

## OILMEAL

September 08<sup>th</sup>, 2006

### MAJOR ACTIVITY HIGHLIGHTS

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

### DOMESTIC MARKET

#### Soy meal

A range bound sentiment is still prevailed in the Soymeal market steady demand. The lower crushing in mills was reported. The activity at port improved somewhat. Some facility has been given to oil meal exporter to get non-GMO certificates from EIC. This will facilitates export in coming futures. 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)		
	07.09.06	06.09.06	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	
	07.09.06	06.09.06
Kandla	8900	8850
Mumbai	8900	8950

#### Current vessel positions in different ports

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

Mumbai Port is loading 2,700 MT of SBM on the vessel 'Indruwa Valley'. Sai Freight agents is handling the vessel. Loading of 6,500 MT of SBM is continuing at the port on the vessel 'Layer Sentosa'. The vessel is being handled by JM Baxi agents. 'Surplus' is expected at the port to load 6,000 MT of SBM. Chowgule agents will be handling the vessel.

#### 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. 4700 and 4800 (in PP bags) respectively. Prices for the same at Jamnagar were quoted higher also at Rs 4700 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)	
	07.09.06	06.09.06
Chalisingaon	-	-
Khamgaon	-	-
Rudrapur	4200	4200
Parli/Latur/Nanded	5500	5500

#### Groundnut DOC

The groundnut market remained steady on steady demand supply scenario. However stock position is good. However, 18% drop in groundnut sowing is reported. Area under groundnut till August end stood at 4.5 million hectare. Groundnut sowing has been affected in Andhra, which received sparse rainfall during most part of July and August. The area under soybean cultivation, meanwhile, is up 4% on year at 8.0 million hectare, which is 21% more than the normal area under the crop. Higher soybean cultivation has been reported in Gujarat, Madhya Pradesh and Maharashtra. It is expected to improve as cultivation is

still continuing in Madhya Pradesh. 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. 6600-6650 while 45% was offered also steady at 7150 per MT in Rajkot during Thursday.

#### CBOT Soy Meal Futures as on September 6<sup>th</sup>.

Month	Open	High	Low	Close	Chg
Sep06	161.70	162.50	158.30	158.60	-1.70
Oct06	162.30	163.60	159.00	159.20	-2.20

### Monsoon Outlook (07.09.06)

- ✍ Yesterday's well marked low pressure area over West Madhya Pradesh and adjoining southeast Rajasthan lies today morning over south Rajasthan and adjoining Gujarat. The system is likely to move in a west-northwesterly direction and weaken further. Under its influence, fairly widespread rainfall with isolated heavy to very heavy falls are likely over north Gujarat Region, Kutch area and south Rajasthan during next 1-2 days.
- ✍ An upper air cyclonic circulation has formed over Tamil Nadu & neighbourhood and is likely to cause fairly widespread rainfall with isolated heavy falls over extreme south peninsula during next 2-3 days.

### Heavy Rainfall Warning:

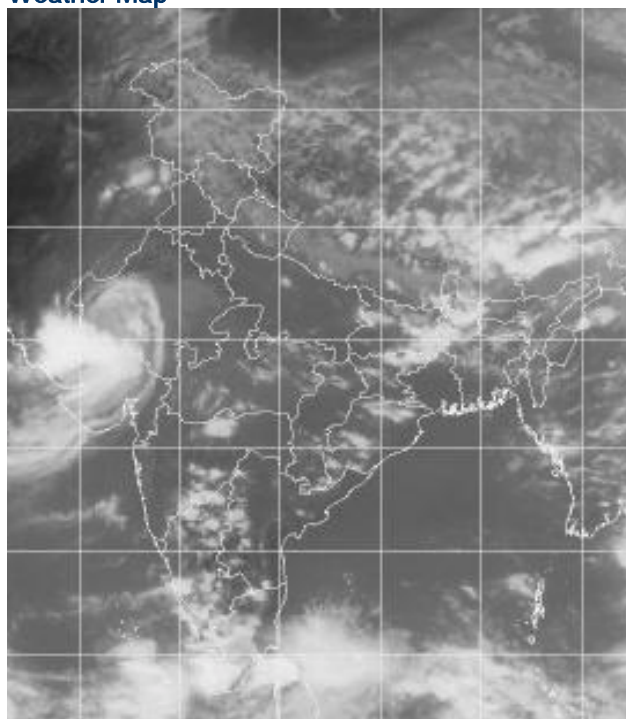
- ✍ Isolated heavy to very heavy falls are likely over north Gujarat region, Kutch area and south Rajasthan. Isolated heavy falls also likely over Tamil Nadu & Pondicherry, Kerala and Lakshadweep during next 2-3 days.

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

- ✍ Decrease in rainfall activity likely over Gujarat & south Rajasthan.
- ✍ Increase in rainfall activity over East Uttar Pradesh, Bihar, Sub-Himalayan West Bengal & Sikkim and northeastern States.
- ✍ Fairly widespread rainfall activity likely to continue over extreme south peninsula.

Source: GOI (IMD)

### Weather Map



### Source-IMD FOREX RATE AS ON 07.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.10
European Union	Euro	59.08
Japan	100 Yen	39.51
United Kingdom	GBP	86.82

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