

OILMEAL

22st September, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices declines further
- Fresh Arrivals Reported
- No Trading activity at NCDEX Futures

COMMENTARY DOMESTIC MARKET

Soy meal

Soy meal prices remained in a slightly downward sentiment today in most of the places on fresh arrivals of 30000 bags and due to plant maintenance work in progress. In Indore the prices of DOC remained at Rs.8200-8500. In NCDEX futures contract for October no trading activity was visible. The prices are expected to remain range bound and with slightly weak sentiments in the coming days.

Plant delivery quotes remained same and Soy seeds traded slightly low at Rs1190 per qtl. In Indore soymeal in physical market traded range bound on slightly weaker side at Rs.8200-8500 per MT, as per quality. FOR quotes remained at Rs 8900-9100 per MT in Kandla in jute bags, FAS has been put at \$ 207-210 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)	
	21.09.05	22.09.05
Indore	8300-8500	8200-8500
Shivpuri/Morena	8300	8200
Nanded	8600	8500
Nagpur (42-43%)	-	8300-8800
Dhulia/Jalna	8400-8600	8350
Kota	8600-8700	8600
Kandla	9150	9000
Mumbai	9150	9300
Vizag	9200-9300	9100
Sangli	8900	8900
Datia	8550	-

NCDEX Soy meal Futures price (22nd September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8400.00	0.00	0.00	8400.00	0.00
Nov'05	8101.00	8101.00	8101.00	8101.00	0.00

Soy Meal Vessel Report (22.09.05)

Kandla Port is expecting 'Phuong Dong 2' to load 12,000 MT of SBM to Vietnam. Hind Shipping will be handling the vessel. 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 today as compared to last 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. 4400. Market is on a slightly improved 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 lower side as compared to previous trading day. The kharif groundnut crop is expected to be in a good condition therefore in coming time prices may remain range bound.

In Saurashtra, the GN extraction was at Rs.6150/MT and in Dhulia it remained same at Rs.7576/MT.

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

INTERNATIONAL MARKET

CBOT Soymeal Improves on Rumors & Speculative Buying

Soymeal futures at Chicago Board of Trade (CBOT) ended slightly higher following the improvement in soybean futures by reason of speculative buying on previous trading day. In soyoil rumors of Chinese buying interest and

inflationary support from speculators due to rising energy and metal prices were the chief price driving factors, which gave way to bullish sentiments in soybean and soymeal market also. Soymeal futures contract for December settled higher at \$ 0.40 at \$ 175.60 a short ton. However, Soybean November futures contract ended 5.75 cents up at \$5.7775.

CBOT Soymeal Futures as on 21st September 2005

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	172.3	172.3	175.6	171.0	0.3	172.6
Oct'05	175.2	175.0	177.4	174.0	0.4	175.6

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (22.09.05)

Chief Features

During past 24 hours, fairly widespread rains with heavy to very heavy rainfall at a few places have occurred over Konkan & Goa, Madhya Maharashtra, Gujarat region and north Karnataka. Scattered light to moderate rainfall have also occurred over northeastern States and Sub-Himalayan West Bengal & Sikkim, Orissa, Himachal Pradesh, Uttaranchal, Haryana, Madhya Pradesh, Marathwada and Vidarbha. Chief amounts of rainfall recorded (in cms) are: Panjim-17, Mahabaleshwar-17, Dhanu-15, Nasik-11, Belgaum, Bhira and Ambala-9 each, Mumbai-8, Aurangabad-4 and Ratnagiri-3.

Yesterday's depression over Vidarbha close to Buldana moved west northwestwards and lay near Lat. 21.0° N/ Long. 76.0 °E close to Jalgaon in north Madhya Maharashtra at 1730 hours IST of 21 September 2005. It has now weakened into a well marked low pressure area and lies over north Madhya Maharashtra and neighbourhood. The associated upper air cyclonic circulation extends up to mid-tropospheric levels tilting southwestwards with height. The system is likely to move northwestwards for another 24 hours and then may move north-northeastwards. Under its influence widespread rainfall with heavy to very heavy falls at a few places is likely over Konkan & Goa, Madhya Maharashtra and south Gujarat during next two days. Subsequently the rainfall activity likely to increase over north Gujarat, West Madhya Pradesh and east Rajasthan.

The trough in lower tropospheric levels from centre of above system now runs upto Bihar. It is likely to cause scattered rain over east and northeast parts of the country.

A western disturbance as an upper air system lies over north Pakistan and neighbourhood. Under its influence scattered to fairly widespread rains are likely over Western

Himalayan region and adjoining Plains during next 2-3 days.

Forecast valid 0830 hours IST of 25th September, 2005

NORTH: Rain/thundershowers likely at many places over Himachal Pradesh and at a few places in the rest region outside Uttar Pradesh where it may be isolated during next 24 hours. Increase in rainfall is likely over the region from 23rd.

EAST: Rain/thundershowers likely at many places over south Gangetic West Bengal; at a few places over the rest region. Rain/thundershowers northeast Madhya Pradesh and Chhattisgarh may increase during next 36 to 72 hours.

SOUTH: Rain/thundershowers likely at many places over Coastal Karnataka and at a few places over North Interior Karnataka, Telangana and north 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 south Gujarat; at many places over south Madhya Maharashtra, north Gujarat and West Madhya Pradesh and at a few places over the rest region outside West Rajasthan where it may be isolated. Increase is likely over West Madhya Pradesh and East Rajasthan; and decrease over south Madhya Maharashtra after 24 hours.

Warning

Heavy to very heavy rainfall likely at a few places over Konkan & Goa, north Madhya Maharashtra and Gujarat Region. Isolated heavy rainfall also likely over Saurashtra & Kutch, south Madhya Maharashtra, and Coastal Karnataka. Isolated very heavy rainfall also likely over Western Himalayan region from 23rd onwards.

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

1. Increase in rainfall is likely over Northwest India and Gangetic plains.
2. Rainfall activity over Maharashtra, Gujarat and Karnataka is likely to decrease.

Source: GOI (IMD)

FOREX RATES (22.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.92
European Union	Euro	53.7151

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