

## OILMEAL

18 October, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Improved
- NCDEX Nov. Futures ended down

### COMMENTARY DOMESTIC MARKET

#### Soy meal

Soy meal prices at the spot market improved at most of the places due to improved export demand. In Indore the prices of DOC quoted in the range of Rs.8400-8700 per MT. Expected domestic demand for Soy meal is of around 4000 to 5000 MT, according to trade sources. There is good demand in international markets according to trade sources. The meal prices at Kandla port saw improvement of Rs 200 giving support to the spot market. Also the arrivals of soybean are diminished and will improve in coming days. Until then the prices are expected to remain strong. The crushing activity is not prominent at the moment but is expected to improve.

In Indore soymeal in physical market improved and traded in the range of Rs.8500-8600 per MT, as per quality. Around 1.75 lakh bags arrivals are reported in M.P. according to trade sources.

FOR quotes increased at Rs 9100-9150 per MT in Kandla in jute bags, FAS was at \$ 203-205 per MT.

India's soymeal exports totalled 102675 tons in September 2005 compared with 12875 tons in September 2004.

#### Soy Meal Vessel Report (18.10.05)

'Yang Quan' has arrived at Jamnagar Port and continues to load 14,250 MT of SBM to China. The vessel is being handled by Seacrest 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.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	17.10.05	18.10.05
Indore	8200-8500	8400-8700
Nanded	8000-8200	8300
Dhulia/Jalna	8400-8700	8200-8600
Kota	8300-8400	8300-8400
Nagpur	8200	7900-8300
Kandla	9150	9350

Mumbai	9050	.....
Vizag(approx)	9100	...
Sangli	8300	8400
Latur	8300	8200
Morena/shivpuri	8300	8400

#### NCDEX Soy meal Futures price (18<sup>th</sup> October'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Nov'05	8400.00	8265.00	8263.00	8265.00	-135.00
Dec'05	8600.00	00.00	00.00	8600.00	00.00

#### Rape/ Mustard meal

Rapeseed/mustard meal prices didn't observe any significant change and remained range bound today. The market is expected to remain range as same in the coming days.

In Shivpuri/ Morena, mustard meal quoted same at Rs.4600 per MT, at Alwar the price was same at Rs.4400 MT. Market maintained its stable sentiment from couple of days. India exported 31025 tons of rapemeal in September 2005 as compared to 52100 in September 2005.

#### Groundnut meal

Saurashtra Groundnut (40%) quoted at Rs. 5850 for cash and Rs 6000 for credit. As the crushing activity is starting to gear up the prices of meal is going to be affected accordingly. As the crushing activity will increase the prices are bound to come down due to supply pressure. India exported around 8500 MT groundnut meals in September 2005.

### INTERNATIONAL MARKET

#### CBOT Soy meal Closed Down

December Soy meal at CBOT closed down 1.3 at 175.2. the day's high was 176.9 and low was 175.

While the oil market is finding support from the high energy prices, weak cash demand on the east coast and spread activity against the oil created pressure on meal. Soy meal futures ended the session modestly lower, as soy meal product share declining at the expense of rallying soy oil prices. Further increased demand for soy oil and the availability of freshly harvested soybean supplies could

lead to the over production of soymeal kept pressure on prices.

November Soybeans finished up 1.75 at 591.25, 8.25 off the high and 2.25 up from the low. December Soybean Oil finished up 0.36 at 24.39. This was 0.38 off the high and 0.14 up from the low.

Traders are looking for tonight's weekly crop progress report to show the crop near 75-85% harvested. Weekly export inspections came in at boosting 32 million bushels as compared with trade expectations at 17-24 million. Cumulative inspections have reached 7.1% of the forecast for the marketing year down as compared with 10.5% as the 5-year average for this time of the year.

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Dec'05	176.5	175.0	176.9	175.0	-1.3	175.2
Jan'06	178.3	177.0	178.5	176.8	-1.3	177.0

CBOT remained closed on Saturday and Sunday

## WEATHER WATCH: (18.10.05)

### Chief Features

The upper air cyclonic circulation over East Madhya Pradesh & adjoining Vidarbha now lies over East Madhya Pradesh and extends upto 0.9 km a.s.l.

The well marked low pressure area over eastcentral Arabian Sea persists and has weakened into a low pressure area.

The Western Disturbance as an upper air system over extreme northwest Jammu & Kashmir is moving away northeastwards. The induced upper air cyclonic circulation over central Pakistan and the trough in westerlies have become less marked.

With the eastward movement of Western Disturbance, generally fair weather is likely over Jammu & Kashmir. The night temperature, however, will fall.

The upper air cyclonic circulation over central parts of south Bay of Bengal now lies over southwest Bay of Bengal and

extends upto 4.5 km a.s.l. Under its influence fairly widespread rainfall is likely over Coastal Andhra Pradesh and Tamil Nadu & Pondicherry during next 24 hours after which the rainfall activity is likely to increase.

### Forecast valid 0830 hours IST of 18<sup>th</sup> October, 2005

**NORTH:** Only **isolated light** rain/snow likely over higher reaches of Jammu & Kashmir. **Isolated** rain/thundershowers likely over Uttaranchal and East Uttar Pradesh. **Mainly dry** weather likely in the rest region.

**EAST :** Rain/thundershowers likely **at many places** over northeastern states, Gangetic West Bengal and coastal Orissa; **at a few places** over the rest region outside East Madhya Pradesh, Chhattisgarh and Bihar where it may be **isolated**. Increase in rainfall over West Bengal, Sikkim and northeast India after 24 hours.

**SOUTH:** Rain/thundershowers likely **at many places** over Andaman & Nicobar Islands, Andhra Pradesh and Tamil Nadu & Pondicherry and **at a few places** over Kerala and Karnataka.

**WEST :** **Isolated** rain/thundershowers likely over Maharashtra. **Mainly dry** weather is likely over the rest region.

### Heavy Rainfall Warning

**Heavy to very heavy rainfall** is likely over Tamil Nadu & Pondicherry, Coastal Andhra Pradesh and Gangetic West Bengal. **Isolated heavy rainfall** also likely over Sub Himalayan West Bengal, northeastern states and interior Andhra Pradesh.

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

Mainly dry weather is likely over northwest & central India.

Source: GOI (IMD)

### FOREX RATES (18.10.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.11
European Union	Euro	54.10

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