

OILMEAL

December 08, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal reflected steady sentiments.
- Mustard meal reflects steady to weak sentiments.

DOMESTIC MARKET

Soy meal

Soymeal prices remained steady on account of weak physical demand in spot 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. 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)		
	07.12.06	06.12.06	Parity To
Indore (MP)	8900-9000	8900-9000	Guj, MP
Datia (MP)	8500-8600	8500-8600	UP, Bihar, WB, Nepal
Shivpuri (MP)	8500-8600	8500-8600	UP, Bihar, WB, Nepal
Kota	8600-8700	8600-8700	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	8300-8400	8300-8400	Andhra, AP, Kar, TN
Dhulia/Jalna	8800-8900	8800-8900	Mumbai Maharashtra
Nagpur (41/45)	8000-8250	8000-8250	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	9500-9600	9500-9600	Local and South
Solapur	8700-8900	8700-8900	Local and South
Dharwar	9700-9800	9700-9800	Karnataka, Tamil Nadu

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

Centers	FOR Price (Buy price)	
	07.12.06	06.12.06
Kandla	9350	9400
Jamnagar	9250	9300
Vishakapatnam	-	9500
Atari	-	-
Mumbai	9350	9350

Current vessel positions in different ports: -

Mumbai port: -

Induruwa Valley vessel was expected to sail on 06.12.06. The vessel would be handled by Sai freight Pvt. Ltd. It has loaded 2500 MT of SBM from Mumbai port.

Vessel **AMANAT**, handled by ALI Ismail Dhanukar would load SBM from Mumbai port & probably sailed off on 06.12.06.

Badulu Valley-VI is expected to arrive on 09.12.06 and would load 3500 MT of SBM from Mumbai port; Sai Freight Pvt Ltd is handling the vessel.

Thor Mariner VI is expected to arrive on 10.12.06 at Mumbai port. It would load 13,200 MT of SBM. Halar Maritime services would handle 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.

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

Kandla port: -

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

Vessel **M.V.IBI** is expected to arrive on 07/12/06 at Kandla port. Sea World agent is handling the vessel. It would load 12,500 MT of SBM.

Vizag port: -

Dan Yang is expected to arrive at Vizag port on 09.12.06. It would load 12,200 MT of SBM. Duraflex services would handle the vessel. **Vessel Unbong** has sailed off on 06.12.06.

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.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Mumbai	Induruwa Valley -VI	2500	Sailed	-
Mumbai	Blue Star-VI	6000	Arrived	-
Mumbai	Badulu Valley -VI	3500	Expected	-
Mumbai	Qui Lin Men VI	6000	Arrived	-
Mumbai	Amanat	-	Sailed	
Mumbai	Thor Mariner	13,200	Expected	-
Kandla	M.V. Manisamugt Naree	15,000	Sailed	
Kandla	M.V. IBI	12,500	Expected	
Vizag	M.V. Un bong	7000	Sailed	
Vizag	Dan Yang	12,200	Expected	

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

Places	Ex-factory rates (Rs/ton)	
	07.12.06	06.12.06
Rudrapur	NR	NR
Parli/Latur/Nanded	6100-6300	6100-6300
Dharwar	6000-6100	6100
Jalna	6000-6100	6100
Solapur	6100	6100

Rape/ Mustard Meal

Rates at major spot markets remained steady amidst normal to weak demand from domestic animal feed industry amidst prevailing weakness observed for oilmeal sentiments in domestic market. The rapeseed meal is an important constituent as additive in feeds for livestock industry. The DOC prices at Kandla were quoted at Rs. 4900-5000 in [PP bags) and in Mundra it is offered at Rs. 5050-5100. At Jamnagar it is offered at Rs 4850-4900. At Jaipur market the rate quoted stood at Rs.4300- 4400 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.

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 7500-7600 and Rs 8000-8100 per MT respectively in Rajkot. 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%. Export 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 groundnut meal to a tune of 46,400 tons.

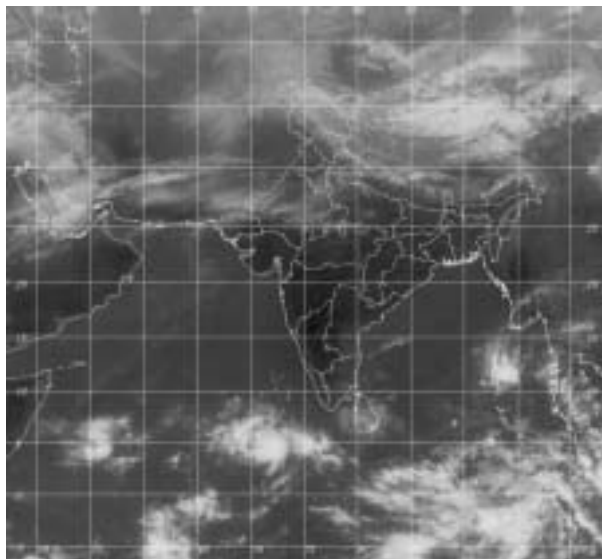
CBOT Soy Meal Futures as on December 07.

Month	Open	High	Low	Close	Chg
Dec 06	183.0	184.6	182.0	183.6	-0.7
Jan 07	186.5	188.3	185.1	186.8	-1.0

Monsoon Outlook (07.12.06)

- Scattered light to moderate rain/snow occurred over Jammu & Kashmir during past 24 hours. Rain/snowfall activity is likely to decrease further over the region within next 24 hour due to eastward movement of western disturbance.
- Night temperatures have fallen by 1-3°C over northwest India during past 24 hours. They are still above normal over the region. They are likely to fall further by 1-2° C during next 1-2 days and become near normal.
- Another western disturbance is likely to cause scattered precipitation over Western Himalayan region on 9th and 10th. Isolated rain is also likely over adjoining plains of Punjab and Haryana.
- Rainfall activity is likely to increase over south peninsula around 10th in view of an approaching Easterly Wave.

Weather Map [As on 07.12.06]



Heavy rain/snowfall Warning (valid for 48hours)

- Isolated heavy rain/snowfall is likely over Jammu & Kashmir, Himachal Pradesh and Uttaranchal during next 24 hours.

Source-IMD

Outlook for subsequent two days from 0830 hours IST of 10th December 2006. (Based on numerical weather products):

- Fairly widespread rainfall is likely over extreme south peninsula.
- Fall in night temperature over northwest India after 11th.

FOREX RATE AS ON 07.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.66
European Union	Euro	59.44
Japan	100 Yen	38.86
United Kingdom	GBP	87.92

Source: GOI (IMD)

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