

## OILMEAL

24<sup>th</sup> September, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Remained Range Bound
- No Trading at NCDEX Futures

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

Soy meal prices at the spot markets remained range bound at a slightly weaker side in most of the places. In Indore the prices of DOC remained at Rs.8200-8400. In NCDEX futures contracts for October and November no trading activity was observed. The prices are expected to remain range bound in the near term.

Plant delivery quotes remained same and Soy seeds traded low at Rs1175 per qtl. In Indore soymeal in physical market traded range bound on a slightly lower side at Rs.8200-8400 per MT, as per quality. FOR quotes remained at Rs 8950-9000 per MT in Kandla in jute bags, FAS has been put at \$ 206-208 per MT.

India's soymeal exports totalled **112,575** tons in August 2005 compared with 17,325 tons in August 2004.

##### DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	23.09.05	24.09.05
Indore	8200-8700	8200-8400
Shivpuri/Morena	8900	8800-8900
Nanded	8600-8700	8600-8700
Dhulia/Jalna	8300-8600	8400
Kota	8500	8600
Kandla	9000	N.A.
Mumbai	9300	N.A.
Vizag	9100	N.A.
Sangli	8900	8800-8900

##### NCDEX Soy meal Futures price (24<sup>th</sup> September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8610.00	0.00	0.00	8610.00	210.00
Nov'05	8450.00	0.00	0.00	8450.00	349.00

##### Soy Meal Vessel Report (24.09.05)

Kandla Port is loading 12,000 MT of SBM on the vessel 'Phuong Dong 2' to Vietnam. Hind Shipping is handling the vessel. The port is expecting to load 16,000 MT of SBM on the vessel 'State of Nagaland'. Shantilal agents will be handling the vessel.

##### Rape/ Mustard meal

The rapeseed/mustard meal market remained same today as compared to last trading day. The market may remain range bound in near term.

In Shivpuri/ Morena, mustard meal traded at Rs.4600 per MT; Alwar at Rs. 4200. Market is range bound and remained same on a lower side when compared to previous day.

India exported **43,825** tons of rapemeal in August 2005 as compared to 33,325 in August 2005.

##### Groundnut meal

The market sentiment today remained same today as compared to previous trading day. The kharif groundnut crop is arriving in market. However heavy showers are observed in many groundnut growing districts of Ahmedabad, Rajkot, Baroda and Surat. Therefore in coming time prices are expected to remain range bound and if rains continues and damages crops then the prices may increase.

In Saurashtra, the GN extraction was at Rs.6150/MT and in Dhulia it remained same at Rs.7500-7600/MT.

India exported around **15,100 MT** groundnut meals in August 2005 as compared to 8750 MT in August 2004.

### INTERNATIONAL MARKET

#### CBOT Soymeal Marginally Low on Fall in Soyoil & Soybean Futures

Soymeal futures at Chicago Board of Trade (CBOT) ended marginally low following the decrease in Soybean and Soyoil. Soyoil future declined as the recent US storm Rita was declared as category 3 storm instead of category 5 thus retreating the crude oil futures and raising the concern that Soyoil is overbought. Other factors considered responsible for this fall were higher than expected yield from early harvest reports and weak cash market prices. Soymeal futures contract for December settled

\$0.80 lower at \$174.20 a short ton. However, Soybean November futures contract ended 6.50 cents lower at \$5.74.

#### CBOT Soymeal Futures as on 23<sup>rd</sup> September 2005

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	172.1	172.7	172.9	171.2	-0.8	171.3
Oct'05	175.0	175.7	175.8	173.8	-0.8	174.2

CBOT remained closed on Saturday and Sunday

#### WEATHER WATCH: (24.09.05)

##### Chief Features

During last 24 hours, widespread rain with heavy to very heavy falls have occurred over Gujarat region. Fairly widespread rain with isolated heavy falls also occurred over Konkan & Goa, Madhya Maharashtra, southeast Rajasthan and Haryana. Scattered moderate rainfall also occurred over west Madhya Pradesh, Punjab, Himachal Pradesh, Uttaranchal, Telangana and Northeastern states. Chief amounts of rainfall (cms): Dholka (Gujarat) -17, Gandhi Nagar - 14 , Ahmedabad - 12, Goa -12 , Bhira - 10, Mahabaleshwar, North Lakhimpur and Deesa- 8 each, Udaipur, Karnal & Panaji - 7 each, Ambala & Dehradun-5 each and Kota - 4.

Yesterday's low pressure area over southeast Rajasthan, adjoining Gujarat and southwest Madhya Pradesh moved north-northeastwards and now lies over northeast Rajasthan and adjoining northwest Madhya Pradesh. The associated upper air cyclonic circulation extends upto 4.5 km a.s.l.. The system is likely to move northeastwards and weaken further.

Yesterday's western disturbance as an upper air system extending upto 3.1 km a.s.l. over north Pakistan now lies over Jammu & Kashmir and neighbourhood with a deep westerly trough aloft along longitude 72° East and north of latitude 20° North.

Under this scenario of interaction of the above system, rainfall activity is likely to enhance with heavy to very heavy falls at a few places over Himachal Pradesh, Uttaranchal , West Uttar Pradesh, East Rajasthan, Haryana, Delhi and Northwest Madhya Pradesh during next 48 hours. This rainfall activity will decrease subsequently. Also the ongoing heavy rainfall activity over Gujarat region and

Konkan & Goa is likely to decrease considerably during next 24 hours.

#### Forecast valid 0830 hours IST of 27<sup>th</sup> September, 2005

**NORTH:** Rain/thundershowers likely at most places over Himachal Pradesh and Uttaranchal and at many places over Delhi, Haryana and west Uttar Pradesh and at a few places in the rest region. Rainfall activity is likely to increase over Uttar Pradesh from 25<sup>th</sup> .

**EAST:** Rain/thundershowers likely at many places over Northeastern States and at a few places over the rest region outside Chhattisgarh, Jharkhand and Orissa where it may be isolated. Slight increase in rainfall activity over Bihar, Orissa and Jharkhand from 26<sup>th</sup> .

**SOUTH:** Rain/thundershowers likely at a few places over Coastal Karnataka and North Coastal Andhra Pradesh. It may be isolated in the rest region.

**WEST:** Rain/thundershowers likely at many places over Konkan & Goa, west Madhya Pradesh, east Rajasthan and Gujarat region; at a few places over the rest region. Rainfall activity is likely to decrease over Gujarat region and Konkan & Goa from 25<sup>th</sup>

##### Warning

Heavy to very heavy rainfall likely at a few places over Himachal Pradesh, Uttaranchal , West Uttar Pradesh, East Rajasthan, Haryana, Delhi and Northwest Madhya Pradesh. Isolated heavy falls also likely over Gujarat region and Konkan & Goa only during next 24 hours .

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

- 1) Decrease in rainfall activity over western Himalayan Region, adjoining plains and westcentral India.
- 2) Slight increase in rainfall over Bihar, Jharkhand, Northeastern States and along the east coast.

#### Source: GOI (IMD)

#### FOREX RATES (23.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.85
European Union	Euro	52.7801

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