

OILMEAL

12th August 2005

MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Remained Almost Unchanged
- CBOT Soymeal Futures Up
- Latest Oilmeals Export Summary

COMMENTARY

DOMESTIC MARKET

Soy meal

The market sentiment for soymeal showed almost unchanged position today over previous day. The August soymeal future contract at NCDEX, witnessed slight strong position today against previous day's closing price. The soymeal futures at CBOT on Thursday remained slight high in quiet sideways fashion, consolidating ahead of Friday's crop report, where as soybean futures settled on modestly lower levels.

Plant delivery quotes of Soy seeds remained at unchanged position of previous day and traded at Rs 1270 per qtl in Indore while soymeal in physical market has been offered at Rs 8800 -9200 per MT, as per quality. FOR quotes remained at Rs 9500-9600 per MT in Kandla in jute bags, FAS has been put at \$ 224-226 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)	
	12.08.05	11.08.05
Indore	8800-9200	8800-9200
Satna/Morena	8600	8700
Nanded	8700-8800	8750-8800
Nagpur (42-43%)	8800-8900	8850-8900
Latur	8700-8800	8750-8800
Sangli	-	-
Dhulia/Jalna	8900-9200	8900-9100
Kota	8850	8850
Kandla	9500	9500
Mumbai	9675	9650
Vizag	9600	9600

Soy meal vessel report (12.08.05)

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

NCDEX Soy meal Futures price (12th August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Aug	8750	8805	8798	8805	+55.00
Sep	8812	0	0	8825	+13.00

Rape/ Mustard meal

Rapeseed/mustard meal market sentiment remained slight down today against yesterday amid less demand. The demand in the market is expected to be firm early.

In Shivpuri/ Morena, it was traded at Rs.4400 per MT; Kota at Rs.4400 & Barah at Rs. 4300 per MT, which was remained poor 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 remained same today against previous day. Groundnut meal market continued its present tone in most of the places. 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.

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

INTERNATIONAL MARKET

CBOT Soymeal Futures Up in Quiet Sideways Fashion

Chicago Board of Trade (CBOT) soymeal futures showed an upward direction in quiet sideways fashion, consolidating ahead of Friday's crop report, where as soybean futures settled on modestly lower levels on Thursday. The absence of any fresh market moving news failed to provide an incentive for traders add risk ahead of a major report. November soybeans ended 2.5 cents lower at \$6.503, December soybean settled \$0.50 higher at \$206.40 a short ton, while December soybean ended 7 points lower at 22.91 cent a pound. U.S. Department of Agriculture's crop report kept futures moving sideways, said a CBOT commission house broker. The USDA is scheduled to release its crop production and supply and demand report Friday at 7:30 a.m. CDT. The average of analyst's estimates surveyed by Dow Jones Newswires pegged 2005 soybean production at 2.802 billion bushels with a yield of 38.7 bushels an acre. Carryout for 2004-05 was pegged at 296 million bushels and 2005-06 carryout at 168 million bushels.

CBOT Soymeal Futures as on 11th August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Aug'05	208.00	208	209	205.8	-0.4	207.6
Oct'05	204.8	204.8	206.2	204.2	0	204.8

CBOT remained closed on Saturday and Sunday

NEWS ANALYSIS

Export of Oilmeals Decline by 18%

It is witnessing that the export of oilmeals during July 2005 from India is reported at 227,025 tons compared to 75,950 tons in July last year i.e. almost triple. However the overall export of oilmeals for the month of April to July 2005 is not promising and it is reported at 945,300 tons compared to 1,159,850 tons during the same period of last year i.e. down by 18%. During first 4 months soybean meal export shown decline trend and reduced to 506,650 tons from 758,675 tons, while rapeseed meal has more or less maintained the share. The groundnut meal exports has declined to 42,575 tons from 92,325 tons, while castor seed meal exports has jumped to 99,750 tons from 6,200 tons and mainly exported to Taiwan and South Korea. Rice bran extraction export has also revived after long time and reported at 36,050 tons compared to 5,800 tons of last year. South East Asia is the major market for Indian oilmeals. To check the overall declining trend and promote oilmeals export from India; SEA is deputing a 15 members strong delegation sponsored by Ministry of Commerce, GOI to Taiwan, South Korea, Vietnam and Thailand during middle of August 2005 to meet the leading feed millers & importers of oilmeals.

Kandla Port Exported 59% of Oilmeals

The export from Kandla is reported at 554,500 tons (59%), followed by Mumbai, which handled 178,250 tons (19%), Bedi handled 75,675 tons (8%), Vizag handled 106,000 tons (11%) and Kakinada handled 30,125 tons (3%).

USDA Export Sales Highlights on Soybean Cake and Meal

According to the latest report of USDA that net sales of 38,800 MT were 46 percent under the previous week and the prior 4-week average. The primary buyers were Canada (11,100 MT), Mexico (10,300 MT), Egypt (8,000 MT), Denmark (4,500 MT), and Honduras (4,100 MT). Sales of 4,500 MT for delivery in 2005/06 were for Canada. Exports of 59,200 MT were 24 percent below the previous week and 37 percent under the prior 4-week average. The primary destinations were Mexico (33,500 MT) and Canada (16,400 MT). (This summary is based on reports from exporters for the period July 29-August 4, 2005.)

WEATHER WATCH: (12.08.05)

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 (12.08.05)

Country/Continent	Currency	Value in Rupees
USA	Dollar	43.58
European Union	Euro	54.03

Export of Oilmeal

COMMODITY WISE

India's oil meal exports of April - July '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)
July 2005	135,550 (19,250)	45,750 (54,400)	17,700 (2,300)	16,500 (---)	---	11,525 (---)
TOTAL	506,650 (758,675)	260,275 (296,850)	42,575 (92,325)	36,050 (5,800)	---	99,750 (6,200)
2004-05	1,861,325	588,805	121,475	43,056	---	70,750
2003-04	2,683,675	447,050	126,750	---	---	65,550
2002-03	1,333,318	455,533	15,225	---	---	92,445
2001-02	2,509,207	313,012	101,001	---	---	97,557
2000-01	2,182,142	62,968	18,609	---	---	10,992
1999-00 (F.Y)	2,249,505	79,874	1,808	---	3,918	93,365

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)	---	126,625 (235,500)	15,850 (24,125)	---	---	---	220,900 (477,425)
May 2005	10,500 (115,600)	48,325 (61,250)	---	188,975 (155,950)	30,425 (56,400)	6,875 (9,000)	750 (---)	---	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)
July 2005	21,400 (6,300)	41,050 (17,250)	---	118,250 (52,400)	29,825 (---)	16,500 (---)	---	---	227,025 (75,950)
TOTAL	75,675 (222,725)	178,250 (251,600)	---	554,500 (503,325)	106,000 (80,525)	30,125 (29,350)	750 (---)	---	945,300 (1,159,650)

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