

OILMEAL

December 29, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Steady tone for soymeal.
- Rapeseed meal reflects bearish sentiments.

DOMESTIC MARKET

Soy meal

Rates for soymeal remained steady at ports amidst weak soy meal futures in overseas. However rates improved at few regions on account of demand from feed industry. The Solvent Extractors' Association of India has just compiled the data for export of oilmeals for the month of November 2006 and reported at 583,250 tons compared to 321,692 tons in November last year i.e. up by 81%. The total export of oil meals during April to November 2006 is reported at 2,549,350 tons compared to 1,822,425 tons of last year i.e. up by 40%. The Soybean meal export jumped from 1,148,825 tons to 1,652,925 tons. Export of oilmeals to China during April to November 2006 sharply increased to 342,725 tons from 210,725 tons during the same period of last year. China mainly imported soybean meal to the tune of 85,850 tons. Vietnam has become largest importers of Soybean meal and imported over 462,000 tons.

DOC of Soybean rates at different centers

Places	Ex-factory rates (Rs/ton)		
	28.12.06	27.12.06	Parity To
Indore (MP)	9000	8900-9000	Guj, MP
Datia (MP)	8850	8600-8700	UP, Bihar, WB, Nepal
Shivpuri (MP)	8600		UP, Bihar, WB, Nepal
Kota	8900	8800-8900	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	9000	8300-8500	Andhra, AP, Kar, TN
Dhulia/Jalna	9000-9100	8600-8800	Mumbai Maharashtra
Nagpur (41/45)	8300-8600	8500-8700	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9600	-	Local and South
Solapur	9400	8850-8900	Local and South
Dharwar	-	-	Karnataka, Tamil Nadu

DOC Port rate at different centers (rates valid till 15th of Dec)

Centers	FOR Price (Buy price)	
	28.12.06	27.12.06
Kandla	9700	9650-9700
Jamnagar	9600	9500-9550
Mumbai	9700	9650-9700

Current vessel positions in different ports: -

Mumbai port: -

Badulu Valley-VI is expected to arrive on 27.12.06 to load 3500 MT of SBM. Sai freight agent is handling the vessel.

Vessel **Qui Lin Men** is expected at Mumbai port on 27.12.06. Chowgule brothers would handle the vessel. It would load 6200 MT of SBM.

Kandla port: -

Vessel **M.V.Anyuan** is working at port to load 24,500 MT of SBM. Pearl SHG is handling the vessel. Expected time for sail is 30.12.06.

Vessel **M.V.Notto III** is waiting for berth and is handled by Taurus agents. It would load 10,000 MT of SBM.

M.V.Leonis was expected to arrive on 23.12.06. It would load 9000 MT of SBM from Kandla port. Taurus agent is handling the vessel.

Vessel **AN Yue Jiang** is waiting for berth to load 12,600 MT of SBM. Interocean agent is handling the vessel.

Vizag port: -

Vessel Ambassador would load 4900 MT of SBM from Vizag port. Inter-ocean shipping agent is handling the vessel.

Vessel Vietfracht would load 7000 MT of SBM. Lotus Marine Service is handling the vessel.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Mumbai	Badulu Valley -VI	3500	Expected	-
Mumbai	Qui Lin Men	6200	Expected	-
Kandla	M.V.Anyuan	24,500	Berthed	
Kandla	AN Yue Jiang	12,600	Waiting for berth	
Kandla	M.V.Notto III	10,000	Berthed	

Kandla	M.V.Leonis	9000	Waiting for berth	
Vizag	Ambassador or	4900	Berthed	
Vizag	Vietfracht	7000	Berthed	

Rape/ Mustard Meal

Rates for the DOC declined marginally at ports due to overall weakness in demand for rapeseed DOC. Industry sources state that, animal feed industry has opted for rapeseed meal instead of DOC due to its easy availability and relative cheapness as compared to DOC. The DOC finds wide utility as poultry feed and as of now the demand for DOC has declined thus keeping the sentiments range bound. The DOC prices at Kandla were quoted at Rs.4900 in [PP bags] and in Mundra it is offered in a range of Rs. 5000. At Jamnagar it is offered at Rs 4900. At Jaipur market the rate quoted stood at Rs.4300 per ton. The Solvent Extractors' Association of India has just compiled the data for export of oilmeals for the month of November 2006 and reported at 583,250 tons compared to 321,692 tons in November last year i.e. up by 81%. The total export of oil meals during April to November 2006 is reported at 2,549,350 tons compared to 1,822,425 tons of last year i.e. up by 40%. Rapeseed meal export increased from 394,100 tons to 593,325 tons. China mainly imported Rapeseed meal to a tune of 210,475 tons. South Korea a traditional importer of rapeseed meal bought nearly 236,000 tons.

Sunflower Meal Rates at Different Centres [Not Available - NA]

Places	Ex-factory rates (Rs/ton)	
	28.12.06	27.12.06
Parli -Latur	6000	NR
Dharwar	-	NR
Jalna	5800	NR
Solapur	6000	-
khamgaon	5350	-

[Note: - Data not available for sunflower meal]

Groundnut DOC

Demand from feed industry remained at normal levels due to lack of any fresh demand, however rates for DOC hiked on account of limited availability of nuts amidst good demand for groundnut seeds from growers in AP and Karnataka. Groundnut meal at 40% and 45% were quoted at Rs 7100 -7200 and Rs 7700 -7800 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.

CBOT Soy Meal Futures as on December 27.

Month	Open	High	Low	Close	Chg
Jan07	188.3	190.5	188.1	188.5	+0.1
Mar07	194.3	195.5	193.1	193.8	-0.3

Monsoon Outlook (28.12.06)

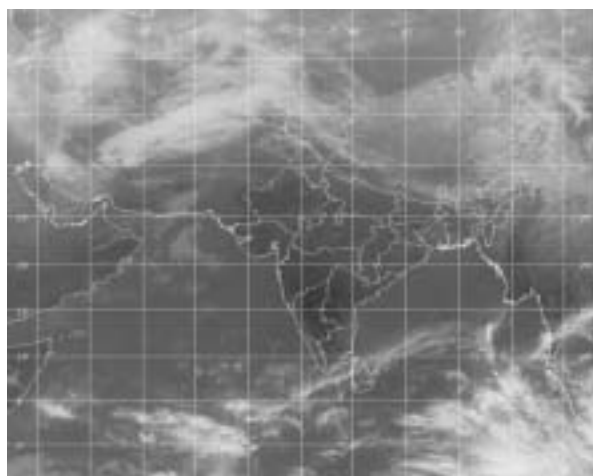
Withdrawal of Northeast Monsoon:

- The northeast monsoon rains have ceased over Tamil Nadu, Kerala and adjoining parts of Andhra Pradesh and Karnataka on 28th December 2006.

Chief Features:

- As predicted, night temperatures have fallen over plains of northwest India and adjoining Gangetic plains and central India by 2-4° C during past 24 hours. Fog was also experienced at some places in the Indo-Gangetic plains. Further fall in night temperatures by 1-2° C likely over Indo-Gangetic plains during next 2 days. However, due to the prevailing strong winds in the lower levels, dense fog conditions are not likely during next 2-3 days.
- Lowest night temperature in the plains of the country was 3.0°C recorded at Amritsar in Punjab.

Weather Map [As on 28.12.06]



Outlook for subsequent two days from 0830 hours IST of 31st December 2006 (Based on numerical weather products):

- A fresh western disturbance is likely to cause isolated snowfall activity over Jammu & Kashmir.
- Night temperatures are likely to rise over the plains of northwest India.

Source: GOI (IMD)

Source-IMD

FOREX RATE AS ON 28.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.36
European Union	Euro	58.22
Japan	100 Yen	37.37
United Kingdom	GBP	86.84

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