

### OILMEAL

13<sup>h</sup> January 2010

- Soy meal prices were unchanged. FAS unchanged.
- 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 along with reduced risk exposure ahead of Wednesday's crop reports. Soy meal prices at domestic spot markets were unchanged compared to previous day prices.

CBOT Soy meal futures remain weak on news that U.S. government soybean estimates are expected to show a cut in domestic stocks, while U.S. production remains nearly unchanged.

- ✓ Processors at domestic market were weak at soy purchases as a result soybean prices fall by Rs. 20/mtl 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.
- ✓ Soybean crush margin for processors is Rs. 8/ton soybean crush which is up by Rs. 218/ton soybean crush compared to the previous day crush margin as a result of reduction in soybean price at mandi.
- ✓ Argentina's soybean production is forecast to drop by 13 percent to about 48 million metric tons in the current crop because of a lack of rainfall- Argentina's soybean group.
- ✓ Drought damage to Argentina's soy crop stoked an international grain rally in December, with prices touching two-and-a-half year highs due to the prospects of failed crop in the region.
- ✓ 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 in the medium term period 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 oil meal exports rose 94 percent to 765,954 tonnes in December from 395,663 tonnes a year earlier. Oil meal 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.
- ✓ With demand from the importing nations like China continues to give support to the international prices.

### SOYBEAN DOC PORT RATE:

Centers	FOR Kandla Rs/MT		FAS Kandla US \$/MT	
	12.01.11	11.01.11	12.01.11	11.01.11
Low	18400	18200	400	400
High	18400	18200	405	405

### CBOT SOY MEAL FUTURES MARKET:

CBOT March soy meal down by 7.60 points at \$362.90 per short ton on Tuesday on the threat of crop improving rains emerging in Argentina and also backpedaled with soybeans, as traders reduced risk exposure ahead of Wednesday's crop reports.

### CBOT Soy meal Futures Prices as on 11 January 2011

Month	Open	High	Low	Close	Chg
Jan 11	368.20	368.20	358.30	359.20	-7.60
Mar 11	370.20	372.20	361.10	362.90	-7.70
May 11	372.60	373.80	363.20	365.00	-7.60

### FOREX RATES

Country/ Continent	Currency	Value in Rupees		
		12.01.11	11.01.11	Chg.
USA	Dollar	45.16	45.32	-0.16

### RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was unchanged and quoted at **Rs.1032.50/ qtl** compared to the previous day's level of **Rs. 1037.50/qtl** 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 December 2010 stood at 110,237 MT higher as compared to 51,402 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)	
	12.01.2011	11.01.2011
Indore (MP)	16800-16900	16800-16900
Kota	16600-16700	16600
Dhulia	17800-17900	17800-17900
Nanded/ Latur/ Parbani/ Hingoli	17200-17400	17200-17400
Nagpur (42/45)	17000	16800-17000
Sangli	17900-18000	17900-18000
Solapur	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.