

OILMEAL

21st January 2010

- Soy meal prices sturdily up. FAS increased.
- Strong demand of Soy meal from export houses influencing the Prices.

DOMESTIC SOYMEAL MARKET:

Soy meal traded firm bias on better buying inquiries from the exporters. Soy meal prices at domestic markets were sturdily up by Rs. 300-400/ton compared to the previous day prices on higher overseas demand for Indian soy meal.

Limited availabilities of soybean over a period of month remain supportive of the prices, along with demand as exports stay upbeat.

- ✓ CBOT soy meal futures settled mixed and nearly unchanged as nearby soybeans pulled back from their recent rally.
- ✓ Soybean prices were firm in the spot market, which given support to gain in the soy meal price. Prices may move further high on increased demand from South East Asian countries.
- ✓ Soybean crush margin for processors found still negative side and was Rs. -102/ton soybean crush which is sturdily up by Rs. 218/ton soybean crush compared to the previous day crush margin as a result of higher prices for soybean price at mandi amid higher demand from the crushers on increasing overseas demand for soymeal.
- ✓ Indian traders have signed contracts to export up to 600,000 metric tons of soymeal from the new season's crop for shipment in January.
- ✓ Total soymeal exports from India by the end of January are likely to touch 2 million tons.
- ✓ 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.
- ✓ Soybean output in Argentina, the largest producer after the U.S. and Brazil, is forecast to fall 15 percent to 47 MMT this year because of water shortages in the main growing regions.
- ✓ 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.

We expect that, Soy meal will trade with firm bias and 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	
	20.01.11	19.01.11	20.01.11	19.01.11
Low	19000	18600	410	408
High	19000	18800	415	412

CBOT SOY MEAL FUTURES MARKET:

CBOT March soy meal prices closed down by 0.10 points at \$383.30 per short ton on Wednesday on improved outlook for Argentine crops after recent weekend rains.

CBOT Soy meal Futures Prices as on 19 January 2011

Month	Open	High	Low	Close	Chg
Mar 11	383.80	387.20	378.10	383.30	-0.10
May 11	386.20	389.90	380.90	386.10	+0.20
Jul 11	386.40	389.50	381.80	386.90	+0.80

FOREX RATES

Country/ Continent	Currency	Value in Rupees		
		20.01.11	19.01.11	Chg.
USA	Dollar	45.58	45.38	+0.20

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was unchanged compared to the previous day prices and quoted at **Rs.1067.50/qtl.**
- 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.14400/MT and GN meal Ex-stock Saurashtra, Gujarat non-guaranteed (Basis 40% O&A) was quoted at Rs.13300/MT.

SOYBEAN - DOC PRICES

Key Centres	Ex-factory rates (Rs/tonne)	
	20.01.2011	19.01.2011
Indore (MP)	17700-17800	17300-17400
Kota	17400-17500	17200
Dhulia	18300-18400	18300
Nagpur (42/45)	17600-17700	17400
Nanded/ Latur/ Parbani/ Hingoli	18000-18100	17500-17700
Sangli	18500-18600	18200-18300
Solapur	18200	17800

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