

OILMEAL

30th September, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Improved Slightly
- NCDEX October & November Contract Prices Unchanged

COMMENTARY

DOMESTIC MARKET

Soy meal

Soy meal prices at the spot markets improved slightly today at most of the places. In Indore the prices of DOC improved at Rs.8200-8850 per MT. The export demand at Kandla, Mumbai and Vizag ports declined. In NCDEX futures no trading activity was visible in October and November contracts. Prices thus remained same in these contracts. Demand for Soy meal is stable and prices are expected to remain bearish for a few days as arrival of Soy meal is reported.

Plant delivery quotes remained near about same and Soy seeds traded in the same range of Rs1180-1200 per qtl. In Indore soy meal in physical market traded range bound on an improved side at Rs.8200-8850 per MT, as per quality. FOR quotes remained at Rs 9000-9100 per MT in Kandla in jute bags, FAS has been put at \$ 207-208 per MT. Crushing of soybean is expected to begin from Navratras this October.

Prices may remain range bound in the coming days.

India's soy meal 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)	
	29.09.05	30.09.05
Indore	8200-8400	8200-8850
Shivpuri/Morena	8400	-
Nanded	8600	8500-8600
Dhulia/Jalna	8500	8600-8800
Kota	8525	8500
Nagpur	8500	8200-8700
Latur	8400	8400
Kandla	9150	9000
Mumbai	9300	9100
Vizag	9200	9100
Sangli	8600	8700
Datia	8400	-

NCDEX Soy meal Futures price (30th September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8350.00	0.00	0.00	8350.00	0
Nov'05	8400.00	0.00	0.00	8400.00	0

Soy Meal Vessel Report (30.09.05)

'Seven Star' has berthed at Mumbai Port and continues to load 5,100 MT of SBM. Sai Shipping agents is handling the vessel. Loading of 2,500 MT of SBM is expected at Mumbai Port on the vessel 'Indruwa Valley'. Sai Freight agents will be handling the vessel.

Kandla Port is expecting to load 16,000 MT of SBM on the vessel 'State of Nagaland'. Shantilal agents will be handling the vessel.

'Yang Quan' is expected at Jamnagar Port to load 14,250 MT of SBM to China. The vessel will be handled by Seacrest agents.

Rape/ Mustard meal

The rapeseed/mustard meal market remained in the same range as compared to the last trading day. No major activity was visible in the market. The market may remain range bound in the near term.

In Shivpuri/ Morena, mustard meal traded at Rs.4600-4700 per MT, at Alwar the price was 4400-4500 MT. At Kandla port the price was Rs. 5000 MT. Market remained similar to the 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 remained similar to that of the previous trading day. The kharif groundnut crop is has started arriving but crushing may start after 4-5 days. In Saurashtra Groundnut (40%) was Rs.5800 for cash and Rs.6000 for credit.

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

INTERNATIONAL MARKET

CBOT Soymeal Futures Declines.

Soymeal futures at Chicago Board of Trade (CBOT) ended low yesterday following the downfall in Soybean futures. Soybean futures declined ahead of Fridays Report of Quarterly grain stocks and seasonal harvest pressure. Another reason was the weekly export sales for soybeans came in at 675900 MT, which was within the range of expectations. Cumulative sales are around 19.8% of the USDA forecast as compared to 30% on an average for the past 5 years. Soymeal futures contract for December settled \$1.70 lower at \$170.20 a short ton and Soybean November futures contract ended 2.25cents down at \$5.6050. Soyoil December contract was firm by 18 points and ended at 22.68 cents a pound. According to the U.S. Census Bureau 130.3 million bushels of soybeans were crushed in August, which was slightly above the expectation of 129.8 million. This reflected increase in the supply of Soymeal thus bringing in fall in its prices. However fund buying in Soyoil continued on biofuel demand thus keeping up its prices. Soyoil 2004-05 export sales were reported reduced by 600 tons while 2005-06 sales were a net 11000 tons.

CBOT Soymeal Futures as on 29th September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	169.5	170.0	170.0	166.3	-2.4	167.1
Oct'05	171.9	171.8	171.9	169.0	-1.7	170.2

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (30.09.05)

Chief Features

During past 24 hours, scattered rainfall has occurred over northeastern States along the east coast, Konkan & Goa and Madhya Maharashtra. Chief amounts of rainfall (in cm) during past 24 hours are: Silchar-7, Puri-5, North Lakhimpur-5, Dibrugarh-4, Tuni-4, Kolkata-3, Digha-3 and Kolhapur-3.

The low-pressure area over west central Bay of Bengal persists. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. Under its influence scattered to fairly widespread rainfall is likely along the east coast and northeastern States during next 2-3 days.

The upper air cyclonic circulation over Saurashtra and adjoining southeast Arabian Sea persists and extends between 1.5 and 5.8 km a.s.l.

Forecast valid 0830 hours IST of 3rd October, 2005

NORTH: Mainly dry weather is likely in the region.

EAST: Rain/thundershowers likely at many places over northeastern States and coastal areas of West Bengal & Orissa; at a few places over rest West Bengal, Sikkim and isolated in rest Orissa. Mainly dry weather is likely in the rest region.

SOUTH: Rain/thundershowers likely at many places over Coastal Andhra Pradesh and north coastal Tamil Nadu & Pondicherry; at a few places over Andaman & Nicobar Islands and rest Tamil Nadu and isolated in the rest region.

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

Warning

Isolated heavy rainfall likely over northeastern States.

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

Slight increase in rainfall over south Peninsula. Scattered rainfall activity is likely over northeastern States.

Source: GOI (IMD)

FOREX RATES (30.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.92
European Union	Euro	52.95

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