

OILMEAL

8th August 2005

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Domestic Market Steady with Weak Undertone in Both Markets
- China: Soymeal Picked Up; Disease Under Control

COMMENTARY

DOMESTIC MARKET

Soy meal

The soymeal market is going through a lean phase. The soymeal market continued the weakness of the morning session at the spot market. The cash market showed bearish sentiments during the day session. At NCDEX, the August soymeal future contract opened firm and remained stagnant at that level. The September soymeal future contract did show some weakness due to poor trading in the market.

Plant delivery quotes of Soy seeds remained in the range of Rs 1275 - 85 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 9600-9700 per MT in Kandla in jute bags, FAS has been put at \$ 228- 229 per MT.

India's soymeal exports totalled **115,750** tons in June 2005 compared with 94,500 tons in June 2004.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)
Indore	8800-9200
Satna/Morena	8700
Nanded	8800
Nagpur (42-43%)	8900
Latur	8800
Sangli	-
Dhulia/Jalna	9200-9300/9000
Kota	8900
Kandla	9650
Mumbai	9800
Vizag	9750

Soy meal vessel report (08.08.05)

Loading of 13,500 MT of SBM is expected at Kandla Port on the vessel 'Thor Mercury' to Indonesia. Shantilal agents will be handling the vessel. The port is expecting 'Far East Glory' to load 13,000 MT of SBM to Japan. The vessel will be handled by Interocean agents.

NCDEX Soy meal Futures price (8th August)

	Prev Close Price	High Price	Low Price	Close Price	Change
Aug	9000.00	8900.00	8900.00	8900.00	-100.00
Sep	9150.00	9020.00	9000.00	9000.00	-150.00

Rape/ Mustard meal

The rapeseed market carried on from the last weekend prices and the market did not see enough trading in most places. The demand in the market is yet to pick up. The weakness in other oilmeals is affecting the rapemeal market and it also remained low.

In Shivpuri/ Morena, rates remained at Rs 4500 per MT; Kota & Barah at Rs. 4450 per MT.

Central Organisation For Oil Industry And Trade (COOIT), 1st Advance estimates for the year 2004-2005 has put the Rapeseed/Mustard crop production along with Kharif Toria (1.8 lakh tonnes) to 72.0 lakh tonnes in 2005.

India exported **53,975** tons of rapemeal in June 2005 as compared to 45,575 in June 2004.

Groundnut meal

Groundnut meal market carried on from where it left off last weekend. The market lay flat at the same price level for today. In the coming days the prices may remain within the range and later on will be better off. The market is worried

about the productivity of the groundnut as no clear picture is coming out about the flood hit areas.

GN extraction in Junagarh, Rajkot has been quoted at Rs 6450 for 40% protein and at Dhulia market there was no trading for today.

Central Organisation for Oil Industry and Trade (COOIT), 1st Advance Rabi Estimates for the 2004-2005 has put the Rabi GN crop at 17 lakh tonnes, same as last year.

India exported around **8,900 MT** groundnutmeal in June 2005 as compared to 30,475 MT in June 2004.

INTERNATIONAL MARKET

The Chicago Board of Trade (CBOT) remained closed on Saturday and Sunday.

(One million metric tons of soybeans or wheat equals 36.74 million bushels.)

CBOT Soymeal Futures as on 5th August 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Aug'05	212.6	214.1	214.1	205.0	-1.7	210.9
Oct'05	211.1	211.1	211.1	203.5	-2.3	208.8

CBOT remained closed on Saturday and Sunday

China: Soymeal Picked Up; Disease Under Control

The soymeal prices picked up by RMB 10/MT in Zhengzhou, Guangzhou while rest of the places remained stable. The imported fishmeal softened at Dalian port and at other ports remained stable.

In North East China Anthrax disease is under control. No new pig borne disease cases reported in Sichuan.

Central bank to adjust Yuan's float rate at proper time. Fast, steady growth expected to hold up in China.

In overseas markets, soybean futures traded on China's Dalian Commodity Exchange settled mostly higher Friday on short-covering after prices fell sharply Thursday, traders said. The benchmark January 2006 soybean contract rose CNY10 a metric ton to settle at CNY2,884/ton, after trading between CNY2,875/ton and CNY2,894/ton.

NEWS ANALYSIS

USDA's Export Sales Highlights (July 22-28, 2005)

Soybean Cake and Meal: Net sales of 72,700 MT were 18 percent under the previous week, but 16 percent above the prior 4-week average. The primary buyers were Venezuela (25,000 MT), Japan (24,900 MT), Canada (10,100 MT), and Mexico (6,200 MT). Sales of 2,700 MT for delivery in 2005/06 were for Canada. Exports of 77,700 MT were 15 percent below the previous week and 28 percent under the prior 4-week average. The primary destinations were Mexico (28,700 MT) and Canada (24,800 MT).

WEATHER WATCH: (08.08.05)

Forecast valid upto 0830 hours IST of 11th august, 2005

North: Rain/thundershowers likely at a few places in the region outside Punjab, Haryana and Uttar Pradesh where it may be isolated.

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 a few places over 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

The ongoing rainfall activity over Western Himalayan region, Bihar and northeastern States likely to continue.

Subdued rainfall activity is likely to continue over central & adjoining Peninsular India.

Forex Rates (08.08.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.55
European Union	Euro	53.84

Export of Oilmeal

COMMODITY WISE

India's oil meal exports of April - June '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)
TOTAL	371,100 (739,425)	214,525 (242,450)	24,875 (90,025)	19,550 (5,800)	88,225 (6,200)	718,275 (1,083,900)
2004-05	1,861,325	588,805	121,475	43,056	70,750	2,685,411
2003-04	2,683,675	447,050	126,750	---	65,550	3,323,025
2002-03	1,333,318	455,533	15,225	---	92,445	1,896,521
2001-02	2,509,207	313,012	101,001	---	97,557	3,020,777
2000-01	2,182,142	62,968	18,609	---	10,992	2,336,638
1999-00(F.Y)	2,249,505	79,874	1,808	---	93,365	2,428,470

S.B.- Soybean Extns., R.S.- Rapeseed Extns., G.N.- Groundnut Extns., CST - Castoseed 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)
TOTAL	45,675 (177,125)	91,575 (163,425)	---	315,600 (391,450)	46,275 (80,525)	6,875 (16,500)	750 (---)	---	506,750 (901,350)

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