

OILMEAL

September 06th, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Markets Remained Steady
- Groundnut DOC Improved on Some Demand

DOMESTIC MARKET

Soy meal

A range bound sentiment is prevailed in the Soymeal market on somewhat improved demand. The lower production in mills was reported. The activity at port improved somewhat. The area under soybean cultivation has gone up from 76.10 LH to all time high of 79.53 LH. 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. The good production in India is likely to expand its export market. Traders perceived that the market sentiments likely to steady or improve somewhat in the coming days.

DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	05.09.06	04.09.06	Parity To
Indore (MP)	8000-8200	8000-8200	Guj, MP
Datia (MP)	8600	8600	Up, Bihar, Bengal, Nepal
Shivpuri (MP)	8450	8450	Up, Bihar, Bengal, Nepal
Nanded/Latur	9100	9100	Andhra, AP, Kar, TN
Dhulia/Jalna	8600	8600	Mumbai Maharashtra
Nagpur (42/46)	8300-8600	8300-8600	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9200	9200	Local and South
Solapur	9100	9100	Local and South
Kota	8450	8450	Rajasthan, Del, Punjab, Haryana

DOC Port rate at different centers

Centers	FOR Price	
	05.09.06	04.09.06
Kandla	8900	8900
Mumbai	9000	9000

Current vessel positions in different ports

• Loading of 13,500 MT of SBM is expected at Kandla Port on the vessel 'IBI' to Japan. GAC agents will be handling the vessel.

Mumbai Port is expecting 'Indruwa Valley' to load 2,70 MT of SBM. Sai Freight agents will be handling the vessel. 'Surplus' is expected at the port to load 6,000 MT of SBM.

Chowgule agents will be handling the vessel. Loading of 6,500 MT of SBM is expected at the port on the vessel 'Layer Sentosa'. The vessel will be handled by JM Baxi agents.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Kandla	'IBI'	13,500	Loaded	Japan

Rape/ Mustard Meal

Steady sentiment still dominating the trading centre in the country. Exporters are reportedly covered for their immediate demand and this triggered the export demand to down. Also, regular selling by Nafed has also restricting 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. 4750-4850 and 5000-5100 (in PP bags) respectively. Prices for the same at Jamnagar were quoted higher also at Rs 4750-4850 per ton. Jaipur market was offered the same at slightly higher of Rs.3900 per ton. Indore offered lower at Rs.4250 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)	
	05.09.06	04.09.06
Chalisingaon		-
Khamgaon		5350
Rudrapur	4200	4200
Parli/Latur/Nanded	5500	5400-5500

Groundnut DOC

The groundnut market remained steady to slight up today amidst improved demand. However stock position is good. The groundnut acreage has plunged down from 53.54 to 43.23 lakh hectares (LH) mainly on account of drought condition in Andhra Pradesh, particularly Rayalaseema belt experiencing dry spell virtually through out July. In Andhra Pradesh, the acreage under Groundnut is down from 14.58 LH to 8.49 LH, while Gujarat has seen fall in area from 18.08 to 16.55 LH, as farmers shifted from groundnut to cotton. 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. 6600 while 45% was offered also

steady at 7150 per MT in Rajkot during Thursday.

CBOT Soy Meal Futures as on September 1st.

Month	Open	High	Low	Close	Chg
Sep 06	157.50	158.00	157.10	157.60	+0.4
Oct 06	158.70	159.20	159.50	159.10	+0.4

Monsoon Outlook (05.09.06)

- ✍ Yesterday's depression over north Orissa moved west-northwestwards and weakened into a well marked low pressure area. It now lies over Chhattisgarh and adjoining East Madhya Pradesh. The system is likely to move in a west-northwesterly direction and weaken further.

Under its influence, widespread rainfall with heavy to very heavy falls at a few places are likely over East Madhya Pradesh and Chhattisgarh during next 24 hours. Fairly widespread rainfall with isolated heavy to very heavy falls are also likely over West Madhya Pradesh and Vidarbha during next 48 hours. Subsequently, the enhanced rainfall belt is likely to shift into Gujarat Region and East Rajasthan.

Heavy Rainfall Warning:

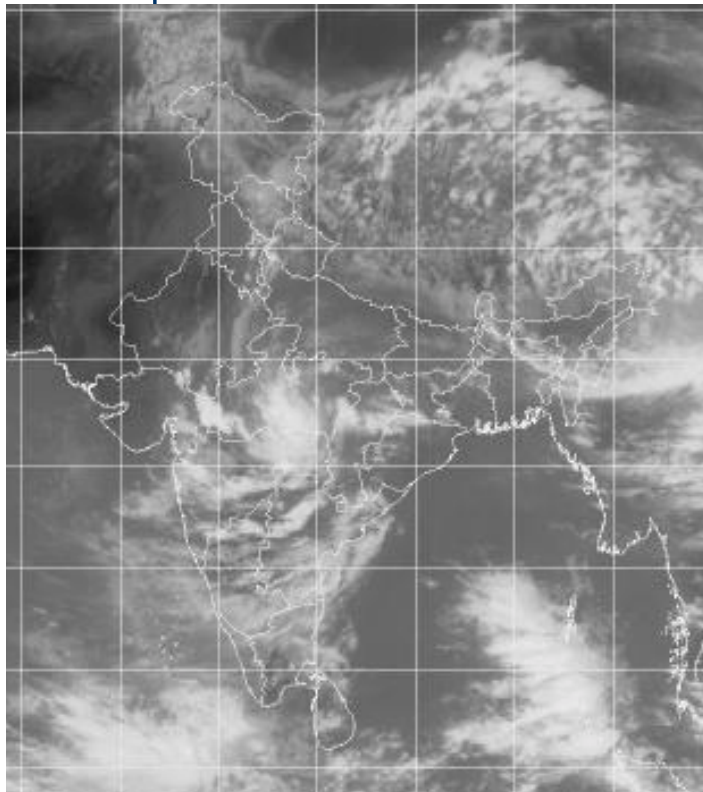
- ✍ Heavy to very heavy falls at a few places are likely over East Madhya Pradesh and Chhattisgarh during next 24 hours. Isolated heavy to very heavy falls are also likely over West Madhya Pradesh and Vidarbha during next 48 hours.

Outlook for subsequent two days (Based on numerical weather products):

- ✍ Enhanced rainfall activity likely to continue over Gujarat Region and East Rajasthan
- ✍ Increase in rainfall activity over northeastern States.

Source: GOI (IMD)

Weather Map



Source-IMD FOREX RATE AS ON 05.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.22
European Union	Euro	59.33
Japan	100 Yen	39.88
United Kingdom	GBP	87.94

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