

## OILMEAL

13<sup>th</sup> August 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market Remained Firm
- CBOT Soy meal Futures Lower on Weather Concerns
- Latest Oilmeals Export Summary

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

The market remained steady today at most of the spot markets. The Futures at NCDEX did not show any trading in all the contracts except a steady movement in the December contract. The spot market did show some upward movement before the weekend long holiday,

Plant delivery quotes of Soy seeds remained at unchanged position of previous day and traded at Rs 1275 per qtl in Indore while soymeal in physical market has been offered at Rs 8700 -9000 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	13.08.05
Indore	8800-9200	8700-9000
Satna/Morena	8600	8600
Nanded	8700-8800	8750-8850
Nagpur (42-43%)	8800-8900	8850-8900
Latur	8700-8800	8750-8800
Sangli	-	-
Dhulia/Jalna	8900-9200	8800-9000
Kota	8850	8800
Kandla	9500	9500,(Jute Bgs)
Mumbai	9675	9650,(old pp Bgs)
Vizag	9600	9600(new pp Bgs)

#### Soy meal vessel report (12.08.05)

Kandla Port is loading 13,000 MT of SBM to Japan on the vessel 'Far East Glory'. Inter-ocean 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 (13<sup>th</sup> August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Aug	8805.00	0	0	8805.00	0.00
Sep	8812.00	0	0	8825.00	0.00

#### Rape/ Mustard meal

Rapeseed/mustard meal market remained firm compared to last day's prices. The market demand was on the higher side amidst tight supply in the markets. The demand in the market is expected to be firm and continue the trend in the coming week.

In Shivpuri/ Morena, it was traded at Rs.4450 per MT; Kota at Rs.4400 & Barah at Rs. 4400 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

Continuing the firmness the market remained flat before the weekend. The groundnut meal market did not show enough trading today against previous day. 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 Lower on Weather Concerns

Soybean futures at the Chicago Board of Trade ended a volatile two-sided session modestly lower Friday, chopping around with near-term weather overshadowing longer-term supportive crop data from U.S. Department of Agriculture. Soymeal futures followed the soybeans and ended on the lower side.

November soybeans ended 2 1/4 cents lower at \$6.48 a bushel, December soymeal settled \$1.90 lower at \$204.50 a short ton, while December soyoil ended 9 points higher at 23.00 cents a pound.

The news from the USDA was enough to trigger the early break but a lack of follow-through selling, the outlook for poor weather to return to the southern Midwest and continued poor growing conditions in Arkansas into next week helped support the strong turn around.

The USDA revised usage (both export and crush) down by 59 million bushels, which is seen as a bearish factor. World ending stocks for the 2005/2006 season was pegged at 48.27 million tonnes from 50.7 million last months forecast and from 45.98 million tonnes this season.

The US production was slightly lower than expected but the 20 million bushels adjustment lower in crush and 40 million lower in export usage was enough to keep ending stocks at an acceptable level. With uncertainty on weather for late next week and into the following week and deteriorating crop conditions since the August 1st (as of) date for the crop production estimate, the market found new buying support from the lower opening today. The US soybean is expected to trade on the higher side on Monday evening amidst increasing uncertainty in crop weather.

### CBOT Soymeal Futures as on 12<sup>th</sup> August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Aug'05	207.6	207.0	211.0	203.0	-4.6	203.0
Oct'05	204.8	203.0	207.5	202.1	-2.6	202.2

CBOT remained closed on Saturday and Sunday

## NEWS ANALYSIS

### 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.)

### India Exports 15,000MT Soymeal to NOFI of S. Korea

It was reported that South Korea's Nonghyup Feed Inc., or NOFI, bought 15,000 metric tons of Indian soymeal from trading firm Noble Group Ltd. (N21.SG) in a tender concluded Thursday, according to a Seoul-based trader. NOFI bought one cargo of soymeal at \$258.50/ton, after cost and freight, scheduled to arrive in South Korea Dec. 20, the trader said.

## WEATHER WATCH: (13.08.05)

### Forecast Valid For Next 72 Hours

Rain/thundershowers are likely at many places over Andaman & Nicobar Islands, northeastern States, Sub-Himalayan West Bengal & Sikkim and Bihar and at a few places over Konkan & Goa, Madhya Maharashtra and Coastal Karnataka. It may be isolated over rest regions of the country outside Haryana, Punjab, West Rajasthan, Madhya Pradesh, Vidarbha, interior Andhra Pradesh and interior Tamil Nadu where weather will be mainly dry.

**NORTH:** Isolated rain/thundershowers likely over East Uttar Pradesh, Himachal Pradesh, Uttaranchal and Jammu and Kashmir and mainly dry in the rest region upto 14th. Scattered rainfall in the region thereafter.

**EAST:** Rain/thundershowers likely at a few places over northeastern States, Sub-Himalayan West Bengal & Sikkim, Orissa and Bihar and isolated in the rest region. Increase in rainfall activity likely over Orissa, Chhattisgarh, Jharkhand and Bihar from 15th.

**SOUTH:** Rain/thundershowers likely at many places over Andaman & Nicobar Islands; at a few places over Coastal Karnataka 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 outside West Rajasthan where weather will be mainly dry.

### Outlook For Subsequent Two Days

Increase in rainfall activity likely over Eastcentral India, Gangetic plains and Western Himalayan region. Moderate rainfall likely to continue along west coast. Subdued rainfall activity likely over west central India.

### Warning

Isolated heavy rainfall likely in Andaman & Nicobar Islands.

## 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)

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>  
© 2005 Indian Agribusiness Systems Pvt Ltd.