

## OILMEAL

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

### MAJOR ACTIVITY HIGHLIGHTS

- Spot Market Declines
- No Trading at NCDEX

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

Soy meal prices were in a declining sentiment at most of the domestic spot market today as compared to last day ahead of USDA crop production report and plant maintenance work in progress restricting the supply of oil and meal. In Indore the prices of DOC were in a range of 8500-8600. At NCDEX, no trading took place. The prices are expected to be low in the coming days.

Plant delivery quotes of Soy seeds witnessed weak today as compared to last day and traded at Rs1235 per qtl in Indore while soymeal in physical market has been traded within a range of Rs.8500-8600 per MT, as per quality. FOR quotes remained at Rs 9200-9300 per MT in Kandla in jute bags, FAS has been put at \$ 212-214 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)	
	9.09.05	10.09.05
Indore	8600-8700	8500-8600
Shivpuri/Morena	8500	8500
Nanded	9000	8950
Nagpur (42-43%)	9000	8900
Latur	9000	8950
Jalna/Dhulia	8600-8700	8500-8600
Kota	8900-9000	8800
Kandla	9400	9300
Mumbai	9500	9400
Vizag	9700	9400

##### Soy Meal Vessel Report (10.09.05)

Mumbai Port is expecting 'Indruwa Valley' to load 2,500 MT of SBM. Sai Shipping agents will be handling the vessel

##### NCDEX Soy meal Futures price (10<sup>th</sup> September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8500.00	0.00	0.00	8500.00	0.00
Oct'05	8746.00	0.00	0.00	8746.00	0.00

##### Rape/ Mustard meal

The rapeseed/mustard meal market was down due to less demand today. The market may continue on an lower side in the coming days.

In Shivpuri/ Morena, it was traded at Rs.4600 per MT; Kota 4500, which remained on a lower side as, compared to previous day.

India exported **45,750** tons of rapemeal in June 2005 as compared to 54,400 in June 2004.

##### Groundnut meal

The market sentiment remained on a weak sentiment today. Groundnut crop is expected to come up in the month of November and production is expected to be good. In the coming days the prices may remain range bound.

In Rajkot, the GN extraction has been quoted for Rs.6200/MT at stable position and in Dhulia it remained at Rs.7500/MT for 43% protein.

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 Heavy Selling

Soymeal futures at Chicago Board of Trade (CBOT) traded lower yesterday ahead of USDA's crop production forecast to be declared this Monday. The consensus of a higher production forecast resulted in late technical selling. However Soymeal managed to get a support from higher than expected weekly export sales. Soymeal futures contract for December was \$ 2.80 lower at \$ 184 a short ton and soybean November futures contract ended 10.50 cents lower at \$5.90.

## CBOT Soymeal Futures as on 9<sup>th</sup> September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	184.4	184.8	184.8	180.3	-4	180.4
Oct'05	184.9	185.0	185.8	181.5	-3.2	181.7

CBOT remained closed on Saturday and Sunday

### WEATHER WATCH: (10.09.05)

#### MAIN FEATURES

During last 24 hours, moderate rainfall occurred at many places with heavy to very falls over Konkan & Goa, Madhya Maharashtra, Gujarat, Orissa, Gangetic West Bengal, Jammu division, Punjab, Haryana, Himachal Pradesh and Coastal Andhra Pradesh. Chief amounts of the rainfall (in cms.) are: Mumbai-22, Tuni-16, Mahabaleshwar, Alibag, Digha & Balaosre-11 each, Chandbali-9, Bhubaneshwar, Diamond Harbour & Dahanu-8 each, Rajkot, Ludhiana & Katra-7 each, Kakinada, Cuttack & Veraval-6 each.

Yesterday's low-pressure area over west central Bay of Bengal off Coastal Andhra Pradesh has weakened. However associated upper air cyclonic circulation extending upto mid-tropospheric levels now lies over westcentral & adjoining northwest Bay of Bengal.

The other upper air cyclonic circulation extending upto mid-tropospheric levels over south Madhya Maharashtra now lies over south Gujarat region and neighbourhood.

An offshore trough at sea level extends from Gujarat to south Konkan & Goa coasts.

Under the influence of above systems, fairly wide spread rain with isolated heavy to very heavy falls likely over Orissa, north Coastal Andhra Pradesh, Gujarat, Konkan & Goa and Madhya Maharashtra during next 2 days.

The cyclonic circulation over central Pakistan and adjoining northwest Rajasthan now lies over Punjab and adjoining north Rajasthan and extends upto 3.1 km a.s.l. The other upper air cyclonic circulation extending upto 2.1 km a.s.l. over north Pakistan and adjoining Jammu & Kashmir has merged with the above system. Under this scenario scattered moderate rainfall likely to continue for another 24 hours over northwest India outside Uttar Pradesh where rainfall is likely to remain subdued.

## FORECAST VALID FOR NEXT 72 HOURS

**NORTH:** Rain/thundershowers likely **at many places with one or two spells of heavy rain** over Uttaranchal, Punjab, Himachal Pradesh, and Haryana; **at a few places** over West Uttar Pradesh and Jammu & Kashmir and **isolated** over East Uttar Pradesh.

**EAST:** Rain/thundershowers likely **at most places** over coastal Orissa and **at many places** over rest Orissa and Chhattisgarh **at a few places** over Gangetic West Bengal and East Madhya Pradesh and **isolated** in the rest region. Rainfall activity likely to increase over Chhattisgarh and East Madhya Pradesh from 11<sup>th</sup>.

**SOUTH:** Rain/thundershowers likely **at many places** over Andaman & Nicobar Islands, Andhra Pradesh, Coastal Karnataka, Kerala and Lakshadweep and **at a few places** over the rest region.

**WEST:** Rain/thundershowers likely **at many places** over Gujarat, Konkan & Goa and Madhya Maharashtra and **at a few places** over rest region. Rainfall activity likely to increase over Vidarbha, Marathwada and West Madhya Pradesh after 11<sup>th</sup>.

#### Warning

Heavy to very heavy rainfall at a few places over coastal Orissa, Coastal Andhra Pradesh and Konkan & Goa. Isolated heavy rain also likely over Gangetic West Bengal, interior Orissa, interior Andhra Pradesh, Gujarat, Madhya Maharashtra and Coastal Karnataka.

#### OUTLOOK for subsequent two days based on NCMRWF and other numerical weather products

Ongoing rainfall activity is likely to continue over Peninsular India, Maharashtra & Goa and Gujarat.

Increase in rainfall over Madhya Pradesh, Chhattisgarh, Jharkhand and Bihar.

Source: GOI (IMD)

#### FOREX RATES (10.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.80
European Union	Euro	54.43

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