

OILMEAL

11th January 2010

- Soy meal prices were steady. FAS flat to higher.
- Strong demand of soy meal from export houses influencing the Prices.
- India is likely to get an advantage of exporting more soy meal as crop loss in Argentina reduced output of soybean.
- Demand from China, US crushers seen tightening supplies of soybean.

DOMESTIC SOYMEAL MARKET:

Steady sentiment witnessed at key Soy meal cash markets as a result of tailing weak world soy complex market. Soy meal prices at domestic spot markets were unchanged compared to previous day prices except in Indore where in prices rose by Rs. 100/tonne.

CBOT soy meal futures fall trend 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 firm at soy purchases as a result soybean prices rose by Rs. 50/qrt at Indore mandi along with weak soybean overseas market. Traders may become more active in short term on hopes of increasing export demand for soy meal from South East Asian countries.
- ✓ World oil and oilseeds traders are eagerly waiting for USDA's monthly crop report with expectation that USDA is likely to trim world soybean production estimates as more damage is happened in South American countries.
- ✓ Initial support in soy oil from strength in world veg oil markets amid fears of shrinking palm oil supplies may influence for more soybean crushing which will increase the supply of soy meal 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 soy meal 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	
	10.01.11	08.01.11	10.01.11	08.01.11
Low	18100	18000	396	391
High	18100	18100	402	403

CBOT SOY MEAL FUTURES MARKET:

CBOT March soy meal 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 07 January 2011

*Overnight quotes

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		
		10.01.11	08.01.11	Chg.
USA	Dollar	45.44	45.34	+0.10

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was unchanged and quoted at **Rs.1051.25/ qtl** compared to the previous day's level of **Rs. 1067.50/qrtl** and expected higher production estimates of RM Seed compared to last year 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)	
	10.01.2011	08.01.2011
Indore (MP)	16800-17100	16700-17000
Kota	16500	16500
Dhulia	17800	17800
Nanded/ Latur/ Parbani/ Hingoli	17400	17400
Nagpur (42/45)	16800	16800
Sangli	17700	17700
Solahpur	17600	17600

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.