

## OILMEAL

December 5, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- Soymeal reflected bearish sentiments.
- Mustard Meal Sentiments Showing Average Tone.

### DOMESTIC MARKET

#### Soy meal

Soymeal prices declined considerably due to weak demand in physical markets. Since soymeal offered by overseas suppliers are competitively priced, they are finding an edge over Indian soymeal and hence leading to bearish cues. As per market observers, rates for soymeal are likely to trade range bound amidst unless new contracts are generated over period of time. The congestion at different ports is easing down and would catch its normal pace soon to load SBM. 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. 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)		
	04.12.06	02.12.06	Parity To
Indore (MP)	8800-8900	9000-9100	Guj, MP
Datia (MP)	8600-8700	8800-8850	UP, Bihar, WB, Nepal
Shivpuri (MP)	8500-8600	8700	UP, Bihar, WB, Nepal
Kota	8700-8800	8700-8800	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	8400-8600	8900-9000	Andhra, AP, Kar, TN
Dhulia/Jalna	9000-9100	9300	Mumbai Maharashtra
Nagpur (41/45)	8000-8400	8600-8700	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9600-9700,	9900-10,000	Local and South
Solapur	8800-9000	9400-9500	Local and South
Dharwar	9700-9900	9900-10,000	Karnataka, Tamil Nadu

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

Centers	FOR Price (Buy price)	
	04.12.06	02.12.06
Kandla	9350-9400	9500
Jamnagar	9300	9400
Vishakapatnam	9550	9700
Atari	10,200	10,400
Mumbai	9400	9550

#### Current vessel positions in different ports: -

**Induruwa Valley-VI** vessel is expected to arrive; the vessel would be handled by Sai freight Pvt. Ltd. It would load 2500 MT of SBM from Mumbai port.

Vessel **AMANAT**, handled by ALI Ismail Dhanukar would load SBM from Mumbai port.

**Badulu Valley-VI** is expected to arrive soon and would load 3500 MT of SBM from Mumbai port; Sai Freight Pvt Ltd is handling the vessel.

**Qui Lin Men VI** would load 6000 MT of SBM from Mumbai port; it was expected to arrive on 04.12.06. Chowgule brothers would be handling the vessel.

**Bright KC** has berthed at port and is ready for sailing. Rizvi shipping is handling the vessel Raj Milan.

Vessel **Blue star-VI** is handled by Shaan Marine Services; it would load 6000 MT of SBM from Mumbai port.

**'M.V. Iran Broojer DI'** is expected vessels to be berthed at Kandla Port; it would be loading 13,000 tonnes of SBM. Taurus agents will be handling the vessel.

**Vessel M.V Manisam** has sailed from Kandla port. Taurus agent handled the vessel. It loaded 15,000 tonnes of SBM.

**B.S.S agents** is be handling the vessel M.V Tan Binh-15, whereas PVRM Sons would be handling the vessel Antigoni that has arrived. Both the agents are handling the above vessels at Vizag port.

Vessel **M.V.IBI** is expected to arrive on 05/12/06 at Kandla port. Sea World agent is handling the vessel. It would load 12,500 MT of SBM.

#### Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Mumbai	Induruwa Valley -VI	2500	Expected	-

Mumbai	Bright KC	7500	Ready	-
Mumbai	Raj Milan	-	Sailed	-
Mumbai	Blue Star-VI	6000	Arrived	-
Mumbai	Badulu Valley -VI	3500	Expected	-
Mumbai	Qui Lin Men VI	6000	Arrived	-
Kandla	M.V. Iran Broojer DI	13,000	Berthed	-
Kandla	M.V. Manisamugt Naree	15,000	Sailed	-
Vizag	M.V TAN BINH - 15	6500	Arrived	-
Vizag	M.V. UN BONG	7000	Expected	-
Kandla	M.V. IBI	12,500	Expected	-
Mumbai	Amanat	-	Arrived	-

### Rape/ Mustard Meal

Spot market sentiments remained bearish due to normal to weak demand from domestic animal feed industry amidst weak oilmeal sentiments in domestic market. Rates remained similar to one quoted yesterday. With soaring prices of rapeseed meal in International market, Indian counterparts are optimistic that demand for meal may increase during first fortnight of next month. However incidence of Avian Flu and disease outbreak would adversely affect the export consignments. The rapeseed meal is an important constituent as additive in feeds for livestock industry. The DOC prices at Kandla were quoted at Rs. 5100-5200 in [PP bags) and in Mundra it is offered at Rs. 5150-5200. At Jamnagar it is offered at Rs.5100 - 5200. At Jaipur market the rate quoted stood at Rs.4500- 4600 per ton. 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 [Not Available - NA]

Places	Ex-factory rates (Rs/ton)	
	04.12.06	02.12.06
Rudrapur	NR	NR
Parli/Latur/Nanded	6100-6300	6300-6800
Dharwar	6100	6400
Jalna	6100	6300
Solapur	6100	6400

### Groundnut DOC

Market sentiments remained steady on account of normal to average demand for groundnut oil and meal. Demand from animal feed industry has already picked up and the sentiments for groundnut meal would catch pace soon. The news of Bird Flu is unlikely to affect sentiments for this meal for the days to come. Groundnut meal at 40% and 45% were quoted at Rs 7600 and Rs 8000-8100 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 1.

Month	Open	High	Low	Close	Chg
Dec06	192.9	193.2	188.2	188.4	-5.0
Jan07	195.4	196.0	190.0	190.4	-5.6

### Monsoon Outlook (04.12.06)

- As predicted, moderate snowfall has occurred at many places over Jammu & Kashmir and Himachal Pradesh during past 24 hours.
- The western disturbance now lies over Jammu & Kashmir and neighborhood. The induced upper air cyclonic circulation lies over West Rajasthan and neighborhood and extends up to 3.1 km a.s.l with trough aloft. Under their influence, widespread rain/snowfall with isolated heavy falls is likely over western Himalayan region during next 48 hours and gradually decrease thereafter. Scattered rain/thundershowers also likely over plains of northwest India during the same period.

### Weather Map

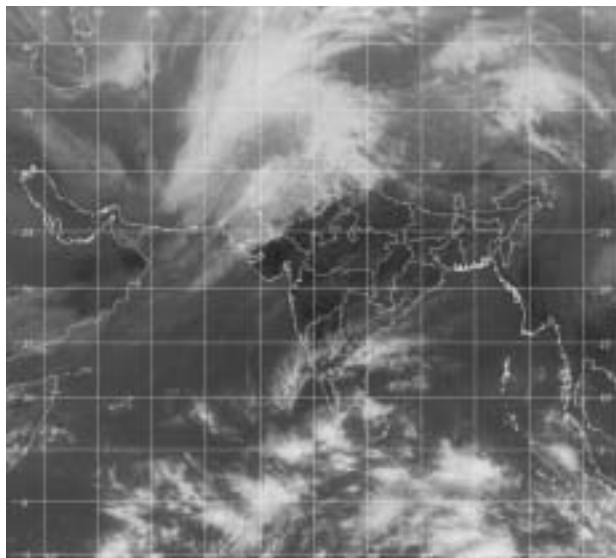
- With the likely northeastwards movement of this Western disturbance, night temperatures are likely to fall by 3-4°C over northwest India from 6th onwards.
- Lowest night temperature in the plains of the country was 7.3°C recorded at Sultanpur in East Uttar Pradesh.

### Heavy rain/snowfall Warning (valid for 48hours)

- Isolated heavy rain/snowfall is likely over Jammu & Kashmir, Himachal Pradesh and Uttaranchal.

### Outlook for subsequent two days from 0830 hours IST of 7th December 2006 (Based on numerical weather products):

- Further decrease in precipitation activity over northwest India. Fall in night temperatures by 3-4°C over the same area.



Source-IMD

Source: GOI (IMD)

### FOREX RATE AS ON 04.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.59
European Union	Euro	59.40
Japan	100 Yen	38.58
United Kingdom	GBP	88.24

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