

OILMEAL

23rd September, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Improves
- NCDEX Futures Firm

COMMENTARY

DOMESTIC MARKET

Soy meal

Soy meal prices remained firm today in most of the places. In Indore the prices of DOC remained at Rs.8200-8700. In NCDEX futures contracts for October and November both observed an increase in prices. The prices are expected to remain range bound.

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 improved side at Rs.8200-8700 per MT, as per quality. FOR quotes remained at Rs 8900-8950 per MT in Kandla in jute bags, FAS has been put at \$ 206-207 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)	
	22.09.05	23.09.05
Indore	8200-8500	8200-8700
Shivpuri/Morena	8200	8900
Nanded	8500	8600-8700
Nagpur (42-43%)	8300-8800	-
Dhulia/Jalna	8350	8300-8600
Kota	8600	8500
Kandla	9000	9000
Mumbai	9300	9300
Vizag	9100	9100
Sangli	8900	8900

NCDEX Soy meal Futures price (23rd September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8400.00	8610.00	8190.00	8610.00	210.00
Nov'05	8101.00	8450.00	8449.00	8450.00	349.00

Soy Meal Vessel Report (23.09.05)

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 witnessed low again today as compared to last trading day due to slight fall in demand. 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 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 on a slightly improved side as compared to previous trading day. The kharif groundnut crop is expected to be in a good condition therefore in coming time prices are expected to remain range bound.

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 Ends Low on More Soyoil Production

Soymeal futures at Chicago Board of Trade (CBOT) ended weak following the increased demand for Soyoil. Increase in Soyoil is expected due to more storms increasing oil prices, which may bring in the possibility for more biofuel demand. Increase in Soyoil production may in turn lead to increased soymeal production thus increasing soymeal supplies. Soymeal futures contract for December settled \$0.60 low at \$175.00 a short ton. However, Soybean November futures contract ended 2.75 cents high at \$5.805 as China's demand for Soybean is high.

CBOT Soymeal Futures as on 22nd September 2005

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	172.6	173.0	173.2	171.9	-0.5	172.1
Oct'05	175.6	175.6	176.0	174.8	-0.6	175.0

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (23.09.05)

Chief Features

During last 24 hours, fairly widespread rain with heavy to very heavy rainfall has occurred over Gujarat, Konkan & Goa, Madhya Maharashtra and Northeastern states. Scattered Moderate to light rainfall have also occurred over coastal Orissa, rest Maharashtra, Madhya Pradesh, Rajasthan, Himachal Pradesh and Uttar Pradesh. Chief amounts of rainfall (cms): Vyara (Dist. Surat) - 22, Sankheda (Dist. Baroda) - 21, Goa & Bhavnagar- 12 cm each, Ahmedabad and Mahabaleshwar- 8 cm each and Mumbai(SCZ)-9.

Yesterday's well marked low pressure over north Madhya Maharashtra and neighbourhood further weakened into a low-pressure area and now lies over Southwest Madhya Pradesh and adjoining Gujarat Region. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. The system is likely to move north-northeastwards and weaken further. Under its influence fairly widespread rainfall with heavy to very heavy falls at a few places is likely over Konkan & Goa, north Madhya Maharashtra, Southwest Madhya Pradesh and Gujarat during next 24 hours.

The trough in lower tropospheric levels from centre of above system now runs to West Uttar Pradesh. It is likely to cause scattered rain over North India.

The western disturbance as an upper air system over north Pakistan and neighbourhood also persists. Under its influence scattered to fairly widespread rains are likely over Western Himalayan region and adjoining Plains during next 2 days.

Forecast valid 0830 hours IST of 26th September, 2005

NORTH: Rain/thundershowers likely at many places over Jammu & Kashmir, Himachal Pradesh and Uttaranchal and at a few places in the rest region.

EAST: Rain/thundershowers likely at few places over the rest region outside Bihar, Chhattisgarh, Jharkhand and West Bengal where it may be isolated.

SOUTH: Rain/thundershowers likely at many places over Coastal & North Interior Karnataka and at a few places over Telangana and Coastal Andhra Pradesh. Weather may be isolated in the rest region outside Tamil Nadu & Pondicherry where it may be mainly dry.

WEST: Rain/thundershowers likely at most places over Konkan & Goa, north Madhya Maharashtra and Gujarat region; at many places over south Madhya Maharashtra, Saurashtra & Kutch and West Madhya Pradesh and at a few places over the rest region outside West Rajasthan where it may be isolated.

Warning

Heavy to very heavy rainfall likely at a few places over Konkan & Goa, north Madhya Maharashtra, Southwest Madhya Pradesh and Gujarat Region. Isolated heavy rainfall also likely over Saurashtra & Kutch, Jammu & Kashmir, Himachal Pradesh and Uttaranchal .

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

Rainfall activity over Maharashtra, Gujarat and Karnataka is likely to decrease.

Source: GOI (IMD)

FOREX RATES (23.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.90
European Union	Euro	53.62

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