

## OILMEAL

October 18<sup>th</sup>, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- **Soymeal Markets Remained Steady**
- **Mustard Meal Showing weak to average tone.**

### DOMESTIC MARKET

#### Soy meal

Soy meal sentiments remained steady with rates remaining range bound. Active trading is likely to begin after Deepawali, as most of the solvent extraction units are busy buying soybean so as to prevent any shortfall in stocks after festive season. On export front it is likely to gain firm grounds on account of overseas demand particularly from UAE. Indian soymeal is offered at competitive prices so as to attract buyers from abroad. South Korea had already booked the consignment this week from India. The Soybean meal export jumped from 721,900 tons to 975,975 tons. Vietnam has become largest importers of Soybean meal and imported over 325,000 tons. China mainly imported Soybean meal to a tune of 79,800 tons as per Solvent Extractors Association of India.

#### DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	17.10.06	16.10.06	Parity To
Indore (MP)	8450-8500	8400-8500	Guj, MP
Datia (MP)	8500	8500	UP, Bihar, Bengal, Nepal
Shivpuri (MP)	8550-8600	8500-8600	UP, Bihar, Bengal, Nepal
Nanded/Latur	8400-8500	8400-8500	Andhra, AP, Kar, TN
Dhulia/Jalna	8500-8600	8500-8600	Mumbai Maharashtra
Nagpur (42/46)	8200-8300	8100-8300	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	8800-9000	8800-9000	Local and South
Solapur	8900	8900	Local and South
Kota	8650-8700	8700	Rajasthan, Del, Punjab, Haryana
Dharwar	8300-8500	8200-8300	

#### DOC Port rate at different centers

Centers	FOR Price	
	17.10.06	16.10.06
Kandla	9100 (Oct) By Rack 8950 (Nov)	9000 (Oct) 8900 (Nov)

Mumbai	9000 (Oct) By Rack 8900 (Oct)	9000 (Oct) 8900 (Oct)
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#### Current vessel positions in different ports

Mumbai Port is loading 9,300 MT of SBM on the vessel 'Sinar Kudus'. Seaworld agents is handling the vessel. Loading of 6,400 MT of SBM is continuing at Mumbai Port on the vessel 'Qi Lin Men'. Chowgule agents is handling the vessel.

'Huang Shan' has berthed at Jamnagar Port and continues to load 12,600 MT of SBM to Korea. Interoccean agents is handling the vessel.

Kandla Port is expecting 'Tayson I' to load 10,500 MT of SBM to Indonesia. Liladhar Pasoo agents will be handling the vessel. 'Hazel Ace' is expected at the port to load 9,000 MT of SBM to Japan. Taurus agents will be handling the vessel.

#### Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Jamnagar	Huang Shan	12,600	Berthed	Korea
Kandla	Tayson I	10,500	Expecting	Indonesia
Mumbai	Sinar Kudus'	9,300	Loading	-
Kandla	Hazel Ace	9,000	Expected	Japan

#### Rape/ Mustard Meal

Firm sentiments were noticed for mustard meal owing to steady demand and rates were found to be range bound. Markets are likely to witness active trading after festive season. The DOC prices at Kandla is quoted at Rs. 4600 in [PP bags) and in Mundra it is offered at Rs. 5100. At Jamnagar it is offered at Rs.4540. Jaipur market was offered the same at steady at Rs.3800-3850 per ton. Kota quoted at a rate of Rs.3700 per ton. Steady to weak tone likely to prevailed in the market. Whereas in Datia it was quoted at Rs. 4200 per ton. As per Solvent Extraction Association of India rapeseed meal export increased from 335,125 tons to 451,075 tons, thanks to availability of rapeseed during off season from NAFED which not only boosted the crushing and oil availability but also increased availability of rapeseed extractions, lead to double the export of rapeseed meal in 2nd quarter, from 120,600 tons to 240,350 tons. China and South Korea imported

rapeseed meal to a tune of 1.71 lakh tons and 1.65 lakh tons respectively.

#### Sunflower Meal Rates at Different Centres

Places	Ex-factory rates (Rs/ton)	
	17.10.06	16.10.06
Chalisingaon	-	-
Khamgaon	4650-4700	4700
Rudrapur	5000	5000
Parli/Latur/Nanded	-	4800

#### Groundnut DOC

The sentiments for groundnut meal remained steady. With range bound rates. Physical demand is likely to increase from first fortnight of next month with regional demand for animal feed. Most of the groundnut meal produced is routed to overseas market leaving just enough stock for domestic consumption thus justifying for steady sentiments stated above. Uneven rainfall distribution is said to have affected the arrivals of groundnuts to a larger extent thus affecting the rates for oil meal thus obtained. The prices of groundnut meal (40%) were quoted at Rs. 6700-6800 while 45% was offered also steady at 7200-7300-per MT in Rajkot, thus remaining range bound. As per Solvent Extractors Association of India the total export of oil meals during April to September 2006 is reported at 1,633,475 tons compared to 1,291,308 tons of last year i.e. up by 26%. China was the major importer of groundnut meal from India to a tune of 43,200 tonnes.

#### CBOT Soy Meal Futures as on October 16<sup>th</sup>.

Month	Open	High	Low	Close	Chg
Dec 06	178.7	180.5	177.7	178.5	-1.2
Jan 07	180.5	181.5	178.8	179.2	-1.4

#### Monsoon Outlook (17.10.06)

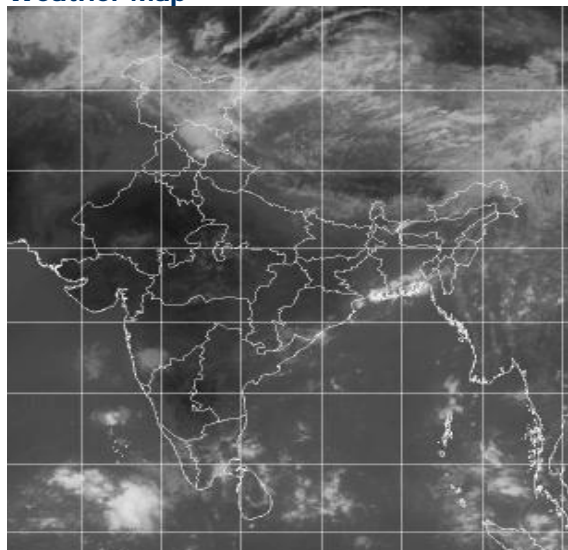
- Southwest monsoon has further withdrawn from remaining parts of the Peninsular India, Bay of Bengal & Arabian Sea and thus from the entire country. Conditions are favourable for the commencement of northeast monsoon rains over Tamil Nadu, Kerala and adjoining parts of Andhra Pradesh & Karnataka during next 2-3 days.
- Under the influence of an easterly wave, scattered to widespread rainfall activity is likely over Tamil Nadu & Pondicherry, Kerala and adjoining areas of Andhra Pradesh and Karnataka during next 3-4 days.

#### Outlook for subsequent two days from 0830 hours IST of 20th October 2006 (Based on numerical weather products):

- The ongoing rainfall activity is likely to continue over extreme south peninsular India.

Source: GOI (IMD)

#### Weather Map



#### Source-IMD

#### FOREX RATE AS ON 17.10.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	45.36
European Union	Euro	56.83
Japan	100 Yen	38.08
United Kingdom	GBP	84.46

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