

## OILMEAL

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

### MAJOR ACTIVITY HIGHLIGHTS

- Domestic Market on a Lower Side
- NCDEX Trading seen in the Last Hour

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

Soy meal prices were in a weak sentiment at most of the domestic spot market today as compared to last day amid weak demand and supply. In Indore the prices remained stable. The market activities remained less today. At the NCDEX, trading was observed in the last hour of trade. According to the traders, the soymeal prices likely to decrease in near future due to production will be increased in kharif season as long term basis.

Plant delivery quotes of Soy seeds witnessed weak today as compared to last day and traded at Rs1245 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 9300-9400 per MT in Kandla in jute bags, FAS has been put at \$ 215-217 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)	
	6.09.05	8.09.05
Indore	8500	8500-8600
Shivpuri/Morena	8650	8500
Nanded	8900-9000	8900
Nagpur (42-43%)	8400-8800	8400-8900
Latur	9000	8900
Jalna/Dhulia	8600-8900	8700-8800
Kota	8900	8800-8900
Kandla	9400	9400
Mumbai	9500	9500
Vizag	9300	9700

##### Soy Meal Vessel Report (08.09.05)

Mumbai Port is loading 6,000 MT of SBM on the vessel 'Bright KC'. Chowgule agents are handling the vessel. The 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 (8<sup>th</sup> September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8410.00	8450.00	8410.00	8450.00	+40.00
Oct'05	8746.00	0.00	0.00	8746.00	0.00

##### Rape/ Mustard meal

The rapeseed/mustard meal market remained stable due to stable demand and supply today. However, the demand from poultry industry is to catch up and support the prices.

In Shivpuri/ Morena, it was traded at Rs.4650 per MT; Kota 4400 & Barah(not available)), which was remained range bound with stable undertone from previous day.

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

##### Groundnut meal

Groundnut crop is expected to hit the market in November and production is expected to be good. In the coming days the prices may remain range bound and later on will be comfortable. Groundnut meal market continued the steady trend and is expected to get a firm support from the retail end and millers and exporters.

In Rajkot, the GN extraction has been quoted for Rs 6200-Rs.6400/MT for 40% protein at stable position and in Dhulia it remained at Rs.7600/MT.

India exported around **17,700 MT** groundnut meals in June 2005 as compared to 2,300 MT in June 2004.

### INTERNATIONAL MARKET

##### CBOT Soymeal Moderately Low on Spec Local Selling

Soymeal futures at Chicago Board of Trade (CBOT) traded moderately lower yesterday by reason of speculative and pressured local selling. Soymeal futures contract for December was \$ 2.00 low at \$ 187.80 and soybean November futures contract ended 8 cents low at \$6.0625. This selling was mainly due to rumours that China has

bought a few cargoes of Soybeans. Also on the expectation of increase in supply due to approaching fall harvest and may be better than previous estimates.

#### CBOT Soymeal Futures as on 7<sup>th</sup> September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	188.1	187	187	183.7	-3.3	184.8
Oct'05	188.2	186.8	187	184.4	-2.3	185.9

CBOT remained closed on Saturday and Sunday

#### WEATHER WATCH: (08.09.05)

##### MAIN FEATURES

During last 24 hours, fairly widespread rains with isolated heavy falls occurred over coastal area of Andhra Pradesh, Orissa, Karnataka, Konkan & Goa and Lakshadweep. Scattered moderate rains have also occurred over interior Andhra Pradesh, Madhya Maharashtra and Gujarat Region. Chief amounts of the rainfall (in cms.) are: Bapatla-9, Karipur-8, Amini Divi, Kozhikode, Gannavaram-7 each, Satara-6, Gopalpur and Tuni-5 each.

Yesterday's low-pressure area over west central Bay of Bengal off Coastal Andhra Pradesh persists. Associated cyclonic circulation extends upto mid-tropospheric levels tilting southwestwards with height. It is likely to move in a northwesterly direction.

Under the influence of this system, fairly wide spread rain with heavy falls likely over Andhra Pradesh and Orissa during next 2-3 days.

The cyclonic circulation over central Pakistan and adjoining northwest Rajasthan persists extending upto 1.5 km a.s.l.

The upper air cyclonic circulation over east central Arabian Sea has become less marked.

#### FORECAST VALID FOR NEXT 72 HOURS

**NORTH:** Isolated rain/thundershowers likely in the region.

**EAST:** Rain/thundershowers likely at many places over Orissa; at a few places over Gangetic West Bengal and Chhattisgarh and isolated in the rest region.

**SOUTH:** Rain/thundershowers likely at many places over the region outside Tamil Nadu where it may be at a few places.

**WEST:** Rain/thundershowers likely at many places over Maharashtra and Goa and at a few places over rest region outside West Rajasthan where it may be Isolated. Increase in rainfall over Maharashtra after 9<sup>th</sup>.

##### Warning

Isolated heavy rainfall is likely over Coastal Orissa, Coastal Andhra Pradesh, Telangana, Coastal Karnataka and Konkan & Goa.

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

Rainfall activity is likely to continue over Peninsular India with reduced intensity.

Increase in rainfall over central India.

**Source:** GOI (IMD)

#### FOREX RATES (08.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.86
European Union	Euro	54.53

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