

OILMEAL

29th September, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Improved on International Demand
- NCDEX October & November Contract Prices Unchanged

COMMENTARY

DOMESTIC MARKET

Soy meal

Soy meal prices at the spot markets improved today at most of the places due to increased international demand. Increased demand is from China, Japan and Korea. In Indore the prices of DOC remained same at Rs.8200-8400 per MT. In NCDEX futures no trading activity was visible in October and November contracts. Prices thus remained same in these contracts. In the coming time prices for DOC are expected to remain range bound.

Plant delivery quotes remained near about same and Soy seeds traded in the range of Rs1180-1200 per qtl. In Indore soymeal in physical market traded range bound at Rs.8200-8400 per MT, as per quality. FOR quotes remained at Rs 9000-9100 per MT in Kandla in jute bags, FAS has been put at \$ 208-210 per MT. Crushing of soybean is expected to begin from Navratras this October.

Prices may remain range bound in the coming days.

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)	
	28.09.05	29.09.05
Indore	8200-8400	8200-8400
Shivpuri/Morena	8400	8400
Nanded	8600	8600
Dhulia/Jalna	8500	8500
Kota	8500	8525
Nagpur	8100-8500	8500
Latur	8400	8400
Kandla	9000	9150
Mumbai	9200	9300
Vizag	9100	9200
Sangli	8700	8600
Datia	8400	8400

NCDEX Soy meal Futures price (29th 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 (29.09.05)

Mercs Ruhunnu' has berthed at Mumbai Port and continues to load 3,500 MT of SBM. Sai Shipping agents is handling the vessel. Loading of 5,100 MT of SBM is expected at Mumbai Port from the vessel 'Seven Star'. Sai Shipping agents will be handling the vessel. 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. '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 near about same 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.4700 per MT, at Alwar the price was 4450 MT. In Kandla port the price was Rs. 5000 MT. Market remained same like 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 expected to arrive in market in about 4-5 day's time. 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 Ends Firm on Technical Recovery

Soymeal futures at Chicago Board of Trade (CBOT) ended low yesterday following the downfall in Soybean and Soyoil futures. Soybean futures improved on technical buying and got support from recovery in Soyoil futures. This recovery in Soybean futures came on news of some crop damage in Delta from recent Hurricanes. Another possible reason was late planted Soybeans may not come up in early harvest time, thus reducing supply to a certain extent. Soyoil recovered on technical buying along with a possibility of increased bio fuel demand by reason of increased energy prices. Soymeal futures contract for December settled \$1.10 higher at \$171.90 a short ton and Soybean November futures contract ended 5.25 cents up at \$5.6275. Soyoil December contract was firm by 40 points and ended at 22.68 cents a pound. Thursday traders will be looking at the U.S. Census Bureau 's monthly Soybean crush report for August. Analyst believe there is a possibility of about 129.8 million bushels of crush and a stock of 324400 short ton of Soymeal and around 1.804 billion pounds of Soyoil stock.

CBOT Soymeal Futures as on 28th September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	168.4	169.0	170.3	168.8	1.1	169.5
Oct'05	170.8	171.0	171.8	171.0	1.1	171.9

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (29.09.05)

Chief Features

During past 24 hours, scattered to fairly widespread rainfall with isolated heavy falls have occurred over north coastal Tamil Nadu, Coastal Andhra Pradesh, Orissa, Gangetic West Bengal, Nagaland, Manipur, Mizoram & Tripura, South Interior Karnataka and Madhya Maharashtra. Chief amounts of rainfall (in cm) during past 24 hours are: Kolkata-8, Pondicherry-8, .Cuddalore-7, Nagapatnam & Bangalore-6 each, Kolhapur, Kalingapatnam & Pune-5 each and Balasore & Silchar-4 each.

Southwest monsoon has further withdrawn from entire Jammu & Kashmir, Himachal Pradesh; some parts of Uttaranchal, West Uttar Pradesh & West Madhya Pradesh some more parts of north Gujarat region and remaining parts of Haryana including Delhi & Rajasthan. The withdrawal line passes through Leh, Kalpa, Bareilly, Gwalior, Jhalawar, Ahmedabad, Dwarka, 22° N/67° E and 22° N/60° E.

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.

Under influence of the cyclonic circulation over north Bay of Bengal a low pressure area has formed over westcentral Bay of Bengal. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. The system may become well marked. Under its influence scattered to fairly widespread rainfall is likely over coastal area of Tamil Nadu, Andhra Pradesh, Orissa and Gangetic West Bengal.

Forecast valid 0830 hours IST of 2nd October, 2005

NORTH: Isolated rain/thundershowers likely over Uttaranchal and Himachal Pradesh. Mainly dry weather is likely in the rest 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 rest Orissa and isolated in the rest region outside East Madhya Pradesh and north Chhattisgarh where weather may be mainly dry. Slight increase in rainfall over Gangetic West Bengal and Orissa after 24 hrs.

SOUTH: Rain/thundershowers likely at many places over Andaman & Nicobar Islands, Coastal Andhra Pradesh and coastal Tamil Nadu & Pondicherry; at a few places over rest Andhra Pradesh, rest Tamil Nadu and Coastal Karnataka and isolated in the rest region. Increase in rainfall likely over south peninsula after 24 hours.

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

Warning

Isolated heavy rainfall likely over coastal areas of West Bengal, Orissa, Andhra Pradesh and Tamil Nadu & Pondicherry.

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

Increase in rainfall over south peninsula and adjoining central India.

Source: GOI (IMD)

FOREX RATES (29.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.99
European Union	Euro	53.09

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