

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal Prices Hold Steady Levels
- Export Demand Weakens For Rape DOC

DOMESTIC MARKET

Soy meal

Soy meal markets observed steady trend. Weather is good for the crop in almost all the major producing states. Export this year has been scaled higher for numerous fundamental factors. Non-GMO nature of Indian soymeal, increased volatility in its markets due to higher prices etc was the key fundamentals supportive in rising export of soy meal this year. However, traders credit promotional schemes like 'target plus incentive scheme' also was an important factor for rise in export of soy meal. The government in October 2004 announced Target Plus scheme replacing the duty-free credit entitlement scheme for status holders. The eligibility criterion under the new scheme was a minimum export turnover of Rs 1,000 crore. Under this scheme, incentives were to be given to incremental exports in the form of duty credit, in the range of 5 to 15%. However, at the end of FY06, the government modified the scheme reducing the duty entitlement to flat 5% with retrospective effect from April 1, 2005. Traders said our prices were competitive globally, as these incentives were factored into the cost and passed on to importers. Now, exporters will have to bear this difference. This govt action is highly condemned by senior people of the industry, who fears that such sudden change in policies will have negative impact on future action of the exporters.

Current vessel positions in different ports

'Thash Son' has berthed at Kandla Port and continues to load 5,500 MT of SBM. Shantilal agents is handling the vessel. Loading of 9,000 MT of SBM is expected at Kandla Port on the vessel 'Asian Rose' to Japan. The vessel will be handled by Taurus agents.

Mumbai Port is expecting 'Badulu Valley' to load 3,500 MT of SBM. Sai Freight agents will be handling the vessel.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-nation
Kandla	Asian Rose	9000	Expected	Japan
	Thash Son	5500	Berthed	Unknown
Mumbai	Badulu Valley	19000	Expected	China

DOC rates at different centers

Places	Ex-factory rates (Rs/ton)		
	25.07.06	24.07.06	Parity To
Indore (MP)	8400-8600	8400-8600	Guj, MP
Datia (MP)	8800	8800	Up, Bihar, Bengal,

			Nepal
Shivpuri (MP)	8500	8500	Up, Bihar, Bengal, Nepal
Nanded/Latur	8800	8800	Andhra, AP, Kar, TN
Dhulia/Jalna	8900	8900	Mumbai Maharashtra
Nagpur (42/46)	8500-8800	8500-8800	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9300	9300	Local and South
Solapur	9200	9200	Local and South
Kota	8600	8600	Rajasthan, Del, Punjab, Haryana

DOC Port rate at different centers

Centers	FOR Price	
	25.07.06	24.07.06
Kandla	9000-9050	9050-9100
Mumbai	9200	9200-9300

Rape/ Mustard Meal

Demand for Rape DOC has slowed on export front. According to traders, most people seem to have covered against their requirements. According to traders, shipments are not due before August in most cases. Prices for the same eased in domestic markets with the decline in its inquiries. The DOC prices at Kandla and Mundra remained at Rs. 4875 and 4975 (in PP bags) respectively. Prices for the same at Jamnagar were quoted at Rs 4800 per ton. Prices for the same in Jaipur were quoted at Rs 4150 per ton. The prices are expected to remain on the higher levels in coming weeks.

Sunflower Meal Rates at Different Centres

Places	Ex-factory rates (Rs/ton)	
	25.07.06	24.07.06
Chalisingaon	5000	5000
Khamgaon	4725	4725
Rudrapur	4050-4100	4050-4100
Parli/Latur/Nanded	4750-4800	4800

Groundnut meal

Prices for Groundnut DOC continued to hold steady levels amidst lack of fresh fundamental news. Weather is friendly for the crop in the entire major groundnut producing areas. Major

groundnut seed growing areas are Rajkot, Junagadh, Jamnagar, Amreli, Bhavnagar and Surendranagar districts in Gujarat. Sowing of the groundnut has mostly been completed

The prices of groundnut meal (40%) were quoted at Rs. 6700 while 45% was offered at 7200 per MT in Saurashtra.

WEATHER WATCH

Chief Features

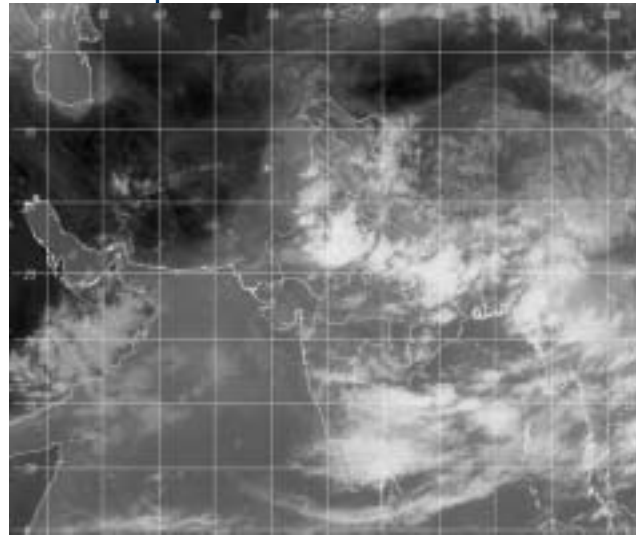
The axis of monsoon trough at sea level passes through Ganganagar, Agra, Kanpur, Daltonganj, Balasore and thence southeastwards to northeast Bay of Bengal. The western end of the monsoon trough is likely to shift further northwards and cause fairly widespread rainfall along the foothills of the Himalayas and adjoining Indo-Gangetic Plains during next 2-3 days with possibility of isolated heavy to very heavy falls. Numerical weather prediction models suggest formation of a low pressure area over northwest Bay of Bengal around 28th which will subsequently increase the rainfall activity over Orissa, Gangetic West Bengal, Jharkhand, Chhattisgarh, Vidarbha and north Andhra Pradesh. An upper air cyclonic circulation lies over southwest Bay of Bengal and adjoining coastal Tamil Nadu extending upto 1.5 km a.s.l. Under its influence, increase in rainfall activity is likely over Tamil Nadu & Pondicherry, south Coastal Andhra Pradesh and Rayalaseema during next 48 hours

Warning

Isolated heavy to very heavy falls likely over Uttaranchal, Punjab, Haryana, Chandigarh & Delhi, East Uttar Pradesh, Bihar.

Source- IMD

Weather Map



2006-07-25 09:00:03

Source- IMD

Forex- IUSD = INR 46.810

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