

## OILMEAL

November 11<sup>th</sup>, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Sentiments remained steady.
- Mustard Meal Sentiments Showing Average Tone.

### DOMESTIC MARKET

#### Soy meal

Market sentiments remained steady with range bound rates despite fall in soymeal futures in overseas market. Since spot market sentiments for soybean were bullish, plants were reluctant to decrease rates for soymeal, thus keeping the rates intact. Due to acute congestion at Kandla & Mundra ports it is likely that shipments may get delayed further for the contracted destinations. At export front soy meal is being shipped to Japan and South Korea at C&F rates of 248 and 249 USD per tonne respectively. As per press release of SOPA a significant growth of 45.98% was noted for soybean meal exported last month, about 2.9 lakh MT of soybean meal was exported during October 2006 as compared to 1.98 lakh MT exported during the same period last year. The total exports of Soybean meal for April to October this year was 17.24 lakh MT as against 9.44 lakh MT during the same period last year thus registering a growth of 82.57% over the last year. The total export of oil meals during April to October 2006 is reported at 1,966,100 tons compared to 1,500,733 tons of last year i.e. up by 31%. China was the main importer of groundnut meal for this year; the imports were to a tune of 43,200 tonnes till October 2006.

#### DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	10.11.06	09.11.06	Parity To
Indore (MP)	9100-9200	9100-9200	Guj, MP
Datia (MP)	9200-9250	9100-9200	UP, Bihar, WB, Nepal
Shivpuri (MP)	9050	9000-9100	UP, Bihar, WB, Nepal
Kota	8800-8850	8600-8800	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	9200-9300	9000-9200	Andhra, AP, Kar, TN
Dhulia/Jalna	9400-9500	9400-9500	Mumbai Maharashtra
Nagpur (41/45)	9300-8800	8300-8800	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9650	9500	Local and South
Solapur	9700	9600-9700	Local and South
Dharwar	9800-9900	9600-9800	Karnataka, Tamil Nadu

#### DOC Port rate at different centers (rates valid till 15<sup>th</sup> of Dec)

Centers	FOR Price (Buy price)	
	10.11.06	09.11.06
Kandla	9700	9700
Jamnagar	9650	9700
Vishakapatnam	9700	9700
Atari	10,500-10,700	10,100-10,400
Mumbai	9700	9800

#### 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 Brooger 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 Brooger DI	13,000	Berthed	-

#### Rape/ Mustard Meal

Spot market sentiments improved marginally due to demand from domestic feed industry and animal feed industry abroad. However, traders are optimistic that demand would further increase by month end. The rapeseed meal is an important constituent as additive in feeds for livestock industry. Rates improved slightly due to increase in consignments for rapeseed meal for export purpose. The DOC prices at Kandla were quoted at Rs.

5100 in [PP bags) and in Mundra it is offered at Rs. 5200. At Jamnagar it is offered at Rs.5050. Jaipur market was offered the same at Rs.4400 per ton & Kota was quoted at Rs 4500 per ton. No quote was obtained for Datia. The demand from feed industry is likely to pick up pace by November. As per SOPA, rapeseed meal export increased from 372,375 tons to 525,075 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 boost the export of rapeseed meal. South Korea a traditional importer of rapeseed meal bought nearly 198,000 tons of rapeseed meal.

#### Sunflower Meal Rates at Different Centres

Places	Ex-factory rates (Rs/ton)	
	10.11.06	09.11.06
Rudrapur	-	-
Parli/Latur/Nanded	6300	6100-6200
Dharwar	-	6000

CBOT Soy Meal Futures as on November 09<sup>th</sup>.

Month	Open	High	Low	Close	Chg
Dec 06	201.5	202.8	197.0	198.3	-2.7
Jan 07	202.8	203.7	198.2	199.4	-2.6

#### Monsoon Outlook (10.11.06)

- Under the influence of a western disturbance over north Pakistan and neighborhood. Scattered rain/snowfall activity is likely over Jammu & Kashmir during next two days.
- The night temperatures are about 3-4 °C above normal over most parts of north & central India. No significant change in night temperatures is expected over these regions during next 2-3 days. Fog condition is likely to prevail over some parts of plains of northwest India.
- Under the influence of the easterly wave, fairly widespread rainfall are likely over Tamil Nadu, Pondicherry, Coastal Andhra Pradesh, coastal Orissa and West Bengal & Sikkim during next 2 days. Isolated/scattered rain/thundershowers are also likely over adjoining parts of east India and south peninsula.

#### Heavy Rainfall Warning: -

- Isolated heavy rainfall is likely over coastal areas of Tamil Nadu & Pondicherry, Andhra Pradesh, Orissa and West Bengal during next 48 hours.

#### Outlook for subsequent two days from 0830 hours IST of 13th November 2006 (Based on numerical weather products):

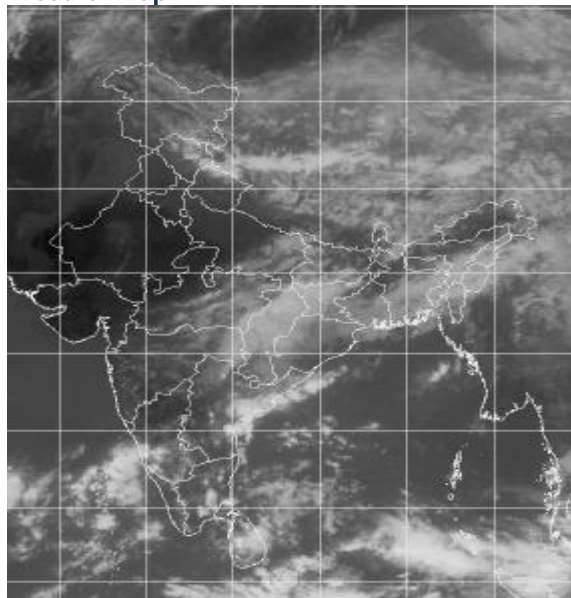
- Scattered rainfall activity is likely over south peninsula.

Jalna	6250-6300	6150-6250
Solapur		6200

#### Groundnut DOC

Market sentiments remained steady on account of average demand for groundnut meal in domestic market. A further influx of groundnut by second fortnight of this month would improve the sentiments as crushing would catch up pace to yield the meal thus required. However rates would largely depend on demand from feed industry. Groundnut meal at 40% and 45% were quoted at Rs 6800 and Rs 7600-7700 per MT respectively in Rajkot. As per SOPA, export of oil meals for the month of October 2006 was reported at 332,625 tons compared to 209,425 tons in October last year i.e. up by 59%. The total export of oil meals during April to October 2006 is reported at 1,966,100 tons compared to 1,500,733 tons of last year i.e. up by 31%. China was the main importer of groundnut meal for this year; the imports were to a tune of 43,200 tonnes till October 2006.

#### Weather Map



Source-IMD

#### FOREX RATE AS ON 10.11.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.45
European Union	Euro	57.12
Japan	100 Yen	37.82
United Kingdom	GBP	84.83

- Decrease in rainfall activity over east & north east India.

**Source:** GOI (IMD)

#### **Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.