

Oil meals:

Domestic soymeal prices traded with firm sentiment in the first half fortnight period and steady in the remaining half fortnight period. Prices took a rally towards higher price peak at Indore market to Rs. 17150/tonne as higher demand from the South Asian countries and at the end of fortnight period prices fall and settled at Rs. 16950/tonne level due to weak demand in the market for soybean as well as soymeal.

Concern of Argentina crop weather, slack weekly export sales, and new 3-week lows in crude oil were the news those helped to surge soymeal futures prices at CBOT toward highs.

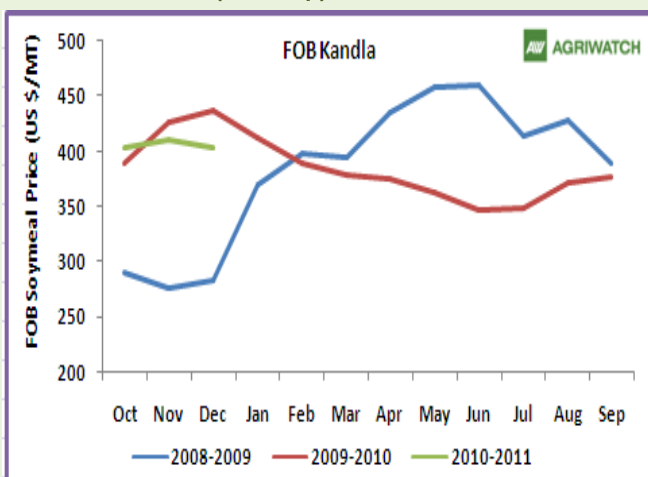
- ✓ Soymeal futures bounced in unison with soybean futures, underpinned by ongoing fears of reduced Argentina production. Argentina is the world's leading exporter of soy products, and any cut in soybean availability for crushing there could shift some demand to U.S. shores.
- ✓ India's oil meals/extraction exports rose by 94 percent during December 2010 at 765, 954 tonnes as against 395, 663 tonnes same period a year earlier, while overall oil meals export for the first nine months of the current financial year from April 2010 rose 38 percent at 3.14 million tonnes compared with 2.28 million tonnes a year ago- Solvent Extractors' Association of India.
- ✓ India's oil meals export jumped sixth straight month on robust demand from traditional buyers in Japan, Vietnam and Indonesia coupled with good crushing margin and better oil prices in the markets.
- ✓ Soybean-meal exports from India surged by 86 percent during December 2010 at 611,157 tons as against 328,225 tons same period last year.
- ✓ 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.
- ✓ Solvent extraction industry worried on concern of the move by the Railways to hike freight rates for oilmeals. In a circular dated December 20, 2010, the Railways had changed the classification for de-oiled cakes (oilmeals) from Class 110 to Class 120. This, according to the Solvent Extractors Association, will lead to a rise in freight charges between 11 and 13.5 per cent.
- ✓ Rapeseed meal price in Sri Ganganagar trading with weak sentiment on factor of expected higher production estimates of RM Seed compared to last year weighing on the market.
- ✓ The demand for soy refined would pick up with the freezing up of palm oil and recommencement of marriage season next month in coming fortnight period which influences soybean crushers for increased crushing activities.
- ✓ Initial support in soybean 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.
- ✓ 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.
- ✓ As per the news source, Brazil's 2010/11 soybean crop was estimated at 68.55m tonnes, unchanged from a previous forecast, but the final output could be higher if the weather remains favourable.
- ✓ According to USDA, soybean export from US during December 24-30 was down by 26% W/W to 489,300 tons and is down by 9% from previous 4-weeks average. World oil and oilseeds trading (including India) are cautious for trade ahead of USDA's monthly crop report scheduled for release on 12th January.

Soy meal prices are likely to recapture strength as export demand, boost usage with tight vegetable oil supplies across the world. India is likely to get an advantage of exporting more soymeal as crop loss in Argentina reduced output of soybean. Continuous surge in the export demand suggest that higher usage will continue to render optimism to prices. Direction of Soybean prices and arrival pattern are the main factors to be considered which will decide the further price walk of soymeal.

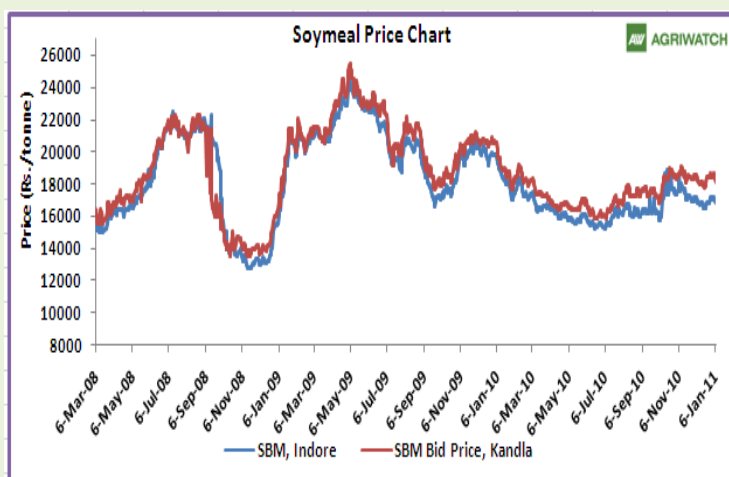
Soymeal Spot Prices:

Soymeal (Rs./MT)	10.01.11	20.12.10	Chg	Soy meal at Port	10.01.11	20.12.10	Change		
Indore (MP)	16800-17100	16500-16600	+400	FOR Kandla	18100	17700-17900	+300		
Kota	16500	16500	Unch	FAS Kandla	396-402	392-395	+5.50		
Nanded/Latur	17400	16800-17000	+500	CBOT Soymeal Futures Prices as on 10 January 2011					
Dhulia	17800	17600-17700	+150	Month	Open	High	Low	Close	Chg
Nagpur (42/45)	16800	16500	+300	Jan 11	361.00	371.30	361.00	366.80	+7.70
Sangli	17700	17500	+200	Mar 11	363.60	375.30	363.30	370.60	+7.90

FAS/FOB Monthly Average Rates of Soybean Meal 2008-09/2009-10 (Oct-Sep):



Soy meal Price Trend at Indore Market:



Vessel Line up Status (As on 07-01-2011):

Vessel Line up				
Domestic Ports	Vessel Name	Volume (MT)	Carrying	Status
Kandla	M.V. STRAIT CHALLENGER	16000.00	SBM	Vessels At Anchor Awaiting Berth
	M.V. FINIKIA	12500.00	SBM	Vessels At Anchor Awaiting Berth
	M.V. CHI FENG KOU	13000.00	SBM	Vessels At Anchor Awaiting Berth
Mundra	M V CALMY KORAL	10000.00	SBM	Vessels At Berth For Loading
	MV NOBLE CORAL	11000.00	SBM	Vessels Expected To Arrive Port
Bedi/Rozi	DAGAT BLUE	11000.00	SBM	Vessels At Berth For Loading
	BELUGA FAMILY	4400.00	SBM	Vessels Expected To Arrive Port

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