

## OILMEAL

November 7<sup>th</sup>, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Sentiments Improved considerably.
- Mustard Meal Sentiments Showing Average Tone.

### DOMESTIC MARKET

#### Soy meal

Market sentiments were slightly bullish due to good domestic and overseas demand. Since the poultry sector growing at 10%, the shortfall in domestic maize crop is a cause for concern that added to support bullish trend for soy meal in major markets. Nearly bullish sentiments for soy futures in International and domestic futures market scale up rates to some extent. Domestic production of other soy meal exporting country is likely to fall owing to reduced production thus allowing India an edge over others in terms of pricing. Indian soy meal is offered at competitively priced so as to attract buyers from abroad [UAE, Vietnam & Indonesia and Thailand]. Soy meal is being shipped to Japan and South Korea at C&F rates of 248 and 249 USD per tonne respectively. An increase in shipments to other south EAST Asian countries through Kandla, Jamnagar and Mumbai ports is a good indicator for demand from overseas buyers.

#### DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	06.11.06	04.11.06	Parity To
Indore (MP)	9000	8900	Guj, MP
Datia (MP)	8900-9000	8600-8800	UP, Bihar, WB, Nepal
Shivpuri (MP)	8900	8600-8800	UP, Bihar, WB, Nepal
Kota	8400-8500	8600	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	8800-9000	8700-9000	Andhra, AP, Kar, TN
Dhulia/Jalna	9100-9300	9100-9200	Mumbai Maharashtra
Nagpur (41/45)	8400-8700	8300-8700	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9500	9300-9500	Local and South
Solapur	9400	9300	Local and South
Dharwar	9300-9600	9100-9400	Karnataka, Tamil Nadu

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	06.11.06	04.11.06
Kandla	9600-9700 (Nov)	9700 (Nov)

Jamnagar	9650 (Nov)	9600 (Nov)
Vishakapatnam	9600-9700 (Nov)	9700 (Nov)
Atari	10,000- 10,300 (Nov)	10,350 (Nov)
Mumbai	9750 (Nov)	9700 (Nov)

#### Current vessel positions in different ports

Loading of bagged SBM has started at Mumbai port on the vessel Badulu Valley. Sai Freight Pvt Ltd is the agent handling the vessel. Other vessel that is expected soon is Induruwa Valley-VI, which would be handled by Sai freight P.Ltd. Bright KC has berthed at port and is ready for sailing.

'M.V. Ocean Concord' & 'M.V. Iran Broojer DI' are the expected vessels to be berthed at Kandla Port, they would be loading 9000 MT & 13,000 tonnes of SBM respectively. Taurus agents will be handling the vessel.

#### Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Mumbai	Badulu Valley	3500	Loading	-
Mumbai	Induruwa Valley -VI	2700	Expected	-
Mumbai	Bright KC	7500	Ready	-
Kandla	M.V. Ocean Concord	9000	Expected	-
Kandla	M.V. Iran Broojer DI	13,000	Berthed	-

#### Rape/ Mustard Meal

Spot market sentiments improved slightly on account of meal demand from South Korea and other overseas destinations. However, traders are optimistic that demand from livestock industry would increase in coming days notably from UAE. The DOC prices at Kandla were quoted at Rs. 5000 in [PP bags] and in Mundra it is offered at Rs. 5100. At Jamnagar it is offered at Rs.4950. Jaipur market was offered the same at steady at Rs.3900 per ton. No quote was obtained from Kota and Datia. The demand from feed industry is likely to pick up pace by November. 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)	
	06.11.06	04.11.06
Rudrapur	-	5100
Parli/Latur/Nanded	5700-6000	5200-5600
Dharwar	5800	-
Jalna	6000	-

#### CBOT Soy Meal Futures as on November 3rd.

Month	Open	High	Low	Close	Chg
Dec06	196.1	197.7	194.3	195.5	+0.2
Jan07	195.5	198.0	194.5	195.8	-0.1

#### Monsoon Outlook (05.11.06)

- Scattered to fairly widespread rainfall with isolated heavy falls have occurred over south Tamil Nadu and Kerala during past 24 hrs. This rainfall activity is likely to continue for next 1-2 days with increase thereafter.
- Minimum temperatures fell by 2-3° C over central India and 1-2° C over plains of northwest India and are likely to fall further during next 1-2 days.

#### Heavy Rainfall Warning: -

- Isolated Heavy rainfall is likely over coastal Tamil Nadu, Kerala and Lakshadweep

#### Outlook for subsequent two days from 1430 hours IST of 8th November 2006 (Based on numerical weather products):

- Scattered rainfall activity is likely over east and central India.
- Enhanced rainfall activity is likely to continue over south Peninsula.

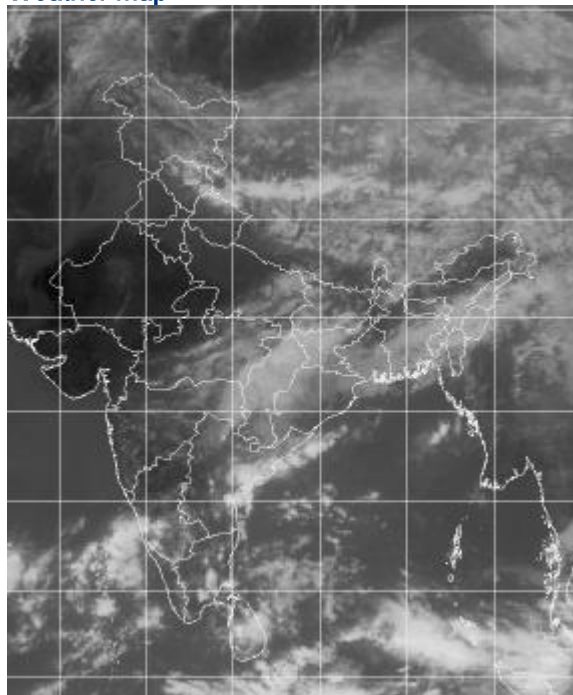
Source: GOI (IMD)

Solapur	6200	-
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#### Groundnut DOC

Market sentiments improved marginally on account of average to good demand for groundnut meal in domestic market. A further influx of groundnut by next week is likely to impact the rates for the meal thus obtained after crushing. However rates would largely depend on demand from feed industry. Groundnut meal at 40% and 45% were quoted at Rs 6850 and Rs 7700 per MT respectively in Rajkot. 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.

#### Weather Map



Source-IMD

#### FOREX RATE AS ON 06.11.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.86
European Union	Euro	56.99
Japan	100 Yen	37.98
United Kingdom	GBP	85.24

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