

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

The sentiments remained steady. The lower production in mills was reported. The domestic demand reportedly improved. 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. There is a report of some damage of soybean crop in Maharashtra as well as in Madhya Pradesh, but yet to assess the extent of damage. Higher soybean cultivation is reported in Gujarat, Madhya Pradesh and Maharashtra. 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

• 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	Destl-Nation
Kandla	'IBI'	13,500	Loaded	Japan

DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	01.09.06	31.08.06	Parity To
Indore (MP)	8000-8200	8000-8200	Guj, MP
Datia (MP)	8500	8500	Up, Bihar, Bengal, Nepal
Shivpuri (MP)	8350	8350	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	9000	9000	Local and South
Solapur	8800	8800	Local and South
Kota	8400	8400	Rajasthan, Del, Punjab, Haryana

DOC Port rate at different centers

Centers	FOR Price	
	31.08.06	30.08.06
Kandla	8850	8850
Mumbai	9000	8950

Rape/ Mustard Meal

Prices improved somewhat on good demand. Export demand has witnessed 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. 4900 and 5000 (in PP bags) respectively. Prices for the same at Jamnagar were quoted higher also at Rs 4900 per ton. Jaipur market was offered the same at slightly higher of Rs.3900 per ton. Indore offered lower at Rs.4200 per ton and Kota quoted the same at Rs. 3800 per ton. Steady to weak tone likely to prevailed in the market.

Sunflower Meal Rates at Different Centres

Places	Ex-factory rates (Rs/ton)	
	01.09.06	31.08.06
Chalisingaon	-	-
Khamgaon	5350	5350
Rudrapur	4200	4200
Parli/Latur/Nanded	5400-5500	5400-5500

Groundnut DOC

The groundnut market improved somewhat on some 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 Aug 31st.

Month	Open	High	Low	Close	Chg
Sep06	158.3	159.0	157.1	157.2	-0.8
Oct06	159.5	160.3	158.3	158.7	-0.6

Monsoon Outlook (01.09.06)

✍ Yesterday's depression over East Madhya Pradesh moved in a north-northwesterly direction and now lies over East Rajasthan with its centre at 0830 hours IST of today, near Lat 26.0° N and Long 76.5° E, close to Sawai Madhopur. The system is likely to move in a north-northwesterly direction and weaken gradually.

Under its influence, widespread rainfall with heavy to very heavy falls at a few places and isolated extremely heavy falls (25 cm or more) is likely over West Madhya Pradesh and East Rajasthan during next 24 hours.

✍ This system is interacting with a Western disturbance and is likely to cause enhanced rainfall activity with heavy to very heavy falls at a few places over Western Himalayan region and plains of northwest India during next 48 hours.

✍ Numerical weather prediction models suggest formation of a low pressure area over north Bay of Bengal around 3rd which is likely to increase rainfall activity initially over Gangetic West Bengal and Orissa.

Heavy Rainfall Warning:

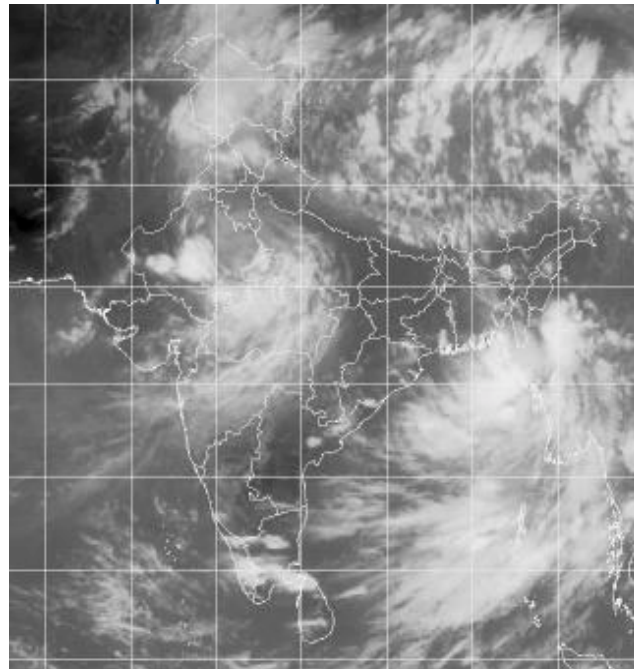
✍ Heavy to very heavy falls at a few places with isolated extremely heavy falls (25 cm or more) is likely over West Madhya Pradesh and East Rajasthan during next 24 hours. Heavy to very heavy falls at a few places also likely over Jammu & Kashmir, Himachal Pradesh, Uttaranchal, Punjab, Haryana, Delhi, West Rajasthan, West Uttar Pradesh and Andaman & Nicobar Islands during next 48 hours.

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

✍ Increase in rainfall activity likely over east India.

Source: **GOI (IMD)**

Weather Map



Source-IMD

Forex

Forex rate as on 01.09.06

Country/ Continent	Currency	Value In Rupees
USA	Dollar	46.53
European Union	Euro	59.61
Japan	100 Yen	39.67
United Kingdom	GBP	88.57

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