

OILMEAL

1st October, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Declined on Stable Demand
- NCDEX October & November Contract Prices Unchanged

COMMENTARY

DOMESTIC MARKET

Soy meal

Soy meal prices at the spot markets declined slightly today at most of the places. In Indore the prices of DOC traded in the range of Rs.8200-8800 per MT. Demand at Kandla, Mumbai and Vizag ports improved and major buyers were Chandrashekhar and Suraj Impex. In NCDEX futures no trading activity was visible in October contracts. However prices fell heavily in the November contract. Demand for Soymeal is stable and prices are expected to remain bearish for a few days as arrival of Soymeal is reported.

Plant delivery quotes remained near about same and Soy seeds traded in the similar range of Rs1190-1200 per qtl. In Indore soymeal in physical market traded range bound on a slightly lower side at Rs.8200-8800 per MT, as per quality. FOR quotes remained at Rs 9000-9100 per MT in Kandla in jute bags, FAS was at \$ 205-207 per MT. Crushing of soybean is expected to begin from Navratras this October.

India's soymeal exports totalled **112,575** tons in August 2005 compared with 17,325 tons in August 2004.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	30.09.05	1.10.05
Indore	8200-8850	8200-8800
Shivpuri/Morena	-	8300
Nanded	8500-8600	8300-8700
Dhulia/Jalna	8600-8800	8600-8800
Kota	8500	8500-8600
Nagpur	8200-8700	8300-8700
Latur	8400	-
Kandla	9000	9050
Mumbai	9100	9300
Vizag	9100	9200
Sangli	8700	8600
Datia	-	8500

NCDEX Soy meal Futures price (1st October'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8350.00	0.00	0.00	8350.00	0
Nov'05	8400.00	8105.00	8105.00	8105.00	-295

Soy Meal Vessel Report (30.10.05)

'Seven Star' has berthed at Mumbai Port and continues to load 5,100 MT of SBM. Sai Shipping agents is handling the vessel. 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.

Kandla Port is expecting to load 16,000 MT of SBM on the vessel 'State of Nagaland'. Shantilal 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.

Rape/ Mustard meal

The rapeseed/mustard meal market traded in the same range as compared to the previous trading day. No major activity was visible in the market. The market may remain range bound in the near term.

In Shivpuri/ Morena, mustard meal traded at Rs.4650 per MT, at Alwar the price was 4450 MT. Market remained similar to the last trading day.

India exported **43,825** tons of rapemeal in August 2005 as compared to 33,325 in August 2005.

Groundnut meal

According to trade sources around 1500 bags of groundnut meal arrived in the market and further it is expecting an arrival of 2,00,000 bags of groundnut meal from Gujarat. In Saurashtra Groundnut (40%) was Rs.5800 for cash and Rs.6000 for credit. The prices may improve slightly and then decline in the coming days.

India exported around **15,100 MT** groundnut meals in August 2005 as compared to 8750 MT in August 2004.

INTERNATIONAL MARKET

CBOT Soymeal Marginally Up

Soymeal futures at Chicago Board of Trade (CBOT) gained strength on speculative led buying and commodity funds maintaining long position in Soybean and Soybean futures. According to the U.S. Department of Agriculture September first soybean stocks totaled 256 million bushels below the expectation of 293 million bushels and the USDA's September twelve supply and demand report estimate of 295 million bushels. The speculative buying continued by reason of an expectation of increased usage of Soybean and Soybean in the fourth quarter of 2004-2005 marketing year. Soymeal futures contract for December settled \$0.20 higher at \$170.40 a short ton and Soybean November futures contract ended 12.75cents up at \$5.7325. Soybean December contract was firm by 109 points and ended at 23.95 cents a pound.

CBOT Soymeal Futures as on 30th September 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	167.1	168.6	169.3	166.8	0.1	167.2
Oct'05	170.2	171.5	172.3	170.1	0.2	170.4

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (1.10.05)

Chief Features

Southwest monsoon has further withdrawn from remaining parts of Uttaranchal & West Uttar Pradesh, some parts of East Uttar Pradesh & East Madhya Pradesh and some more parts of West Madhya Pradesh. The withdrawal line passes through Bahraich, Allahabad, Satna, Bhopal, Ratlam, Ahmedabad, Dwarka, 22° N/67° E and 22° N/60° E.

During past 24 hours, scattered rainfall has occurred over northeastern States, West Bengal & Sikkim, north Coastal Andhra Pradesh, Konkan & Goa and Madhya Maharashtra. Isolated pockets of north Tamil Nadu & adjoining South Interior Karnataka and Gujarat also received light to moderate rainfall. Chief amounts of rainfall (in cm) during past 24 hours are: Kalingapatnam-6, Visakhapatnam-5, Mayabandar-5, Tezpur-3, Bangalore-3 and Silchar-2.

Yesterday's low pressure area over westcentral Bay of Bengal now lies over westcentral & adjoining northwest Bay of Bengal off north Andhra Pradesh-south Orissa coast.

The associated upper air cyclonic circulation extends upto mid-tropospheric levels. Under its influence fairly widespread rainfall with isolated heavy falls is likely over northeastern States, West Bengal & Sikkim and coastal Orissa during next 2-3 days.

The upper air cyclonic circulation over Saurashtra and adjoining east Arabian Sea persists and now extends between 1.5 and 3.1 km a.s.l.

Forecast valid 0830 hours IST of 4th October, 2005

NORTH: Mainly dry weather is likely in the region.

EAST: Rain/thundershowers likely at many places over northeastern States, West Bengal & Sikkim and coastal Orissa; at a few places over rest Orissa and isolated over Bihar, Jharkhand and south Chhattisgarh. Mainly dry weather is likely in the rest region.

SOUTH: Rain/thundershowers likely at many places over north Coastal Andhra Pradesh; at a few places over Andaman & Nicobar Islands and Tamil Nadu & Pondicherry and isolated in the rest region.

WEST: Isolated rain/thundershowers likely over Konkan & Goa and Madhya Maharashtra. Mainly dry weather is likely in the rest region.

Warning

Isolated heavy rainfall likely over northeastern States, West Bengal & Sikkim and coastal Orissa.

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

Slight increase in rainfall over south Peninsula. Fairly widespread rainfall activity is likely over northeastern States.

Source: GOI (IMD)

FOREX RATES (1.10.05)

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.02
European Union	Euro	52.94

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