

OILMEAL

22st January 2010

- Soy meal prices remained unchanged. FAS unchanged.
- Strong demand of Soy meal from export houses influencing the Prices.

DOMESTIC SOYMEAL MARKET:

Soy meal traded firm bias on good demand from South-based traders amid weak supply from crushing plants. Soy meal prices at domestic markets were sturdily up by Rs. 100-200/ton compared to the previous day prices on higher overseas demand for Indian soy meal.

- ✓ 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 margins for processors went drastically down which is negative side Rs. -530/ton soybean crush which is down by Rs. 428/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.
- ✓ CBOT soy meal futures active in unison with the late upturn in soybean prices. Soy meal futures remain near highest level since August 2009, chilling demand from livestock and poultry producers.
- ✓ CBOT soy meal pressured Thursday by profit-taking and rainfall in Argentina, where the moisture benefited the developing soybean crop.
- ✓ As per news source, the range of trade estimates of net weekly U.S. export sales of soymeal is expected in the USDA weekly report to be released at on Friday is likely at 75000-150000 tonnes which was 26200 tonnes last week.
- ✓ 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.
- ✓ Soymeal supplies in US are considerably robust now, but expected to tighten as soybean supplies dwindle into the summer.

SOYBEAN DOC PORT RATE:

Centers	FOR Kandla Rs/MT		FAS Kandla US \$/MT	
	21.01.11	20.01.11	21.01.11	20.01.11
Low	19200	19000	410	410
High	19200	19000	415	415

CBOT SOY MEAL FUTURES MARKET:

CBOT March soy meal prices closed up by 2.00 points at \$385.30 per short ton on Thursday on bullish underlying supply concerns.

CBOT Soy meal Futures Prices as on 20 January 2011

Month	Open	High	Low	Close	Chg
Mar 11	382.00	385.50	379.50	385.30	+2.00
May 11	385.20	388.00	378.50	387.90	+1.80
Jul 11	386.00	388.40	379.30	388.40	+1.50

FOREX RATES

Country/ Continent	Currency	Value in Rupees		
		21.01.11	20.01.11	Chg.
USA	Dollar	45.70	45.58	+0.12

RAPE/ MUSTARD MEAL & GROUNDNUT DOC:

- Rapeseed meal price in Sri Ganganagar was firm and quoted at **Rs.1072.50/qtl** compared to the previous day's level of **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.

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 PRICES

Key Centres	Ex-factory rates (Rs/tonne)	
	21.01.2011	20.01.2011
Indore (MP)	17800	17700-17800
Kota	17750-17800	17400-17500
Dhulia	18400	18300-18400
Nagpur (42/45)	17800	17600-17700
Nanded/ Latur/ Parbani/ Hingoli	18100	18000-18100
Sangli	18700	18500-18600
Solapur	18300	18200

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