

OILMEAL

10th January 2010

- Soy meal prices were steady. FAS unchanged.
- Strong demand of soymeal from export houses influencing the Prices.
- With the likely crop loss in Argentina due to hot and dry weather condition, India is likely to get an advantage of exporting more soymeal.

DOMESTIC SOYMEAL MARKET:

Steady sentiment witnessed at key Soy meal cash markets as a result of tailing weak world soy complex market. Soymeal prices at domestic spot markets were unchanged compared to previous day prices.

CBOT soymeal futures fall in step with losses in soybeans, succumbing to traders taking profits on prior gains. Traders trimmed risk from the market, as improved crop conditions in Argentina, the world leader in soy product exports, and slowing demand took some edge off prices.

- ✓ Traders at domestic market were weak at soy purchases on concern of increased soybean prices. But traders may become active in further days as soybean prices came down by Rs. 65/qrt compared to the Monday's price along with the hopes of increasing export demand from South East Asian countries.
- ✓ Soybean crush margin for processors found **Rs. 254/ton** soybean crush which is up by **Rs. 64/ton** soybean crush compared to the previous day crush margin.
- ✓ Initial support in soyoil from strength in world vegoil markets amid fears of shrinking palm oil supplies may influence for more soybean crushing which will increase the supply of soymeal in the market.
- ✓ India's soybean-meal exports surged by 62 percent last month as Southeast Asian buyers substituted imports from South America, where dry weather threatens planting- Soybean Processors Association of India.
- ✓ India's oilmeal exports rose 94 percent to 765,954 tonnes in December from 395,663 tonnes a year earlier. Oilmeal exports in the first nine months of the current financial year from April 2010 rose to 3.2 million tonnes compared with 2.3 million tonnes a year ago- Solvent Extractors' Association of India.
- ✓ COOIT has projected that India is likely to export 3.4 million tons of soy meal for FY11 against 2.1 million tons shipped in FY10.
- ✓ The U.S. Census crush report was in line with expectation, and showed crushing of soybeans into soymeal and oil was down from the prior month, due to weaker processing margins.
- ✓ With demand from the importing nations like China continues to give support to the international prices.
- ✓ As per US Weekly export sales data, meal sales came in at 171,800 tonnes which pushed cumulative sales to 53.0% of the USDA forecast for 2010/2011 versus a 5-year average of 40.6%.

SOYBEAN DOC PORT RATE:

Centers	FOR Kandla Rs/MT		FAS Kandla US \$/MT	
	08.01.11	07.01.11	08.01.11	07.01.11
Low	18000	18000	391	391
High	18100	18100	403	403

CBOT SOY MEAL FUTURES MARKET:

CBOT March soymeal down by 6.10 points at \$359.10 per short ton on Friday on news of improved Argentina crop weather.

CBOT Soy meal Futures Prices as on 07January 2011

Month	Open	High	Low	Close	Chg
Jan 11	362.00	364.20	358.00	359.10	-6.10
Mar 11	367.70	369.30	361.50	362.70	-6.40
May 11	369.50	370.20	363.80	365.80	-5.90

FOREX RATES

Country/ Continent	Currency	Value in Rupees		
		08.01.11	07.01.11	Chg.
USA	Dollar	45.34	45.37	-0.03

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was unchanged and quoted at **Rs.1067.50/ qtl** compared to the previous day's level of **Rs. 1070.00/qrtl** and expected rise in rapeseed production weighing on the market.
- India's rapeseed meal exports in the month of November 2010 stood at 41604 MT higher as compared to 20326 MT in the corresponding month 2009.
- Groundnut meal Ex-stock Saurashtra, Gujarat, guaranteed (Basis 45% O&A) was quoted at Rs.14500/MT and GN meal Ex-stock Saurashtra, Gujarat non-guaranteed (Basis 40% O&A) was quoted at Rs.13000/MT.

SOYBEAN - DOC PRICES

Key Centres	Ex-factory rates (Rs/tonne)	
	08.01.2011	07.01.2011
Indore (MP)	16700-17000	16700-17000
Kota	16500	16500
Dhulia	17800	17800
Nanded/ Latur/ Parbani/ Hingoli	17400	17300-17400
Nagpur (42/45)	16800	16800
Sangli	17700	17700
Solapur	17600	17600

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