

OILMEAL

12th September, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Prices at Spot Market Declines
- Prices at NCDEX September Decline

COMMENTARY

DOMESTIC MARKET

Soy meal

Soy meal prices were in a declining sentiment at the opening of the domestic spot market today but closed at high as compared to previous day. This was observed due to drizzling in certain places and expectation of improved crop production report. In Indore the prices of DOC were in a range of 8300-8500. At NCDEX, no trading took place. The prices are expected to be low in the coming days.

Plant delivery quotes of Soy seeds witnessed weak today as compared to last day and traded at Rs1225 per qtl in Indore while soymeal in physical market has been traded within a range of Rs.8300-8500 per MT, as per quality. FOR quotes remained at Rs 9200-9300 per MT in Kandla in jute bags, FAS has been put at \$ 212-214 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)	
	10.09.05	12.09.05
Indore	8500-8600	8300-8500
Shivpuri/Morena	8500	8400-8500
Nanded	8950	8900
Nagpur (42-43%)	8900	9000
Latur	8950	8985
Jalna/Dhulia	8500-8600	8500-8600
Kota	8800	8600-8700
Kandla	9300	9200
Mumbai	9400	9400
Vizag	9400	9400

NCDEX Soy meal Futures price (12th September'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Sept'05	8500.00	8450.00	8446.00	8450.00	- 50.00
Oct'05	8746.00	0.00	0.00	8746.00	0.00

Soy Meal Vessel Report (12.09.05)

Mumbai Port is expecting 'Indruwa Valley' to load 2,500 MT of SBM. Sai Shipping agents will be handling the vessel.

Rape/ Mustard meal

The rapeseed/mustard meal market was up today due to reduced supply on less crushing of Mustard Meal as most of the stocks are with NAFED. The market may continue on an higher side.

In Shivpuri/ Morena, it was traded at Rs.4700 per MT; Kota 4450, market remained on a mixed sentiment as, compared to previous day.

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

Groundnut meal

The market sentiment remained range bound today. Poultry demand is expected to move up and local consumption is expected to increase. The prices may move up.

In Rajkot, the GN extraction has been quoted for Rs.6200/MT at stable position and in Dhulia it remained at Rs.7500/MT for 43% protein.

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

INTERNATIONAL MARKET

CBOT Soymeal Futures Lower on Heavy Selling

Soymeal futures at Chicago Board of Trade (CBOT) traded lower yesterday ahead of USDA's crop production forecast to be declared this Monday. The consensus of a higher production forecast resulted in late technical selling. However Soymeal managed to get a support from higher than expected weekly export sales. Soymeal futures contract for December was \$ 2.80 lower at \$ 184 a short ton and soybean November futures contract ended 10.50 cents lower at \$5.90.

CBOT Soymeal Futures as on 9th September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	184.4	184.8	184.8	180.3	-4	180.4
Oct'05	184.9	185.0	185.8	181.5	-3.2	181.7

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (12.09.05)

MAIN FEATURES

During last 24 hours, fairly widespread rains with heavy to very heavy falls have occurred over Konkan & Goa, Madhya Maharashtra, Gujarat Region, Orissa and Chhattisgarh. Chief amounts of the rainfall (in cms.) are: Mahabaleshwar-11, Mumbai (Santacruz)-9, Vihar-9, Bhira-9, Raipur-8, Baroda-7, Mumbai (Colaba)-7, Tansa-7, Uppuwaiterana-7, Puri-7, Jagdalpur-6, Vaitarana-6, Bhatsa-6, Bhubaneshwar-6, Dahanu-5, Ratnagiri-4, Tulsi-4, Panjim-3, Harnai-2 and Nasik-1.

The low-pressure area over west central & adjoining northwest Bay of Bengal moved north-northwestwards and concentrated into a depression. It lies today morning at 0830 hours IST over northwest Bay of Bengal with its centre near Lat. 20° N/Long 88° E about 150 Km east of Paradip. The system is likely to move in a northwesterly direction.

The other upper air cyclonic circulation extending upto mid-tropospheric levels over south Gujarat coast and adjoining Konkan & Goa persists.

The offshore trough at sea level now runs from Gujarat to Karnataka coast.

The Western Disturbance as an upper air system over Jammu & Kashmir and neighbourhood persists.

Under the influence of above systems, fairly widespread rains with heavy to very heavy falls are likely over Orissa, Chhattisgarh, Gujarat, Konkan & Goa, Madhya Maharashtra and Gangetic West Bengal during next 2-3 days. Rainfall may increase over Jharkhand, Chhattisgarh, Vidarbha and East Madhya Pradesh during subsequent two days.

FORECAST VALID FOR NEXT 72 HOURS

NORTH : Rain/thundershowers likely at many places over Punjab, Himachal Pradesh and Uttaranchal and at a few places over the region.

EAST: Rain/thundershowers likely at most places over Orissa and south Gangetic West Bengal; at many places over rest Gangetic West Bengal, Jharkhand, Chhattisgarh and East Madhya Pradesh and at a few places over the rest region outside north Bihar and northeastern States where it may be isolated.

SOUTH: Rain/thundershowers likely at most places over north Coastal Andhra Pradesh; at many places over Andaman & Nicobar Islands, Telangana, Coastal Karnataka, Kerala and Lakshadweep and at a few places over the rest region outside Tamil Nadu & Pondicherry where it may be isolated.

WEST: Rain/thundershowers likely at most places over south Gujarat and Konkan & Goa; at many places over north Gujarat, Madhya Maharashtra and West Madhya Pradesh and at a few places over rest region.

Warning

Heavy to very heavy rainfall likely at a few places over Orissa, Chhattisgarh, south Gujarat, Konkan & Goa and Madhya Maharashtra. Isolated heavy rain also likely over Gangetic West Bengal, Himachal Pradesh, Uttaranchal, Telangana, Coastal Karnataka and Andaman Islands.

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

- i) Ongoing rainfall activity is likely to continue over Maharashtra and Gujarat.
- ii) Increase in rainfall likely over Madhya Pradesh, Gangetic West Bengal, Jharkhand and Interior Maharashtra.

Source: GOI (IMD)

FOREX RATES (12.09.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.82
European Union	Euro	54.05

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