

## OILMEAL

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

### MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Declined on Stable Demand
- Arrival of Soybean Begins
- NCDEX October & November Contract Prices Unchanged

### COMMENTARY

#### DOMESTIC MARKET

##### Soy meal

Soy meal prices at the spot markets continued to decline today also at most of the places. In Indore the prices of DOC traded in the range of Rs.8100-8400 per MT. In NCDEX futures no trading activity was visible in both October and November contracts. Demand for Soymeal is stable and prices are expected to remain bearish for a few days. Prices at Kandla, Mumbai and Vizag ports declined today.

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 low in the range of Rs.8100-8400 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. Soybean arrival has begun and crushing is expected to start in 4-5 days of time.

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)	
	3.10.05	4.10.05
Indore	8200-8500	8100-8400
Nanded	8600-8700	8500
Dhulia/Jalna	8600	8500-8600
Kota	8500-8550	8500
Nagpur	8300-8600	8300-8700
Kandla	9000	8900
Mumbai	9200	9000
Vizag	9100	9000
Sangli	8600-8700	8600
Datia	8500	8500
Latur	-	8400

##### NCDEX Soy meal Futures price (4<sup>th</sup> 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	8105.00	0.00	0.00	8105.00	0

##### Soy Meal Vessel Report (4.10.05)

Kandla Port is loading 16,000 MT of SBM on the vessel 'State of Nagaland' to China.

Shantilal 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.

'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 continued to trade in the same range as compared to the previous trading day. No major activity was visible in the market due to off-season. The market is expected to remain range bound in the coming days.

In Shivpuri/ Morena, mustard meal traded at the same price of Rs.4650 per MT, at Alwar the price was 4500 MT. Market remained similar to the previous trading day.

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

##### Groundnut meal

Saurashtra Groundnut (40%) traded at Rs.5700 for cash and Rs.6000 for credit. The prices may decline in the coming days as arrival of groundnut is reported to have started.

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

## INTERNATIONAL MARKET

### CBOT Soymeal Increased Marginally

Soymeal futures at Chicago Board of Trade (CBOT) increased marginally following a rise in Soybean and Soyoil prices. Soymeal futures contract for December settled \$ 0.40 higher at \$170.80 a short ton and Soybean November futures contract ended 7.75 cents up at \$ 5.81. Soyoil December surged by 70 points and ended at 24.65 cents a pound. Soyoil future increased due to high demand for bio fuel along with good domestic and export interest. The increase in buying was observed by result of technically inspired and commercial buying interest. Soymeal prices however observed a slight strength on not so high demand for Soymeal. Also Fridays report for hog and pig numbers did not show any increase in demand for hog.

### CBOT Soymeal Futures as on 3<sup>rd</sup> October 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Sept'05	167.2	171.2	198.1	161.1	0.1	167.3
Oct'05	170.4	172.5	172.5	168.2	0.4	170.8

CBOT remained closed on Saturday and Sunday

## WEATHER WATCH: (4.10.05)

### Chief Features

Yesterday's well marked low pressure area over Gangetic West Bengal and adjoining Bangladesh now lies as a low pressure area over Gangetic West Bengal. The associated upper air cyclonic circulation extends upto mid-tropospheric levels. Under its influence fairly widespread rainfall with heavy falls is likely over West Bengal & Sikkim and Assam & Meghalaya during next 2-3 days. Some increase in rainfall also likely over Bihar and Jharkhand.

The upper air cyclonic circulation extending in the middle tropospheric levels over southeast Bay of Bengal persists.

Another upper air cyclonic circulation lies over southeast Arabian Sea and neighbourhood extend between 1.5 and 3.1 km a.s.l.

The western disturbance as an upper air system lies over north Pakistan and neighbourhood persists.

Forecast valid 0830 hours IST of 7<sup>th</sup> October, 2005

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

**EAST:** Rain/thundershowers likely at many places over Assam & Meghalaya and West Bengal & Sikkim; at a few places over Nagaland, Manipur, Mizoram & Tripura, Arunachal Pradesh, Bihar and Jharkhand and isolated over Orissa. Weather may be mainly dry over East Madhya Pradesh and Chhattishgarh. Rainfall activity over Gangetic West Bengal will decrease after 24 hours.

**SOUTH:** Rain/thundershowers likely at many places over Nicobar Islands; at a few places over Andaman Islands, Tamil Nadu & Pondicherry, Kerala and Lakshadweep and isolated in the rest region outside Andhra Pradesh where weather may be mainly dry. Isolated rain/thundershowers likely over south Coastal Andhra Pradesh after 24 hours.

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

### WARNING

Heavy to very heavy rainfall likely at a few places over Nicobar Islands, Assam & Meghalaya and Sub-Himalayan West Bengal & Sikkim and isolated over Gangetic West Bengal.

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

Moderate rainfall activity is likely over south peninsula is likely to continue.

Source: GOI (IMD)

## FOREX RATES (4.10.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.13
European Union	Euro	52.58

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