days except over West Madhya Pradesh where mainly dry weather is likely to prevail.

South India: [TamilNadu, AP, Kerala, Karnataka, Andaman & Nicobar Islands, Lakshadeep]

Isolated to scattered rainfall activity is expected over the region during next 4-5 days.

West India: [ Maharashtra other than Vidarbha, Gujarat, Rajasthan]

Konkan & Goa, Madhya Maharashtra, Marathwada are likely to experience isolated to scattered rains during next 3-4 days. Remaining parts of the region are expected to experience mainly dry weather during this period.

Source: GOI (IMD & NCMRWF)

### FOREX RATES (30.08.05)

Country/ Continent	Currency	Value in Rupees
SA	Dollar	44.02
European Union	Euro	53.79

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