

OILMEAL

20th September, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices on a Slightly Lower Side
- NCDEX Futures Declines

COMMENTARY DOMESTIC MARKET

Soy meal

Soy meal prices witnessed a slightly down sentiment today in most of the places inspite of a stable demand and due to plant maintenance work in progress. In Indore the prices of DOC remained at Rs.8400-8500. Not much activity was seen in spot markets. At NCDEX for September contract prices fell down and some trading activity was visible being the last trading day of this contract. However in October contract no trading was conducted. But in November contract prices fell heavily. The prices are expected to be range bound and with slightly weak sentiments in the coming days.

Plant delivery quotes remained same and Soy seeds traded slightly low at Rs1215 per qtl. In Indore soymeal in physical market traded in same range of Rs.8400-8500 per MT, as per quality. FOR quotes remained at Rs 9000-9100 per MT in Kandla in jute bags, FAS has been put at \$ 210-211 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)	
	19.09.05	20.09.05
Indore	8500	8400-8500
Shivpuri/Morena	8350	8300
Nanded	8700	8600-8700
Nagpur (42-43%)	8800-8400	8800-8400
Dhulia/Jalna	8550-8600	8550-8600
Kota	8500	8600
Kandla	9000	9100
Mumbai	9400	9250
Vizag	9300	9200
Sangli	8950	8800-8900
Datia	8550	8500

NCDEX Soy meal Futures price (20th September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8400.00	8400.00	8300.00	8370.00	-30.00
Oct'05	8400.00	0.00	0.00	8400.00	0.00
Nov'05	8449.00	8101.00	8101.00	8101.00	-348.00

Soy Meal Vessel Report (19.09.05)

Kandla Port is expecting 'Phuong Dong 2' to load 12,000 MT of SBM to Vietnam. Hind Shipping will be handling the vessel.

Rape/ Mustard meal

The rapeseed/mustard meal market witnessed a decline today as compared to last day due to improved demand. The market may remain range bound in near term.

In Shivpuri/ Morena, mustard meal traded at Rs.4650 per MT; Alwar at Rs. 4400, market was 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 were in an improved direction. The kharif groundnut crop is expected to be in a good condition due to light rainfall, therefore in coming time prices may be range bound.

In Saurashtra, the GN extraction was at Rs.6340/MT and in Dhulia it increased to Rs.7576/MT.

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

INTERNATIONAL MARKET

Soymeal Futures falls Moderately

Soymeal futures at Chicago Board of Trade (CBOT) went slightly down following the concern high soybean production will lead to increased soyoil production in turn increasing soymeal output. Soymeal futures contract for December settled low at \$ 0.40 at \$ 176.20 a short ton. However, Soybean November futures contract ended 4.75 cents higher at \$5.76.

CBOT Soymeal Futures as on 19th September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	173.5	173.6	174.6	173.2	0	173.5
Oct'05	176.6	175.9	177.7	175.9	-0.4	176.2

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (20.09.05)

During past 24 hours, heavy to very heavy rainfall has occurred over Coastal Andhra Pradesh. Scattered light to moderate rainfall have also occurred over Orissa, Jharkhand, interior Andhra Pradesh, Karnataka, Maharashtra, Gujarat, Madhya Pradesh and Chhattisgarh. Chief amounts of rainfall recorded (in cms) are: Kakinada-28, Narsapur-18, Waltair-19, Visakhapatnam-16, Tuni-17, Gannavaram-16, Machilipatnam-16, Bhavnagar-6 and Karwar-6.

Yesterday's cyclonic storm over north Coastal Andhra Pradesh moved slightly westwards and weakened into deep depression with its centre at 0230 hours IST of 20th near Lat. 18.5° N/ Long. 83.0 °E about 100 km west of Kalingapatnam. It now lies centered at 0830 hours IST of 20th near Lat. 19.0° N/ Long. 82.5 °E near Jagdalpur. The system is likely to move west-northwesterly direction and weaken further. Under its influence widespread rainfall with heavy to very heavy falls at a few places is likely over Andhra Pradesh, Coastal & North Interior Karnataka and south Chhattisgarh during next 24 hours. The belt of heavy rainfall may gradually shift northwestwards into Maharashtra and South Gujarat Region.

The upper air cyclonic circulation over Uttaranchal and adjoining Himachal Pradesh has become less marked.

Forecast valid 0830 hours IST of 23rd September, 2005

NORTH : Isolated rain/ thundershowers are likely over Himachal Pradesh, Jammu and Kashmir and Uttaranchal. Mainly dry weather in the rest region.

EAST : Rain/thundershowers likely at many places over Nagaland, Manipur, Mizoram & Tripura and south Chhattisgarh; at a few places over Orissa and rest Chhattisgarh and isolated in the rest region. Rainfall is likely to increase over East Madhya Pradesh after 24 hours.

SOUTH : Rain/thundershowers likely at most places over Andhra Pradesh; at many places over coastal and North Interior Karnataka at a few places over rest region outside Tamil Nadu & Pondicherry where it will be Isolated. Rainfall over Karnataka is likely to increase after 24 hours. Reduction of rain/thundershowers Coastal Andhra Pradesh after next 24 hours.

WEST : Rain/thundershowers likely at many places over Gujarat Region and Maharashtra; at a few places over the rest region outside Rajasthan where it may be isolated. Further increase in rainfall over south Madhya Pradesh, Gujarat Region and Maharashtra after 24 hours.

Warning

Heavy to very heavy rainfall likely at a few places over Andhra Pradesh and south Chhattisgarh. **Isolated** heavy rainfall also likely over Gujarat, Maharashtra and Coastal & North Interior Karnataka.

Squally wind with speed reaching 30-40 kmph likely over Andhra Pradesh and south Chhattisgarh during next 12 hours.

Squally winds speeds reaching 45-50 kmph likely along and off north Andhra Coast during next 12 hours. State of sea will rough to very rough. Fishermen are advised not to venture into the sea for another 12 hours.

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

1. Increase in rainfall is likely over Karnataka, Maharashtra, south Gujarat and Madhya Pradesh.
2. Rainfall activity over Andhra Pradesh is likely to decrease.

Source: GOI (IMD)

FOREX RATES (20.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.91
European Union	Euro	53.48

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