

OILMEAL

September 28th, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Markets Eased on Some Arrivals of Crop
- Mustard Meal Weak on Poor Demand

DOMESTIC MARKET

Soy meal

Sentiments of Soymeal remained steady. The domestic demand is not so significant. Some fresh crops arrivals is also reported from some market. The export demand is somewhat improved. About 600,000-700,000 metric tons of soymeal is exported from India to Southeast Asian countries at \$225-\$235 a ton on cost and freight basis. China scrapped an import duty on Indian soymeal and this led to wide the export market to China. However, India's export of soymeal to Pakistan is likely to drop in the marketing year starting October. In the year ending September 2006, India has exported higher amount around 70,000-100,000 tonne of soymeal to Pakistan as compared to previous year. However, the drop in the coming days due to the reason of rising the extraction of canola seeds in Pakistan. The import of canola seed is increasing and is likely to rise to 900,000 tonne by year-end. However, the Indian soymeal has good export demand for poultry feed due to its nutritive value. domestic demand is steady on lower stocks level.

DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	27.09.06	26.09.06	Parity To
Indore (MP)	8000-8300	8000-8300	Guj, MP
Datia (MP)	8600	8700	Up, Bihar, Bengal, Nepal
Shivpuri (MP)	8300	8400	Up, Bihar, Bengal, Nepal
Nanded/Latur	9000	9000	Andhra, AP, Kar, TN
Dhulia/Jalna	8600	8600-8700	Mumbai Maharashtra
Nagpur (42/46)	8300-8700	8700	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	8900	8900-9000	Local and South
Solapur	8900	9000	Local and South
Kota	8400	8500	Rajasthan, Del, Punjab, Haryana

DOC Port rate at different centers

Centers	FOR Price	
	27.09.06	26.09.06
Kandla	9000	9000
Mumbai	9000	9000

Current vessel positions in different ports

'Jasmine Ace' has berthed at Jamnagar Port and continues to load 8,000 MT of SBM to Japan. Overseas agents is handling the vessel. Jamnagar Port is loading 12,70 MT of SBM to Indonesia on the vessel 'Thor Sun'. JM Baxi agents is handling the vessel.

Loading of 9,000 MT of SBM is expected at Kandla Port on the vessel 'Nagato' to Japan. Taurus agents will be handling the vessel.

'Surplus' is expected at Mumbai 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	Nagato'	9000	Loading	Japan
Jamnagar	'Jasmin e Ace'	8000	Loading	Japan

Rape/ Mustard Meal

A steady to weak sentiment is witnessed in majority of domestic market in the country on lack of demand. Exporters are reportedly covered for their immediate demand and this triggered the export demand to down. Also, lower price offered by Nafed has also restricting the market sentiments. Nafed is selling mustard in Rajasthan at Rs 1600 per qtl. For new stocks and Rs. 1500-1525 for old stocks. Crushing is continuing as demand for Kachi ghani is good from eastern states. The DOC prices at Kandla is quoted lower at Rs. 4725-4750 in [PP bags] and in Mudra it is offered at Rs. 4750. Prices for the same at Jamnagar were quoted at Rs 4675 per ton. Jaipur market was offered the same at lower of Rs.3800 per ton. Kota quoted the same at Rs. 3800 per ton. Steady to weak tone likely to prevailed in the market. Datia 4200

Sunflower Meal Rates at Different Centres

Places	Ex-factory rates (Rs/ton)	
	27.09.06	26.09.06
Chalisingaon	-	-
Khamgaon	-	-
Rudrapur	4700	4500
Parli/Latur/Nanded	5500	5500

Groundnut DOC

The groundnut market marginally eased on subdued demand. Stock position is good. The price is likely to

decline further on October due to fresh arrivals. 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. 6800 while 45% was offered also steady at 7500 per MT in Rajkot.

CBOT Soy Meal Futures as on September 26th .

Month	Open	High	Low	Close	Chg
Oct06	163.3	163.4	161.8	162.4	-
Dec06	163.3	164.3	162.6	163.5	+0.5

Monsoon Outlook (27.09.06)

- South West monsoon withdrawn from entire Jammu & Kashmir, Himachal Pradesh, Uttaranchal, some parts of west Uttar Pradesh, remaining parts of Haryana and West Rajasthan and some more parts of East Rajasthan. Withdrawal line as on 27th passes through Pilibhit, Bareilly, Dholpur, Sawai-Madhopur and Barmer.
- A low pressure area has formed over east-central & adjoining northeast Bay of Bengal. It is likely to increase the rainfall activity over south Peninsula and Orissa from tomorrow for next 2-3 days.

Heavy Rainfall Warning:

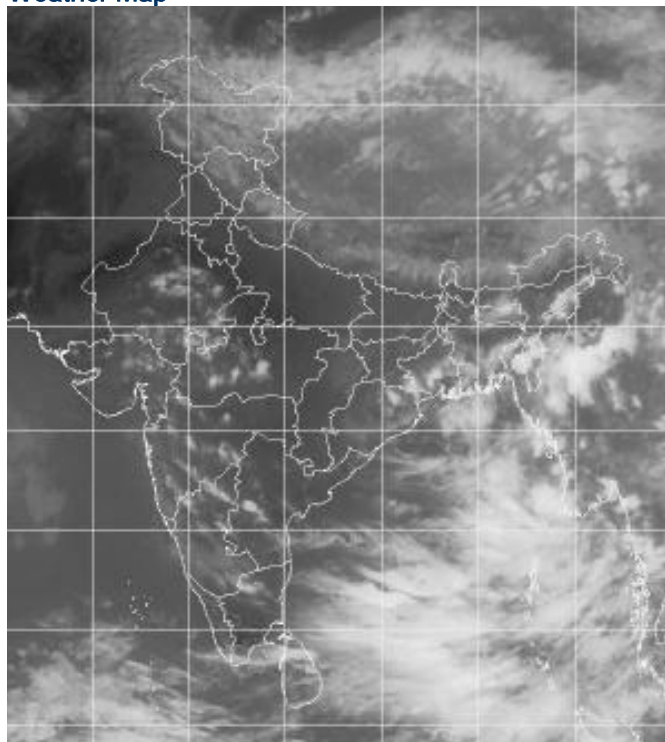
- Isolated heavy falls are likely over Andaman & Nicobar Islands.

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

- Fairly widespread rainfall activity likely over peninsular India.

Source: GOI (IMD)

Weather Map



Source-IMD

FOREX RATE AS ON 27.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.92
European Union	Euro	58.21
Japan	100 Yen	39.23
United Kingdom	GBP	86.97

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