

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Markets Witnessed Steady Tone
- Rains Eased Trading in Rape DOC Market

DOMESTIC MARKET

Soy meal

A soft sentiment is witnessed in majority of markets. The area under soybean cultivation is increased by 4% on the year and estimated to 7.6 million hectares, which is 18% more than the normal area under the crop. Higher soybean cultivation is reported in Gujarat, Madhya Pradesh and Maharashtra. It is expected to improve as cultivation is still continuing in Madhya Pradesh. The rainy season pressurised the market activities. The export demand reportedly improved somewhat. Exporters are reportedly covered for their immediate demand and this led to stagnation in export demand. On the other hand, more competitive South American soy meal pressurised our soy meal export market. Recent outbreaks of bird flu in Thailand and Laos also lowered the export demand. A lower soybean production is estimated in the global level. The global oilseeds production estimates are also likely to down at 383.2 million tons, which are about 6.5 million less from the last year. Traders perceived that the market sentiments likely to steady or improve somewhat in the coming days.

Current vessel positions in different ports

Be Gae Bong' has berthed at Kandla Port and continues to load 8,000 MT of SBM to Vietnam. Shantilal agents is handling the vessel. 'Marine Blue' is expected at Kandla Port to load 16,000 MT of SBM to Vietnam. Shantilal agents will be handling the vessel. The port is expecting 'Young Xiang 9' to load 10,300 MT of SBM to Vietnam. The vessel will be handled by Seaworld agents.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Kandla	Be Gae Bong'	8000	Berthed	Vietnam
Kandla	Marine Blue	16,000	Expected	Vietnam

DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	23.08.06	22.08.06	Parity To
Indore (MP)	7900-8100	7900-8100	Guj, MP
Datia (MP)	8200	8200	Up, Bihar, Bengal, Nepal
Shivpuri (MP)	8000	8000	Up, Bihar, Bengal, Nepal
Nanded/Latur	8500	8500	Andhra, AP, Kar, TN
Dhulia/Jalna	8300	8300	Mumbai Maharashtra

Nagpur (42/46)	8200-8400	8200-8400	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9000	9000	Local and South
Solapur	8900	8900	Local and South
Kota	8200	8200	Rajasthan, Del, Punjab, Haryana

DOC Port rate at different centers

Centers	FOR Price	
	23.08.06	22.08.06
Kandla	8750	8750
Mumbai	8800	8800

Rape/ Mustard Meal

The market remained weak on sluggish demand. Export demand remained steady. Exporters are reportedly covered for their immediate demand and this led to decrease in export demand. Also, regular selling by Nafed has also regulating the market sentiments. Nafed is selling mustard in Rajasthan at Rs 1585 per qtl. Crushing is continuing as demand for Kachi ghani is good from eastern states. The DOC prices at Kandla and Mundra were quoted at Rs. 4650 and 4700 (in PP bags) respectively. Prices for the same at Jamnagar were quoted higher also at Rs 4650 per ton. Jaipur market was offered the same at slightly higher of Rs.3900 per ton. Indore offered lower at Rs.4150 per ton and Kota quoted the same at Rs. 3900 per ton. Steady to weak tone likely to prevailed in the market.

Sunflower Meal Rates at Different Centres

Places	Ex-factory rates (Rs/ton)	
	23.08.06	22.08.06
Chalisingaon	-	-
Khamgaon	-	-
Rudrapur	4200	4100
Parli/Latur/Nanded	5450	5450

Groundnut DOC

The groundnut market still remained weak on lower demand amidst good stock. Area under groundnut till August 18 stood at 4.3 million hectares. Groundnut sowing has been affected in Andhra Pradesh, which received sparse rainfall during July. Rainy season also weaken the market tone. The export demand is also reportedly steady at some lower side. The prices of groundnut meal (40%)

were quoted steady at Rs. 6400 while 45% was offered also steady at 7000 per MT in Rajkot during Tuesday.

CBOT Soy Meal Futures as on Aug 22nd.

Month	Open	High	Low	Close	Chg
Sep 06	159.5	159.5	157.9	158.3	-1.0
Oct 06	159.7	159.9	158.5	158.8	-0.9

Monsoon Outlook (23.08.06)

- ✍ Yesterday's low pressure area over southwest Rajasthan now lies over southeast Pakistan & adjoining southwest Rajasthan. Fairly widespread rainfall with isolated heavy falls likely over southwest Rajasthan during next 24 hours.
- ✍ Yesterday's well marked low pressure area over northwest Bay of Bengal and adjoining Orissa & Gangetic West Bengal now lies over Jharkhand and neighbourhood. Under its influence, widespread rainfall with heavy to very heavy falls at a few places are likely over interior Orissa, Jharkhand, East Madhya Pradesh and Chhattisgarh during next 1-2 days.
- ✍ Numerical Weather Prediction models suggest northward shift of monsoon trough and increase in the rainfall activity along the foothills of Himalayas and northeastern states during next 2-3 days.

Heavy Rainfall Warning:

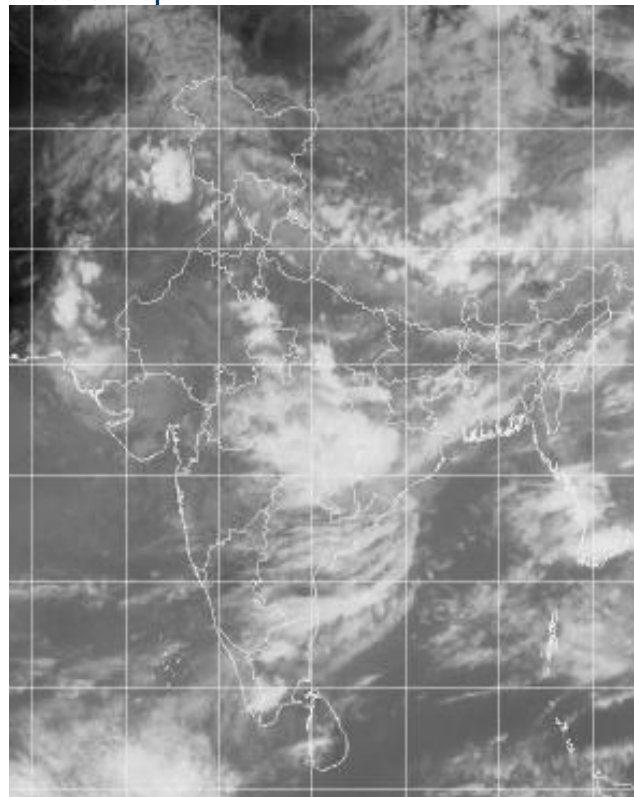
- ✍ Heavy to very heavy falls at a few places are likely over interior Orissa, Jharkhand, Chhattisgarh and East Madhya Pradesh during next 48 hours. Isolated heavy to very heavy falls is likely over West Bengal & Sikkim, Assam & Meghalaya and Arunachal Pradesh. Isolated heavy falls also likely over southwest Rajasthan and East Uttar Pradesh.

Outlook for subsequent two days:

- ✍ Fairly widespread rainfall activity is likely over Bihar, Uttar Pradesh and Madhya Pradesh.

Source: IMD

Weather Map



Source-IMD

Forex

Forex rate as on 23.08.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.56
European Union	Euro	59.56
Japan	100 Yen	40.01
United Kingdom	GBP	87.90

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