

OILMEAL

15th January 2010

- Soy meal prices up. FAS unchanged.
- 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 and soymeal prices at domestic spot markets were up by Rs. 100/ton compared to previous day prices on increased demand for soymeal along with tailing weak world soy complex market.

CBOT Soymeal futures closed up as the market continued to rise in response to government forecasts for precariously low end-of-year supplies and as the market grasps a better understanding of the severity of tight projected stocks by USDA.

- ✓ Soybean crush margin for processors is Rs.-100/ton soybean crush (negative) which is down by Rs. 26/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.
- ✓ 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.
- ✓ India might get an advantage of exporting more soy meal to South East Asian countries on lowering of production forecast for Argentina,

SOYBEAN DOC PORT RATE:

Centers	FOR Kandla Rs/MT		FAS Kandla US \$/MT	
	14.01.11	13.01.11	14.01.11	13.01.11
Low	18200	18200	415	415
High	18500	18400	420	420

CBOT SOY MEAL FUTURES MARKET:

CBOT March soymeal up by 1.20 points at \$378.60 per short ton on Thursday on report from US DAs bullish views on soybeans and lingering concerns about the future supply of soybeans for crushing.

CBOT Soy meal Futures Prices as on 13 January 2011

Month	Open	High	Low	Close	Chg
Jan 11	379.20	381.90	376.30	378.60	+1.20
Mar 11	382.40	386.50	381.30	383.60	+2.10
May 11	384.60	389.00	376.50	386.30	+2.70

FOREX RATES

Country/ Continent	Currency	Value in Rupees		
		14.01.11	13.01.11	Chg.
USA	Dollar	45.30	45.13	+0.17

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was unchanged and quoted at **Rs.1033.75/ qtl** compared to the previous day's level. 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)	
	14.01.2011	13.01.2011
Indore (MP)	17000-17300	17000-17200
Kota	16850-17000	16850-16900
Dhulia	18200-18400	18200-18300
Nanded/ Latur/ Parbani/ Hingoli	17700-17900	17700-17800
Nagpur (42/45)	17000-17100	17000-17100
Sangli	18000-18300	18000-18200
Solapur	18000-18100	18000

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