

OILMEAL

2nd November, 2005

MAJOR ACTIVITY HIGHLIGHTS

- Domestic Spot Market Remained Closed Today
- NCDEX Remained Closed Today

COMMENTARY

DOMESTIC MARKET

Soy meal

NCDEX remained closed today and most of the spot markets remained closed. The markets remained subdued at most of the places during last two-three days on the face of festivals. Trading activities will improve after the festivals. The demand is still low on export front on concerns over the bird flu in Europe and Asia. Also the Indonesian markets are at halt causing demands to be low. Currently the fears of bird flu are causing negative impact on feed demand hammering the meal prices. For the sake of meal prices we can only expect the export demand to rekindle. Until then the situation seems gloomy for the meals, as the crushing activity is improving only to increase the supply.

India's soymeal exports totalled 102675 tons in September 2005 compared with 12875 tons in September 2004.

Soy Meal Vessel Report (02.11.05)

Kandla Port is loading 11,500 MT of SBM on the vessel 'New Legand' to Vietnam. Interocean agents is handling the vessel. The port is expecting 'IKI' to load 15,500 MT of SBM to Japan.

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	31.10.05	02.11.05
Indore	8200-8400	Closed
Nanded	7800	Closed
Dhulia/Jalna	8000-8200	Closed
Kota	8200	Closed
Nagpur	...	Closed
Kandla	9000	Closed
Mumbai	9100	Closed
Vizag(approx)	Closed
Sangli	8100-8200	Closed
Latur	7900	Closed
Morena/shivpuri	8250	Closed

NCDEX Soy meal Futures price (2nd November'05)

Contract	Prev Close Price	High Price	Low Price	Close Price	Change
Nov' 05	8600.00	00.00	00.00	00.00	00.00
Dec'05	8800.00	00.00	00.00	00.00	00.00

Rape/ Mustard meal

Markets remained closed

Groundnut meal

Markets remained closed

INTERNATIONAL MARKET

CBOT Soymeal Ended Higher on Technical Buying

December soymeal settled \$3.80 higher at \$173.50 a ton. This was \$3.2 up from the low and \$2.0 off the high. Soymeal futures ended firm, rallying to two-week highs, showing the strong bond in the soy complex. However the jump was merely a modest correction in the downward trend and was induced by Technical buying as market was in oversold zone. The bounce back on the technical buying was not strong enough to break the overhead resistance capped. The bird flu concerns also offered some resistance to the upward move. So, soymeal will need some strong fundamental legs to sustain the strength in prices.

November soybeans gained 9.75 cents at \$5.74.5 while December soyoil ended 16 points higher at 23.02 cent a pound. Soyoil futures finished higher, supported by strength from soybeans and commercial buying but the gains were limited on concerns over larger than expected stocks. Soybean futures also took its cue from the meals and oils and bounced on the back of some technical buying. It seemed like futures have absorbed the bearish inputs of rising production estimates. Nevertheless, the entire soy complex failed to challenge meaningful resistance levels at their respective 50-day moving averages, and will require support from some strong fundamentals to overcome the resistance ahead.

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
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Dec'05	169.7	168.3	175.5	170.2	+3.8	173.5
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CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (02.11.05)

Chief Features

The upper air cyclonic circulation over Rayalaseema & adjoining North Interior Karnataka now lies over north Tamil Nadu and neighbourhood extending upto 0.9 km a.s.l. Under its influence, scattered rainfall is likely over south Peninsula, Orissa, Gangetic West Bengal and north Coastal Andhra Pradesh.

The upper air cyclonic circulation extending upto 1.5 km a.s.l. over north Bay of Bengal and neighbourhood persists.

The upper air cyclonic circulation extending upto 3.1 km a.s.l. over Punjab & neighbourhood is less marked.

The upper air cyclonic circulation over central Pakistan neighbourhood persists and extends upto 2.1 km a.s.l.

Forecast valid for next 72 hours

NORTH: Rain/snow likely **at isolated places** over Jammu & Kashmir. **Mainly dry** weather is likely over rest of the region.

EAST: Rain/thundershowers likely **at a few places** over Orissa and Gangetic West Bengal and **isolated** in the rest region outside Bihar, Jharkhand, north Chhattisgarh and East Madhya Pradesh where weather may be **mainly dry**.

SOUTH: Rain/thundershowers likely **at a few places** in the region.

WEST: **Mainly dry** weather likely in the region.

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

Light to moderate rain/thundershowers likely to continue over south Peninsula.

Source: GOI (IMD)

FOREX RATES (02.11.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.18
European Union	Euro	54.36

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