

## MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Prices were steady on Physical Market
- CBOT Soy Meal Futures Settle Slightly Lower

## COMMENTARY DOMESTIC MARKET Soy meal

Today soymeal prices at Indore spot market went up slightly. China, Vietnam and Japan are expected to import of Indian Soymeal about 12000 MT, 7500MT and 8000 MT respectively. Export demand of Indian soymeal is expected to improve from neighbouring countries. Increasing export demand of soymeal would bring positive impact on its prices in coming days. Now traders prefer to import in less quantity for avoiding risk and uncertainty. The prices at Indore spot market is slightly increased to Rs 8540.00 per MT from 8485.00/MT, it is up Rs 55/MT as compared to previous trading day. January February and March contracts of soymeal at NCDEX witnessed no trading activity today. The prices at Indore spot market slightly weak to Rs 8400-8600 per MT from 8550-8600/MT. Again, there was no trading in soymeal at NCDEX. Soymeal exports in November increased 52.43% to 266,675 MT from 174,950 MT in the previous year. Total soymeal exports during this year till November rose 16.91% to 1148825 MT from 982575 MT during the corresponding period of last year. The main importers were Vietnam 85675 MT, Japan 41475 MT, Thailand 46125 MT and China 26750 MT.

### Latest Soy Meal Vessel Report

Loading of 20,000 MT of SBM is continuing at Kandla Port on the vessel to 'Fonwa Star' to China. Seacrest agents is handling the vessel. 'Fu Niu Shan' is expected at the port to load 12,000 MT of SBM to Japan. The vessel will be handled by Taurus agents.

'Kwan Mo Bong' has berthed at Jamnagar Port and continues to load 7,500 MT of SBM to Vietnam. Intercean agents is handling the vessel. The port is expecting 'Kamo' to load 8,000 MT of SBM to Japan. JM baxi agents will be handling the vessel.

Mumbai Port is expecting 'Badalu Valley' to load 3,000 MT of SBM. The vessel will be handled by Sai Freight agents.

### Current Vessel Position

Ports	Vessels	Vol. (MT)	Carrying	Status	Destination
Kandla	Fonwa Star	20000	SBM	Loaded	China
	Fu Niu Shan	12000	SBM	Expected	
Jamnagar	Kwan Mo Bong	7500	SBM	Expected	Vietnam
	Kamo	8000	SBM	Expected	Japan
Mumbai	Badalu Valley	3000	SBM	Expected	-

### DOC rates at different centers

Places	Ex-factory rates (Rs/ton)	
	31.12.05	30.12.05
Indore	8540	8485
Nanded	8100-8150	7950-8150
Latur	8100-8150	7950-8150
Dhulia	8100	8100
Jalana	8100	8100
Kota	8000	8000
Nagpur	7600 (41%), 8000(45-46%)	7600 (41%), 8000(45-46%)
Kandla	8975-9000	8975-9000
Mumbai	8900-9000	8900-9000
Vizag(approx)	9050	9050
Sangli	8500	8500
Solapur	8400	8400
Morena	8400	8400
Shivepuri	8000	8000

### NCDEX Soy meal Futures price (31<sup>st</sup> December'05)

Contract	Prev Close	High	Low	Close	Change
Jan'06	7720.00	00.00	00.00	00.00	00.00
Feb'06	7900.00	00.00	00.00	00.00	00.00

### Rape/ Mustard meal

Crushing of rapeseed has declined due to subdued demand of rape oil in the domestic markets. Since, oil recovery is higher in rapeseed compared to other oilseeds, crushing of rapeseed is being done mainly for oil. Low crushing of rapeseed has simultaneously kept control over supply of rapemeal. So, prices of rapemeal held steady levels due to limited supply. Mustard oilcake was quoted in Morena Rs 5250/MT, while it was quoted Rs 5450/metric tonnes on Yestarday. India exported 37250 MT of rape meal in Rapeseed meal exports in November declined 24.7% to 21,725 MT from 28,850 MT in the previous year. Total export till November was 394,100 MT down 8.1% as

compared to 428,425 MT during corresponding period of the previous year.

### Groundnut meal

Groundnut meal markets continued to see stable trend. Arrivals of seed are shrinking in major producing mandis. Demand for GN meal usually increases in winter season from livestock feed industry. Though demand for the GN oil is not very aggressive, crushing is likely to be increased due to good demand for the GN meal. GN meals were quoted Rs 6250 in Gujarat mandi. The Saurashtra Groundnut (40%) meal prices continued to hold higher at Rs 6100 per MT. Total groundnut export till November was 77,200 down 26.75% as compared to 105,525 MT during corresponding period of last year.

## INTERNATIONAL MARKET

### CBOT Soy Meal Futures Settle Slightly Lower

Soy meal futures settle lower on Chicago Board of Trade on Friday. March soybean future settled up 4.75 cents at \$ 6.135 per bushel, 0.50 cents off the high and 9 cents up from the low and May soybean settled higher 4.25 cents at \$ 6.22 per bushel, 8.5 cents up from the low and 1 cent off the high. March soybean meal settled lower \$ 1.5 at 196.3 per metric tonnes, \$ 1.3 up from the low and \$1.5 off the high. March Soybean Oil settled higher 0.74 cents at 21.9 cents/pounds, 0.1 cent off the high and 0.78 cents up from the low. There were talks about forecast of scattered rain in Argentina. USDA weekly export sales were friendly. Weekly export sales for soybean were higher than trade expectations and export sales for soybean meal and soybean oil were within range of trade expectations. USDA weekly export sales for soybeans came at 906,200 metric tonnes as compared to trade expectations range of 550,000-750,000. Soybean meal sales came at 81,800 metric tonnes as compared to trade expectations range of 75,000-125,000. Oil sales came at 7,500 tonnes as compared to trade expectations between 5,000-15,000 tonnes.

### CBOT Soybean futures as on December 30, 2005 (Unit: \$/MT)

Contract	Prev Close	Open Price	High Price	Low Price	Close Price	Change (\$)
Jan'06	198.1	197.6	198.3	195.5	197.3	-0.80
Mar '06	197.8	197.2	197.5	195.3	196.3	-1.50

### WEATHER WATCH: (31.12.05)

#### Chief Features

The yesterday's western disturbance over Pakistan now lies over north Pakistan and adjoining Jammu & Kashmir as an upper air system.

Under the influence of the western disturbance an induced low pressure area has formed over West Rajasthan and neighbourhood. Its associated upper air cyclonic circulation extending upto 3.1 km a.s.l.

Under this scenario, scattered to fairly widespread rain/snowfall is likely to commence over the western Himalayas and scattered to fairly widespread rainfall over the plains of Punjab, Haryana (including Chandigarh & Delhi), north Rajasthan and West Uttar Pradesh from tomorrow for next 2-3 days.

The lowest minimum temperature recorded in the plains of the country was 3.3° C at Amritsar (Punjab).

The upper air cyclonic circulation over southeast Arabian Sea persists and now extends upto 2.1 km a.s.l. The upper air cyclonic circulation over southwest Bay of Bengal also persists and extends upto 2.1 km a.s.l.

#### Forecast valid For 72 Hours

**NORTH:** Fairly widespread rainfall/snowfall is likely over Jammu & Kashmir, Himachal Pradesh and Uttaranchal and to scattered rain/thundershowers over the plains of Punjab, Haryana (Chandigarh & Delhi) and West Uttar Pradesh. It is likely to increase from 1<sup>st</sup> January 2006 onwards.

**EAST:** Weather will be mainly dry over the region.

**SOUTH:** Isolated rain/thundershowers are likely over Andaman & Nicobar islands, Tamil Nadu & Pondicherry, Kerala and Lakshadweep. Weather will be Mainly dry in the rest region.

**WEST:** Mainly dry weather over the region. Scattered rain/thundershowers likely over north Rajasthan from 1<sup>st</sup> January and isolated rain/thundershowers over south Rajasthan.

#### Warning

Isolated heavy rain/snow likely over Jammu & Kashmir, Himachal Pradesh and Uttaranchal during 1<sup>st</sup> to 3<sup>rd</sup> January.

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

Decrease in rainfall/snowfall activity over northwest India. Fog/cold waves likely over some areas.

Source: IMD,GOI

### FOREX RATES (31.12.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.95
European Union	Euro	53.22
Japan	100 Yen	38.19
United Kingdom	Pound Sterling	77.33
China	CNY	5.57

#### 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

