

OILMEAL

3rd 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 Legend' 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	03.11.05
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 (3rd 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 Futures Ended Firm

December soymeal settled \$0.40 higher at \$173.90 a short ton, this was 1.8 up from the low and 0.7 down from the high.

Soymeal managed to hold firm through most of the day as the products continued to correct from a counter seasonal rally in oil share. Also good underlying domestic soymeal demand supported the prices. There has been pressure on meal due to concerns with poultry demand and supply out of Europe and Asia, a general sense that the situation is not as bad as expected and news that poultry sales in England are back to normal may have helped support the bounce in meal.

November soybeans ended 1 cent lower at \$5.735, January soybeans finished 1.5 cent lower at \$5.85 while December soybean ended 19 points lower at 22.84 cent a pound.

Weakness in energy markets added to the long liquidation sell-off in soybean oil. Soybean futures on the CBOT ended modestly lower Wednesday, quietly consolidating Tuesday's gains amid the absence of market-moving news to generate fresh momentum. Activity was relatively slow, with futures having trouble generating momentum in either direction. The inability of futures to challenge support and resistance levels during the session let the air out of the market as well. Talk of a jump in the production forecast and a decline in the USDA export forecast for next week's supply/demand reports helped to push the market lower early in the session as this combination could equate to a significant jump in the ending stocks forecast.

The U.S. Department of Agriculture is scheduled to issue its weekly export sales report at 7:30 a.m. CST Thursday. Analysts look for commitments in a range of 550,000 tons to 850,000 tons for soybeans; 100,000 to 200,000 tons for soymeal; and 3,000 to 9,000 tons for soyoil.

(Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Dec'05	173.5	173.5	174.6	172.1	+0.4	173.9

CBOT remained closed on Saturday and Sunday

WEATHER WATCH: (03.11.05)

Chief Features

Yesterday's upper air cyclonic circulation over north Tamil Nadu and neighbourhood has become less marked. An upper air cyclonic circulation extending upto mid-tropospheric level lies over south Bay of Bengal. Under its influence, scattered to fairly widespread rainfall is likely over south Peninsula with isolated heavy falls over Tamil Nadu.

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

The upper air cyclonic circulation over central Pakistan neighbourhood now lies over Punjab and neighbourhood and extends upto 3.1 km a.s.l.

Forecast valid for next 72 hours

NORTH : Rain/snow likely **at isolated places** over Jammu & Kashmir, Himachal Pradesh and Uttaranchal.

Rain/thundershowers likely **at isolated places** over the rest region outside Uttar Pradesh where weather will be **mainly dry**.

EAST : Rain/thundershowers likely **at a few places** over Orissa and **isolated** in the rest region outside Bihar where weather may be **mainly dry**.

SOUTH : Rain/thundershowers likely **at many places** over Coastal Andhra Pradesh, Rayalaseema, Tamil Nadu & Pondicherry, South Interior Karnataka and Andaman & Nicobar Islands; **at a few places** over Kerala and **isolated over** the rest region.

WEST : **Isolated** rain/thundershowers likely over north Rajasthan and weather will be **Mainly dry** in the rest region.

Warning

Isolated heavy rain is likely to occur over Tamil Nadu during next 2-3 days.

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 (03.11.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.27
European Union	Euro	54.62

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.