

OILMEAL

17 October, 2005

MAJOR ACTIVITY HIGHLIGHTS

- **Spot Prices Improved**

COMMENTARY DOMESTIC MARKET

Soy meal

Soy meal prices at the spot market improved at most of the places due to improved demand. In Indore the prices of DOC quoted in the range of Rs.8200-8500 per MT. Expected domestic demand for Soymeal is of around 4000 to 5000 MT, according to trade sources. There is good demand in international markets according to trade sources. 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 crushing activity is not prominent at the moment but is expected to improve. The prices are expected to improve further as demand is good and until arrivals improves.

In Indore soymeal in physical market improved and traded in the range of Rs.8200-8500 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 2005.

Soy Meal Vessel Report (17.10.05)

'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	15.0.05
Indore	8200-8500	8200-8300
Nanded	8000-8200	8000-82000
Dhulia/Jalna	8400-8700	8300
Kota	8300-8400	8400-8450
Nagpur	8200	8000-8400
Kandla	9150	9100

Mumbai	9050	8800
Vizag(approx)	9100	9100
Sangli	8300	8300-8400
Latur	8300	8100
Morena/shivpuri	82300	8200

NCDEX Soy meal Futures price (17th 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	8400.00	8400.00	8400.00	8400.00	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. The arrival of groundnut is slightly affected in Gujarat market; therefore the prices are likely to go slightly up, however increased crushing activities will bring it down in coming days.

India exported around 8500 MT groundnut meals in September 2005.

INTERNATIONAL MARKET

CBOT Soymeal Close High

Soymeal futures at Chicago Board of Trade (CBOT) remained slightly down yesterday. December soymeal 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 soyoil 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 tones, 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 tones, 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: (17.10.05)

Chief Features

The upper air cyclonic circulation extending upto mid-tropospheric levels over east central Arabian Sea and adjoining Konkan coast now lies over East Madhya Pradesh & adjoining Vidarbha and extends upto 3.1.km a.s.l. Under its influence scattered rainfall activity is likely over central India during next 24 hours. Subsequently, this activity is likely to shift northeastwards to Northeastern States, West Bengal, Bihar and Jharkhand.

The well marked low pressure area over western parts of southeast and adjoining eastcentral Arabian Sea now lies over eastcentral Arabian Sea

The Western Disturbance as an upper air system over North Pakistan and adjoining Jammu & Kashmir now lies over extreme northwest Jammu & Kashmir. The induced upper air cyclonic circulation lies over central Pakistan upto 3.1 km a.s.l. persists. The trough in westerlies with its axis at 500 hpa now lies roughly along 72 degree east and north of 30 degree north.

As these systems are likely to move eastwards the rain/snow activity over Jammu & Kashmir will reduce

considerably after next 24 hours leading to fall in temperature over northwest India.

An upper air cyclonic circulation lies over central parts of south bay of Bengal extending in middle tropospheric levels . Under its influence the rainfall activity over east coast is likely to increase from 19th.

Forecast valid 0830 hours IST of 18th October, 2005

NORTH: Rain/snow likely **at a few places** over higher reaches of Jammu & Kashmir and **Isolated** over rest Jammu & Kashmir & Himachal Pradesh. **Isolated** to scattered rain/ thundershowers likely over Uttaranchal and East Uttar Pradesh after 48 hrs. **Mainly dry** weather likely in the rest region.

EAST: Rain/thundershowers likely **at many places** over Chhattisgarh ; **at a few places** over the rest region with increase in rainfall over Bihar, Jharkhand and northeast India after 24 hours.

SOUTH: Rain/thundershowers likely **at many places** over Andaman & Nicobar Islands and **at a few places** over Telangana and **Isolated** in the rest region. Rainfall over Coastal Andhra Pradesh and Tamil Nadu likely to increase from 19th.

WEST: Rain/thundershowers likely **at many places** over Vidarbha; **at a few places** over Marathawada and **Isolated** over rest Maharashtra and southwest Madhya Pradesh. **Mainly dry** weather is likely over the rest region . The rainfall over Vidarbha and Maratahawada is likely to decrease after 24 hrs.

Heavy Rainfall Warning

Isolated heavy rainfall likely over Chhattisgarh and Andaman & Nicobar Islands.

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

Rainfall activity over north-east India and south Peninsula is likely to increase.

Source: GOI (IMD)

FOREX RATES (17.10.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.80
European Union	Euro	53.88

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