

OILMEAL

8th October, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Remained Stable
- NCDEX October Contract Traded Thin
- No trading in NCDEX November Contract

COMMENTARY

DOMESTIC MARKET

Soy meal

Soy meal prices at the spot market maintained its stable sentiment at most of the places. In Indore the prices of DOC traded in the range of Rs.8000-8400 per MT. In NCDEX futures contract for October prices remained very strong but the trading activity remained very poor, no movement was noticed. Expected domestic demand for Soy meal is of around 4000 to 5000 MT. According to trade sources no fresh demand is reported for Soy meal from international markets. Also there is less demand for oil in domestic market, crushing will be less as stocks of oil are already high. Another important reason is fear of Bird Flu is reported from Indonesia, which may bring in a fall in demand for Soy meal and thus reduce its prices.

Plant delivery quotes in Indore remained range bound and Soybean seeds traded at Rs1185 per qtl. In Indore soy meal in physical market traded low in the range of Rs.8000-8300 per MT, as per quality.

FOR quotes declined at Rs 8850-8900 per MT in Kandla in jute bags, FAS was at \$ 200-202 per MT.

India's soy meal exports totalled **102675** tons in September 2005 compared with 12875 tons in September 2005.

Soy Meal Vessel Report (8.10.05)

Kandla Port is loading 16,000 MT of SBM on the vessel 'State of Nagaland' to China. Shantilal agents is handling the vessel. The port is expecting 'Elizaveta' to load 5,000 MT of SBM to Kuwait. The vessel will be handled by JM Baxi agents.

Loading of 2,500 MT of SBM is expected at Mumbai Port on the vessel 'Indruwa Valley'. Sai Freight 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 Sea crest agents.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	7.10.05	8.10.05
Indore	8000-8300	8000-8400
Nanded	8400	8400-8450
Dhulia/Jalna	8400	8400
Kota	8450	8450-8500
Nagpur	8400	8400
Kandla	8800-8850	8800-8900
Mumbai	8800	8800
Vizag(approx)	8900	8900
Sangli	8400	8400
Datia	8400	8400-8450
Latur	8400	8400

NCDEX Soy meal Futures price (8th October'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8100.00	8275.00	8275.00	8275.00	+175.0
Nov'05	8250.00	0.00	0.00	8250.00	0

Rape/ Mustard meal

The rapeseed/mustard meal market today also remained range bound with stable and lack lustre trading was noticed. No major activity was witnessed in the market. The market is expected to remain range bound in the coming days. Arrival of 900-950 bags is reported at Neewai and at Sriganganagar market 350-400 bags arrived.

In Shivpuri/ Morena, mustard meal traded at the same price of Rs.4650 per MT, at Alwar the price was 4500 MT. Market remained similar to the previous trading day.

India exported **31025** tons of rapemeal in September 2005 as compared to 52100 in September 2005.

Groundnut meal

Saurashtra Groundnut (40%) quoted at Rs.5700 for cash and Rs.6000 for credit. The prices are likely to decline in the coming days on increased supplies from crushing activities. In Rajkot around 18000 to 20000 bags arrived.

India exported around **8500 MT** groundnut meals in September 2005.

INTERNATIONAL MARKET

CBOT Soymeal Ended High

Chicago Board of Trade (CBOT) Soymeal futures yesterday ended higher as compared to the previous trading day. This was mainly due to unwinding of Soybean oil and Soybean spreads and on technical buying to some extent. Soymeal December contract settled higher by \$ 1.30 at \$168.60 a short ton and Soybean November futures contract remained unchanged at \$ 5.6425. However, Soybean December contract ended at 38 points lower at 23.66 cent a pound. Traders are looking ahead to next week's crop production report for any major change in prices. The meteorological department is expecting a dry weather in Midwest in the coming days, which is good for harvesting Soybean crop.

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Oct'05	163.7	167.5	167.5	163.5	1.6	165.3
Dec'05	167.3	169.2	169.2	167.3	1.3	168.6

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (8.10.05)

Chief Features

During past 24 hours, light to moderate rain/thundershowers have occurred at a few places over Tamil Nadu & Pondicherry, Kerala, Lakshadweep, Andaman & Nicobar Islands and coastal Orissa.

The upper air cyclonic circulation over southeast Bay of Bengal persists and now extend upto 3.6 km a.s.l Under its influence a low-pressure area may form over south Bay of Bengal during next 24-48 hours.

This system is likely to result in scattered to fairly widespread rainfall over the south peninsula during next 2-3 days. Isolated heavy rainfall may also occur over Tamil Nadu and Kerala after 24 hours.

An upper air cyclonic circulation extending upto 1.5 km a.s.l. lies over Himachal Pradesh and neighbourhood. It may cause isolated rain/thundershowers over Himachal Pradesh and Jammu & Kashmir during next 24 hours.

The upper air cyclonic circulation over Tamil Nadu & neighbourhood has become less marked.

Convective clouds over parts of south & east central Bay of Bengal, south Andaman Sea and southeast Arabian Sea.

Forecast valid 0830 hours IST of 11th October, 2005

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

EAST: Rain/thundershowers likely at a few places over coastal Orissa and isolated over northeastern States and West Bengal & Sikkim. Mainly dry weather in the rest region.

SOUTH: Rain/thundershowers likely at many places over Lakshadweep at a few places over Andaman & Nicobar Islands, Tamil Nadu & Pondicherry and Kerala and isolated in the rest region outside Telangana and north Interior Karnataka where weather may be mainly dry. Rainfall over Tamil Nadu & Pondicherry, Kerala and Coastal Andhra Pradesh is likely to increase from 10th.

WEST: Mainly dry weather is likely in the region.

Heavy Rainfall Warning

Isolated heavy rainfall likely over Tamil Nadu and Kerala during next 36-72 hours.

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

Scattered to fairly widespread rainfall activity over south peninsula is likely to continue.

Source: GOI (IMD)

FOREX RATES (8.10.05)

Country/ Continent	Currency	Value In Rupees
USA	Dollar	44.32
European Union	Euro	53.74

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