



OILMEAL

7th October, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Spot Prices Declined
- NCDEX October Contract Prices Improved
- No trading in NCDEX November Contract

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 traded in the range of Rs.8000-8300 per MT. In NCDEX futures contract for October prices improved and no trading activity was visible in November contract. Expected domestic demand for Soy meal is of around 4000 to 5000 MT. According to trade sources no fresh demand is reported for Soy meal from International markets. Also there is less demand for oil in domestic market, crushing will be less as stocks of oil are already high. Another important reason is fear of Bird Flu is reported from Indonesia, which may bring in a fall in demand for Soy meal and thus reduce its prices.

In Maharashtra 15000 (new quality) bags of Soybean arrived. The prices are expected to remain bearish for a few days. In the coming days supply is expected to increase thus crushing activities will increase.

Plant delivery quotes in Indore remained range bound and Soybean seeds traded at Rs1185 per qtl. In Indore soy meal in physical market traded low in the range of Rs.8000-8300 per MT, as per quality.

FOR quotes declined at Rs 8800-8850 per MT in Kandla in jute bags, FAS was at \$ 200-202 per MT.

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

Soy Meal Vessel Report (7.10.05)

Kandla Port is loading 16,000 MT of SBM on the vessel 'State of Nagaland' to China. Shantilal agents is handling the vessel. The 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 Sea crest agents.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	6.10.05	7.10.05
Indore	8000-8650	8000-8300
Nanded	8500	8400
Dhulia/Jalna	8600-8800	8400
Kota	8500-8600	8450
Nagpur	7900-8300	8400
Kandla	8850	8800-8850
Mumbai	8900	8800
Vizag(approx)	9000	8900
Sangli	8500-8600	8400
Datia	-	8400
Latur	-	8400

NCDEX Soy meal Futures price (7th October'05)

	Prev Close Price	High Price	Low Price	Close Price	Change
Oct'05	8100.00	8275.00	8275.00	8275.00	+175.00
Nov'05	8250.00	0.00	0.00	8250.00	0

Rape/ Mustard meal

The rapeseed/mustard meal market today also remained range bound and lacked lustre. No major activity was witnessed in the market. The market is expected to remain range bound in the coming days. Arrival of 1000 bags is reported at Neewai and at Sriganganagar market 300-400 bags arrived.

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 **31025** tons of rapemeal in September 2005 as compared to 52100 in September 2005.

Groundnut meal

Saurashtra Groundnut (40%) traded same at Rs.5700 for cash and Rs.6000 for credit. The prices are expected to decline in the coming days on increased supplies from crushing activities. In Rajkot around 18000 to 20000 bags arrived.

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

INTERNATIONAL MARKET

CBOT Soymeal Futures Improved

Soymeal futures at Chicago Board of Trade (CBOT) ended higher yesterday on technically based consolidation and by way of a solid USDA's weekly export sales figure. Soymeal December contract settled up by \$ 1.20 at \$167.30 a short ton and Soybean November futures contract continued its higher trend and ended 0.75 cents up at \$ 5.6425. Soyoil December contract at the closing was low by 12 points at 24.05 cents a pound. Soyoil futures fluctuated with fluctuations in energy prices yesterday. During the day Soyoil remained range bound and market was indecisive about the upward or downward movement in prices but finally settled low. US weekly export sales for Soymeal came in at 115000 MT as compared to expected 75000-115000 MT.

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Oct'05	162.8	162.6	165.3	162.6	0.9	163.7
Dec'05	166.1	166.8	168.9	166.1	1.2	167.3

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (7.10.05)

Chief Features

Southwest monsoon has further withdrawn from, some more parts of Chhattisgarh and Maharashtra. The withdrawal line passes through Forbesganj, Dumka, Jamshedpur, Jharsuguda, Chanderpur, Wardha, Nanded, Ahmednagar, Mumbai, 19° N/73° E and 19° N/60° E.

The upper air cyclonic circulation over Sub- Himalayan West Bengal & Sikkim has become less marked.

The upper air cyclonic circulation over southwest Bay of Bengal now lies over Tamil Nadu & neighbourhood and now extends upto 0.9 km a.s.l.

Another upper air cyclonic circulation has formed over southeast Bay of extending between 1.5 & 4.5 km a.s.l.

Under the influence of these systems scattered light to moderate rainfall is likely over south Peninsula during next 3 days.

Forecast valid 0830 hours IST of 10th October, 2005

NORTH: Mainly dry weather likely in the region.

EAST: Isolated rain/thundershowers likely over northeastern States, West Bengal & Sikkim and Orissa. Mainly dry weather in the rest region.

SOUTH: Rain/thundershowers likely at a few places over Andaman & Nicobar Islands, Tamil Nadu & Pondicherry, Kerala and Lakshadweep and isolated in the rest region outside Telangana and north Interior Karnataka where weather may be mainly dry.

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

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

1. Increase in rainfall activity is likely over south peninsula.
2. Dry weather conditions likely to continue over northwest & central India.

Source: GOI (IMD)

FOREX RATES (7.10.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.32
European Union	Euro	53.95

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.