

OILMEAL

October 17th, 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 except in Kota and Sangli wherein rates registered marginal hike. Since domestic demand for soymeal is firm, the ex-factory rates are maintaining steady paces. On export front it is likely to gain firm grounds on account of overseas demand. With an increase in crushing of canola seeds in Pakistan the sentiments for soymeal export to this nation is likely to suffer a setback. However, the Indian soymeal has good export demand for poultry feed due to its nutritive value. 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)		
	16.10.06	14.10.06	Parity To
Indore (MP)	8400-8500	8300-8500	Guj, MP
Datia (MP)	8500	8500	UP, Bihar, Bengal, Nepal
Shivpuri (MP)	8500-8600	8400-8500	UP, Bihar, Bengal, Nepal
Nanded/Latur	8400-8500	8400	Andhra, AP, Kar, TN
Dhulia/Jalna	8500-8600	8600	Mumbai Maharashtra
Nagpur (42/46)	8100-8300	8300	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	8800-9000	8800	Local and South
Solapur	8900	8700	Local and South
Kota	8700	8400-8500	Rajasthan, Del, Punjab, Haryana
Dharwar	8200-8300	8300	

DOC Port rate at different centers

Centers	FOR Price	
	16.10.06	14.10.06
Kandla	9000 (Oct) 8900 (Nov)	8950 (Oct) 8850 (Nov)

Mumbai	9000 (Oct) 8900 (Oct)	8950 (Oct) 8850 (Nov)
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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. With further arrivals of mustard seed and subsequent procurement by traders, it is likely to impact market sentiments in near future. 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 the 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)	
	16.10.06	14.10.06
Chalisgaon		-
Khamgaon	4700	4700-4800
Rudrapur	5000	5000
Parli/Latur/Nanded	4800	4700-4800

Groundnut DOC

The demand for groundnut meal remained steady. 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. 6800 while 45% was offered also steady at 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 13th.

Month	Open	High	Low	Close	Chg
Oct 06	173.0	176.8	173.0	174.5	+2.5
Dec06	175.0	180.0	174.8	179.7	+6.4

Monsoon Outlook (16.10.06)

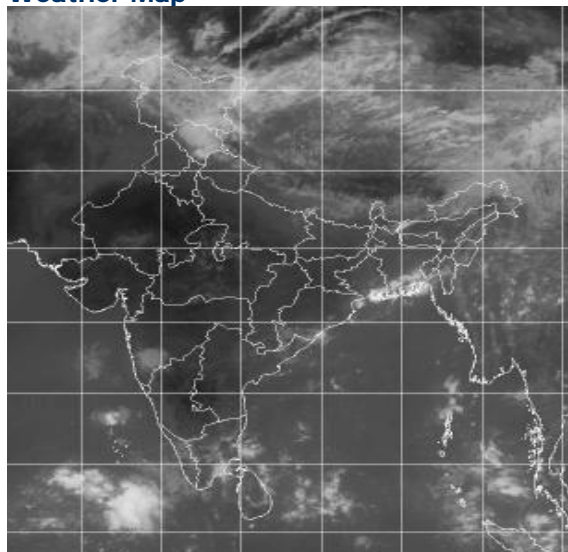
- Southwest monsoon is likely to withdraw from northeastern States and remaining parts of east & central India and Maharashtra.
- Scattered rainfall activity likely to continue over extreme south peninsula with possibility to increase over Tamil Nadu & Pondicherry, Kerala and Lakshadweep.
- Under the influence of a western disturbance, scattered rainfall activity is likely to occur over Western Himalayan region during next 48 hours.

Outlook for subsequent two days from 0830 hours IST of 19th 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 16.10.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	45.46
European Union	Euro	56.85
Japan	100 Yen	38.08
United Kingdom	GBP	84.58

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