

## OILMEAL

11<sup>th</sup> October, 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices decline
- NCDEX October Contract Boiled

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

Soy meal prices at the spot market declined today at most of the places. In Indore the prices of DOC quoted in the range of Rs.8000-8200 per MT. In NCDEX futures October contract surged a high and ended Rs.600 up from previous days closing price. Expected domestic demand for Soymeal is of around 4000 to 5000 MT, according to trade sources. No fresh demand is reported for Soymeal from international markets. Also there is less demand for oil in domestic market, crushing will be less as stocks of oil are already high. Crushing activities are to begin in MP after Dusshera. Arrival of Soybean is increasing and crop report is good. In total 70000-75000 bags of Soybean arrived in Madhya Pradesh and also expect about 125000-150000 bags in the coming days. The prices are expected to fall upto Rs.1130-1140 in the coming days. Another important reason is fear of Bird Flu is reported from Indonesia, which may bring in a fall in demand for Soymeal and thus reduce its prices.

Demand for Soymeal is reported at Kandla port and not much demand is reported at Mumbai market according to the trade sources.

Plant delivery quotes in Indore remained range bound and Soybean seeds traded at Rs1150-1163 per qtl. In Indore soymeal in physical market traded low in the range of Rs.8000-8200 per MT, as per quality.

FOR quotes declined at Rs 8800-8850 per MT in Kandla in jute bags, FAS was at \$ 198-200 per MT.

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

##### Soy Meal Vessel Report (11.10.05)

Kandla 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 Seacrest agents.

#### DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	10.10.05	11.10.05
Indore	8000-8500	8000-8200
Nanded	8400	8100
Dhulia/Jalna	8400	8000
Kota	8450	8450
Nagpur	8400	8100-7700
Kandla	8800-8900	Oct 8700-8850 Nov 8700-8750
Mumbai	8800-8850	Oct 8600
Vizag(approx)	8900-8950	Nov 8700
Sangli	8400	8200
Datia	8400	8300
Latur	8400	8100
Morena/shivpuri	-	8200

#### NCDEX Soy meal Futures price (11<sup>th</sup> October'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8100.00	8700.00	7900.00	8700.00	+600
Nov'05	8250.00	8035.00	8035.00	8035.00	-215

#### Rape/ Mustard meal

Rapeseed/mustard meal prices declined today due to stable market demand. Around 250-300 bags mustard seed arrived in market. The market is expected to remain range bound in the coming days.

In Shivpuri/ Morena, mustard meal quoted at the range of 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. 5700 for cash and Rs.5900 for credit. The arrival of groundnut is increasing in Gujarat market; therefore the prices are likely to turn down further if heavy crushing is attained. It is reported that around 30-40 new oil mills will start from Dusserra in Gujarat increasing the no. of mills to around 80-90. In Rajkot around 75000 bags of groundnut of 30kg each arrived today.

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

## INTERNATIONAL MARKET

### CBOT Soymeal Future Decline

Chicago Board of Trade (CBOT) Soymeal futures declined yesterday following speculative sales in Soybean futures. Traders fear increased Soybean supplies may lead to more Soy oil in turn resulting in increased production of soy meal. Most of the buyers and sellers in Soy meal trading were commercial and commission houses. December Soy meal contract settled \$ 2.00 low by at \$166.60 a short ton and Soybean November futures contract was moderately low at \$ 5.5525. Soy oil December contract at CBOT ended at 40 points lower at 23.26 cent a pound. Traders are looking forward for USDA crop production report to be released on Wednesday.

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Oct'05	165.3	164.5	164.5	163.1	-1	164.3
Dec'05	168.6	168.0	168.2	166.2	-2	166.6

CBOT remained closed on Saturday and Sunday

## WEATHER WATCH: (11.10.05)

### Chief Features

Southwest monsoon has further withdrawn from the remaining parts of northeast & Peninsular India and thus from the entire country, Bay of Bengal and Arabian Sea.

Conditions are favourable for the commencement of northeast monsoon rains over Tamil Nadu, Kerala and adjoining Parts of Andhra Pradesh and Karnataka State during next 48 hours.

Yesterday's low-pressure area over southwest & adjoining west central Bay of Bengal persists. Associated upper air cyclonic circulation extends upto mid-tropospheric level. A

fresh upper air cyclonic circulation extending upto mid-tropospheric levels lies over southeast Arabian Sea and neighbourhood. Under this scenario enhanced rainfall activity with isolated heavy falls is likely over south peninsula during next 2-3 days.

Yesterday's western disturbance as an upper air system over north Pakistan and adjoining Jammu & Kashmir persists. It may cause isolated rain/thundershowers over Western Himalayas during next 1-2 days.

Convective clouds over parts of south, west central & northwest Bay of Bengal, Andaman Sea, southeast Arabian Sea and south Peninsular India.

**Forecast valid 0830 hours IST of 14<sup>th</sup> October, 2005**

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

**EAST:** Rain/thundershowers likely at a few places over Coastal Orissa and isolated Nagaland, Manipur, Mizoram & Tripura, Coastal Gangetic West Bengal, rest Orissa and south Chhattisgarh. Mainly dry weather in the rest region.

**SOUTH:** Rain/thundershowers likely at many places over Andaman & Nicobar Islands, Tamil Nadu & Pondicherry, Kerala, Lakshadweep, Coastal Andhra Pradesh and Rayalaseema; at a few places over South Interior Karnataka and isolated in the rest region.

**WEST:** Mainly dry weather is likely in the region.

### Heavy Rainfall Warning

Isolated heavy rainfall likely over Tamil Nadu & Pondicherry, Coastal Andhra Pradesh, Rayalaseema, Andaman & Nicobar Islands, Lakshadweep and Kerala.

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

Fairly widespread rainfall activity over south peninsula is likely to continue.

**Source:** GOI (IMD)

## FOREX RATES (11.10.05)

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.94
European Union	Euro	53.99

## Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>  
© 2005 Indian Agribusiness Systems Pvt Ltd.