

OILMEAL

22nd August 2005

MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Remained Stable
- Latest Weather Watch

COMMENTARY

DOMESTIC MARKET

Soy meal

The market sentiment for soymeal remained almost unchanged at most of the places today as against of last weekend's closing prices due to moderate demand and lack of global demand. Indore market showed some what upward ness. The main factor behind this sentiment is mainly for lack of demand from poultry industry, poor global demand, released the stock by the stockists and less export in this time. There was no trading activity at the NCDEX today on September and also October contract.

Plant delivery quotes of Soy seeds also remained unchanged today as compared to last day and traded at Rs 1240-1245 per qtl in Indore while soymeal in physical market has been traded at much low of Rs.8300-8400 per MT, as per quality. FOR quotes remained at Rs 9200-9300 per MT in Kandla in jute bags, FAS has been put at \$ 216-217 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)	
	20.08.05	22.08.05
Indore	8300-8400	8500-8700
Satna/Morena	8500	8450-8500
Nanded	8600	8600
Nagpur (42-43%)	8600-8700	8600-8700
Latur	8600	8600
Sangli	-	-
Dhulia/Jalna	8500-8600	8500-8650
Kota	8600	8600
Kandla	9200-9300	9200-9300
Mumbai	9400-9450	9400-9450
Vizag	9350-9400	9350-9400

Soy Meal Vessel Report (20.08.05)

Mumbai Port is expecting 'Asha Ashik' to load 10,000 MT of SBM. Astral Freight agents will be handling the vessel. Another vessel, 'Indruwa Valley' is expected at the port to deliver 2,500 MT of SBM. Sai Freight agents will be 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. The port is expecting 'IKI' to load 13,600 MT of SBM to Japan. The vessel will be handled by JM Baxi agents.

NCDEX Soy meal Futures price (22nd August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8450.00	0.00	0.00	8450.00	0.00
Oct'05	8700.00	0.00	0.00	8700.00	0.00

Rape/ Mustard meal

There was no change noticed in rapeseed/mustard meal market today as compared to previous day. The same trend line has been followed in this market. 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.4450per MT; Kota at Rs.4400 & Barah at Rs. 4350 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 showed slight strong undertone today. In the coming days the prices may remain within the range and later on will be comfortable.

In Gujarat the GN extraction in has been quoted at Rs 5650-5700/ MT for 40% protein at much lower position and in Maharashtra it remained at Rs.7650-7700/MT.

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

INTERNATIONAL MARKET

CBOT Remained closed on Saturday and Sunday

CBOT Soymeal Futures as on 20th August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	190.9	189.5	189.5	186.3	-4.1	186.8
Oct'05	191.2	190.0	190.0	186.3	-4.1	187.1

CBOT remained closed on Saturday and Sunday

NEWS ANALYSIS

Latest Kharif Sowing Progress

According to the latest data released by the agriculture ministry that the shortfall in kharif sowing is minimizing now. Delay in onset and advancement of the south-west monsoon has led to shortfall in kharif acreage this year. As on 16 August, coarse cereals acreage is down 2.3 per cent on year followed by oilseeds and rice, which dropped 1.8 per cent each.

Kharif oilseed sowing progress decreased marginally by 1.8 per cent at 158.14 lakh hectares compared with 161.03 lakh hectares last year. This on-year shortfall is largely due to delayed monsoons. Groundnut sowing is also 4 per cent lower at 52.5 lakh hectares. The data reveals that this is mainly due to lower coverage in Andhra Pradesh, Gujarat, Maharashtra and Tamil Nadu. However, sowing is still on in AP, Karnataka and Tamil Nadu, AP too is witnessing crop diversion this year. It is reported that the sowing is almost completed in Gujarat and Maharashtra.

Soybean acreage is also lower on year. The acreage in MP is less on year, due to delayed onset and advancement of monsoon.

Experts, however, are still expecting that the area acreage would improve. Sowing in other states like Andhra Pradesh, Maharashtra and Rajasthan were higher on year. Acreage is down 2.2 per cent at 75.87 lakh hectares compared with 77.61 lakh hectares last year.

Sunflower sowing is down 10.3 per cent at 6.42 lakh hectares and niger seed down 31.6 per cent at 93,000 hectares. On the other hand, castor seed acreage is up 42.5 per cent at 7.18 lakh hectares and sesamum increased 1.3 per cent at 15.25 lakh hectares.

Cuba Trip's Payout: \$17 million Including Soymeal

Cuban officials agreed to buy \$17 million in Nebraska agriculture products, including corn, wheat, soybeans and beef, over the next 18 months. This is truly a historic day for Nebraska agriculture. According to Cuban officials, it plans to sales of 25,000 tons of wheat, the same amount of corn, and possibly 15,000 tons of soybeans or soy meal in November.

Oil Meal Exports Witnesses Triple In July

India's exports of oilseed meal almost tripled in July from a year earlier, the Solvent Extractors Association of India said. Total exports of meal made from the oilseeds and soybeans and rapeseed in particular, rose to 227,025 metric tonne in the month from 75,950 tonne a year ago. Export of the commodity fell 18.5% to 945,300 tonne in the

four months ended July 31 from a year earlier, the trade body that represents 800 oilseed processors in the country said. However, the overall export of oilmeal for the month of April to July 2005 is reported at 945,300 tonne compared with 1,159,850 tonne during the same period of last year ie down by 18%. During the first four months soybean meal export had shown decline trend and reduced to 506,650 tonne from 758,675 tonne, while rapeseed meal has more or less maintained the share. The groundnut meal exports declined to 42,575 tonne from 92,325 tonne, while castorseed meal exports has jumped to 99,750 tonne from 6,200 tonne and mainly exported to Taiwan and South Korea. Ricebran extraction export has also revived after long time and reported at 36,050 tonne compared to 5,800 tonne of last year. South East Asia is a 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 to Taiwan, South Korea, Vietnam and Thailand during middle of August 2005, to meet the leading feed millers and importers of oilmeals.

WEATHER WATCH: (22.08.05)

MAIN FEATURES

Fairly widespread rain with isolated heavy rainfall has occurred over northeastern states, Sub-Himalayan West Bengal & Sikkim, Bihar, East Uttar Pradesh, East Madhya Pradesh and Nepal. Chief amounts of rainfall (in cms) are: Cooch Behar-10, Allahabad-9, Khajuraho-8, Satara-7 and Pokhra Airport (Nepal)-9.

Axis of the monsoon trough passes through Ferozepur, Ambala, Bareilly, Varanasi, Gaya, Kharagpur thence east-southeast into northeast Bay of Bengal.

Yesterday's upper air cyclonic circulation over central Uttar Pradesh has become less marked.

The other upper air cyclonic circulation over Bihar and neighbourhood persists and extends upto mid-tropospheric levels

Under this scenario enhanced rainfall activity over northeastern States, Sub-Himalayan West Bengal & Sikkim, Bihar, north Madhya Pradesh and East Uttar Pradesh is likely to continue during next 2-3 days.

FORECAST VALID FOR NEXT 72 HOURS

NORTH : Rain/thundershowers likely at many places over East Uttar Pradesh and isolated in the rest region.

EAST : Rain/thundershowers likely at many places northeastern states, Bihar, Sub-Himalayan West Bengal & Sikkim, Jharkhand, East Madhya Pradesh and north Chhattisgarh and at a few places in the rest region.

SOUTH : Rain/thundershowers likely at a few places over Andaman and Nicobar Islands and Coastal Karnataka and isolated in the rest region outside Tamil Nadu & Pondicherry and south Andhra Pradesh where weather may be mainly dry.

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

WARNING

Heavy to very heavy rainfall is likely at a few places in East Uttar Pradesh and Bihar. Isolated heavy rainfall also likely over northeastern States, Sub-Himalayan West Bengal & Sikkim and East Madhya Pradesh.

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

Export of Oilmeals

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

Subdued rainfall activity is likely to continue over northwest India.

FOREX RATES (22.08.05)

Country/ Continent	Currency	Value in Rupees
SA	Dollar	43.59
European Union	Euro	53.06

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)
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)	--- (46,925)	554,500 (503,325)	106,000 (80,525)	30,125 (29,350)	750 (---)	--- (25,400)	945,300 (1,159,650)

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