

OILMEAL

14th January 2010

- Soy meal prices and FAS were sturdily up.
- Strong demand of soymeal from export houses influencing the Prices.
- USDA cut its estimate of 2010 soybean production by 46 million bushels to 3.329 billion.
- Demand from China, US crushers seen tightening supplies of soybean.

DOMESTIC SOYMEAL MARKET:

Firm sentiment witnessed at key Soy meal cash markets as a result of tailing weak world soy complex market with USDAs cut on its estimate of 2010 soybean production. Soymeal prices at domestic spot markets were sturdily high by Rs. 200-400/ton compared to previous day prices.

CBOT Soymeal futures rallied in unison with soybeans to over 1-year highs on the threat of tighter available soy supplies for crushing. The supportive impact of a lower crush forecast by USDA was partially offset by higher extraction rates or yields.

- ✓ Soybean crush margin for processors is Rs.-74/ton soybean crush (negative) which is down by Rs. 82/ton soybean crush compared to the previous day crush margin as a result of significant rise in soybean price at mandi.
- ✓ U.S. oilseed production for 2010/11 is estimated at 100.5 million tons, down 1.2 million from last month and global oilseed production is projected at 440.4 million tons, down 2.3 million from last month.
- ✓ US Soybean production is estimated at 3.329 billion bushels, down 46 million bushels based on reduced harvested area and lower yields and global soybean production is projected at 255.5 million tons, down 2.3 million-USDA report.
- ✓ Higher projected extraction rates for soybean meal nearly unchanged.
- ✓ Soybean exports are projected at a record 1.590 billion bushels, unchanged from last month and ending stocks are projected at 140 million bushels, down 25 million from last month-USDA.
- ✓ As per USDA projection, the soybean meal price will be at \$320 to \$360 per short ton, up 10 dollars on both ends of the range.
- ✓ Initial support in soyoil from strength in world vegoil 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 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.
- ✓ 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	
	13.01.11	12.01.11	13.01.11	12.01.11
Low	18200	18400	415	400
High	18400	18400	420	405

CBOT SOY MEAL FUTURES MARKET:

CBOT March soymeal sturdily up by 18.60 points at \$381.50 per short ton on Wednesday on report from USDAs bullish views on soybeans.

CBOT Soy meal Futures Prices as on 12 January 2011

Month	Open	High	Low	Close	Chg
Jan 11	360.50	380.50	360.10	377.40	+18.20
Mar 11	363.00	382.90	362.10	381.50	+18.60
May 11	365.00	385.00	364.70	383.60	+18.60

FOREX RATES

Country/ Continent	Currency	Value in Rupees		
		13.01.11	12.01.11	Chg.
USA	Dollar	45.13	45.16	-0.03

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was up and quoted at **Rs.1033.75/ qtl** compared to the previous day's level of **Rs. 1032.50/qtl**. 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)	
	13.01.2011	12.01.2011
Indore (MP)	17000-17200	16800-16900
Kota	16850-16900	16600-16700
Dhulia	18200-18300	17800-17900
Nanded/ Latur/ Parbani/ Hingoli	17700-17800	17200-17400
Nagpur (42/45)	17000-17100	17000
Sangli	18000-18200	17900-18000
Solapur	18000	17600

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