

OILMEAL

31st August 2005

MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Showed Firmness
- CBOT: Soymeal Remained Firm; Weather Concern

COMMENTARY

DOMESTIC MARKET

Soy meal

There was an improvement in trading of soymeal at the NCDEX today for September. Prices opened high today and improved through out the day. The market sentiments are improving. The crop estimate is lower. The seed prices also improved today. In coming two or three days it is expected that Soy meal prices may improve further.

Plant delivery quotes of Soy seeds witnessed slight weak today as compared to last day and traded at Rs 1275-80 per qtl in Indore while soymeal in physical market has been traded within a range of Rs.8400-8600 per MT, as per quality. FOR quotes remained at Rs 9200-9300 per MT in Kandla in jute bags, FAS has been put at \$ 215-217 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)	
	30.08.05	31.08.2005
Indore	8600	8400-8600
Satna/Morena	8650	8600-8700
Nanded	8650-8700	8700
Nagpur (42-43%)	8700	8700
Latur	8650-8700	8750
Sangli	-	-
Dhulia/Jalna	8700	8600
Kota	8650	8800-8900
Kandla	9200	9200-9300
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 (31st August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8449.00	8590.00	8499.00	8590.00	+141.00
Oct'05	8746.00	0.00	0.00	0.00	0.00

Rape/ Mustard meal

The rapemeal market remained firm and is expected to gain further ground. The demand from poultry industry is to catch up and support the prices upward. The demand in the market is expected to be stable with a strong undertone and continue the trend in the coming week.

In Shivpuri/ Morena, it was traded at Rs.4600 per MT; Kota at Rs.4500 & 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 today. 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 5900-6300/ MT for 40% protein at stable position and in Dhulia it remained at Rs.7600/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 Remained Firm; Weather Concern

Heavy rains for today and tomorrow caused flooding in southeast soybean belt.

Increased buying from China of more than 10 cargoes in the last week added to the more positive tone.

Traders concerned over increased deliveries in September due to the closed ports at the gulf.

The US soybean is expected to continue on the positive side on Wednesday evening amidst closure of major ports.

CBOT Soymeal Futures as on 30th August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	184.3	-	187.7	184.0	+0.3	184.6
Oct'05	185.4	-	188.8	184.8	+0.2	185.6

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (31.08.05)

Weather Forecast

During last 24 hours, monsoon rainfall activity remained subdued over most parts of the country as break monsoon conditions continue to prevail with the monsoon trough remaining close to foot hills of Himalayas. This condition is likely to prevail with Scattered moderate rainfall over North eastern states and Sub-Himalayan West Bengal & Sikkim and south peninsular India for next two days.

Forecast Valid For Next 72 Hours

NORTH : Mainly dry weather in the region except western Himalayas where isolated light to moderate rainfall likely on 2nd & 3rd.

EAST : Rain/thundershowers likely at many places over northeastern states, Sub-Himalyan West Bengal & Sikkim; at a few places over Gangetic West Bengal, Orissa and Bihar and isolated in the rest region.

SOUTH : Rain/thundershowers likely at many places over Andhra Pradesh, north Tamil Nadu and Interior Karnataka and at a few places in rest region.

WEST : Rain/thundershowers likely at a few places over south Konkan & Goa and south Madhya Maharashtra and isolated over north Konkan and north Madhya Maharashtra and Gujarat. Mainly dry weather in the rest region.

Warning

Isolated heavy rainfall likely over northeastern States, Sub-Himalayan West Bengal & Sikkim, interior Karnataka and Coastal Andhra Pradesh.

Outlook For The Next Two Days

Moderate rainfall activity over south Peninsula and Northeastern States is likely to continue.

Subdued rainfall activity is likely to continue over northwest of India.

Rainfall activity likely to increase over eastcentral and eastern India.

Source: GOI (IMD & NCMRWF)

FOREX RATES (31.08.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.04
European Union	Euro	53.80

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