

OILMEAL

15 October, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Improved
- NCDEX Prices increased in November Contract

COMMENTARY DOMESTIC MARKET

Soy meal

Soy meal prices at the spot market improved at most of the places. In Indore the prices of DOC quoted in the range of Rs.8200-8300 per MT. Expected domestic demand for Soy meal is of around 4000 to 5000 MT, according to trade sources. However not much fresh demand is reported for Soy meal from international markets. The demand for oil in domestic market, improved and Crushing of soyabean may improve in the coming days. Rainfall in certain areas affected the arrivals. The prices are expected to improve further as demand is good and arrivals are low.

In Indore soy meal in physical market improved and traded in the range of Rs.8200-8300 per MT, as per quality.

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

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

Soy Meal Vessel Report (15.10.05)

'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 'Indruva Valley'. Sai Freight agents will be handling the vessel.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	14.10.05	15.10.05
Indore	8100-8400	8200-8300
Nanded	8000-8100	8000-82000
Dhulia/Jalna	8100-8000	8300
Kota	8400	8400-8450
Nagpur	8200	8000-8400
Kandla	8900	9100
Mumbai	8800	8800

Vizag(approx)	8800	9100
Sangli	8300	8300-8400
Latur	8100	8100
Morena/shivpuri	8200	8200

NCDEX Soy meal Futures price (15th October'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8700.00	0.00	0.00	8700.00	0.00
Nov'05	8305.00	8401.00	8400.00	8400.00	+95.00

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 same at Rs. 5700 for cash and Rs 6000 for credit. The arrival of groundnut is increasing in Gujarat market; therefore the prices are likely to go down further if increased crushing activities are reported.

India exported around 8500 MT groundnut meals in September 2005.

INTERNATIONAL MARKET

CBOT Soy meal Close High

Soy meal futures at Chicago Board of Trade (CBOT) remained slightly down yesterday. December soy meal contract closed down by \$1.0 at \$176.5. This is \$5 lower from its high. The contract gained early on the back of supportive export sales then it reversed due to lack of funds presence. November soybeans contract at CBOT ended 1.25 cent higher at \$5.89.25 due higher than expected export sales and support from NOPA crush data. December

soy oil at CBOT ended 14 points higher at 24.03 cents a pound on commercial buying and bio-diesel demand support.

Soybean meal sales came in at 177,700 metric tonnes, against trade expectations between 50,000-110,000. Cumulative sales have reached 18.7% of the USDA forecast for the season, as compared to 26.8% on average over the last five years. Whereas weekly export sales for soyabean was slightly up at 684,900 metric tonnes, against expected 400,000- to 600,000 tonnes causing it to trade higher. The NOPA monthly crush report showed that the industry crushed 127.1 million bushels in September slightly up against trade expectations at 122-124 million bushels and 123.2 million bushels in August. . However, weather looks ideal for an acceleration of the crop harvest in the Midwest over the next week and with mostly dry conditions and much above normal temperatures there is little supply uncertainty expected

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Oct'05	175.0	175.5	175.8	174.4	0.3	175.3
Dec'05	177.6	178.0	178.7	176.3	-1.1	176.5

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (15.10.05)

Chief Features

Yesterday's low pressure area over southern parts of Rayalaseema and adjoining Karnataka & Tamil Nadu now lies over North Interior Karnataka and adjoining areas of south Madhya Maharashtra and Konkan & Goa. Associated upper air cyclonic circulations extends upto mid-tropospheric level. Under its influence, enhanced rainfall activity with heavy falls is likely over north Andhra Pradesh, north Karnataka and Maharashtra & Goa during next 1-2 days. The rainfall activity over Andhra Pradesh is Likely to decrease after 24 hrs.

The low pressure area over western parts of southeast Arabian Sea persists.

The Western Disturbance as an upper air system over North Pakistan now lies over north Pakistan and adjoining Jammu & Kashmir. It may cause light to moderate scattered rain/snow over Western Himalayas during next 2-3 days.

Forecast valid 0830 hours IST of 18th October, 2005

NORTH: Rain/snow likely at a few places over Jammu & Kashmir and isolated over Himachal Pradesh. Mainly dry weather likely in the rest region.

EAST: Rain/thundershowers at many places over Chhattisgarh and East Madhya Pradesh and at a few places over Orissa, Jharkhand and Bihar. It may be isolated over the rest region.

SOUTH: Rain/thundershowers likely at many places over Coastal Andhra Pradesh, Telangana, Coastal & North Interior Karnataka and Andaman & Nicobar Islands and at a few places over rest of the region outside Tamil Nadu where it may be isolated.

WEST: Rain/thundershowers likely at many places over Maharashtra & Goa; and isolated over West Madhya Pradesh and Gujarat. Mainly dry weather is likely in the rest region.

Heavy Rainfall Warning

Isolated heavy rainfall likely over Maharashtra & Goa, Andaman & Nicobar Islands, Telangana, Coastal Andhra Pradesh and Coastal & North Interior Karnataka.

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

Rainfall activity over north Andhra Pradesh, Karnataka and Maharashtra & Goa is likely to decrease and it may increase over Tamil Nadu and Kerala.

2. Improvement in weather over western Himalayan region..

Source: GOI (IMD)

FOREX RATES (15.10.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.89
European Union	Euro	53.95

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