

OILMEAL

January 29 to February 03, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal sentiments remained steady and rates range bound.

NEWS ANALYSIS

Soybean Meal: USDA Weekly Export Sales Highlights

Net sales of 160,500 MT were four and two-thirds times the previous week and 50 percent over the prior 4-week average. Increases were reported for Canada (52,600 MT), unknown destinations (24,000 MT), Mexico (17,000 MT), the Philippines (17,000 MT), and Peru (13,000 MT).

Source: USDA

Decreases of 4,200 MT were reported for Guatemala. Exports of 114,500 MT were 7 percent below the previous week and 19 percent under the prior 4-week average. The primary destinations were Mexico (31,900 MT), Canada (29,900 MT), and the Dominican Republic (18,100 MT).

Export of Oil meal (Extractions) from April 06 to December '06 with comparative period of previous year (Qty. in MT)

Month	S.B.EXT.	R.S.EXT.	G.N.EXT.	R.B.EXT.	S.F.EXT.	CST.EXT.	TOTAL
April 2006	316,925	53,425	12,400	5,650	---	10,825	399,225
	99,250	90,900	12,950	---	----	17,800	220,900
May 2006	140,075	77,400	18,525	4,750	---	15,575	256,325
	156,100	69,650	3,025	6,875	----	50,200	285,850
June 2006	108,975	79,900	12,175	11,000	---	7,600	219,650
	115,750	53,975	8,900	12,675	----	20,225	211,525
July 2006	119,450	49,500	---	11,000	---	---	179,950
	135,550	45,750	17,700	16,500	----	11,525	227,025
August 2006	111,075	98,075	---	29,500	---	15,350	254,000
	112,575	43,825	15,100	5,033	----	11,325	187,858
September 2006	179,475	92,775	5,000	32,850	---	14,225	324,325
	102,675	31,025	8,500	---	----	15,950	158,150
October 2006	219,500	74,000	---	21,950	---	17,175	332,625
	160,250	37,250	8,825	---	----	3,100	209,425
November 2006	457,450	68,250	3,200	21,900	---	32,450	583,250
	266,675	21,725	2,200	12,867	----	18,225	321,692
December 2006	506,300	63,500	14,250	18,550	---	24,075	626,675
	492,950	47,400	18,000	6,500	750	14,100	579,700
Total	2,159,225	656,825	65,550	157,150	---	137,275	3,176,025
	1,641,775	441,500	95,200	60,450	750	162,450	2,402,125
2005-0006(F.Y.)	3,424,600	533,275	137,925	125,325	750	201,150	4,423,025
2004-2005(F.Y.)	1,861,325	588,805	121,475	43,056	4,790	70,750	2,690,201

2003-2004(F.Y.)	2,683,675	447,050	126,750	---	---	65,550	3,323,025
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FUNDAMENTAL ANALYSIS

INTERNATIONAL MARKETS [02.02.07]

Soy Futures Finish Up at CBOT

Soy futures finished up at CBOT. March Soybeans ended 15.25 cents up at \$7.3675/bushel. May Soybeans settled 15 cents up at \$7.525/bushel. March Soymeal closed \$4.8 up at \$212.7/short ton. March Soybean oil ended 0.79 up at

30.37 cents/pound. Firmness in corn had spill over impact on soy futures on Friday. Outlook for good crop in South America remain supportive for soybeans futures. Upswing in crude oil futures had underlying support to soy futures.

CBOT Soy Meal Futures as on 29 January and 02 February 2007.

Month	Open	High	Low	Close	Chg
Mar07	208.5 [205]	213 [208.7]	207.6 [204.2]	212.7 [206.4]	+4.8 [+0.6]
May07	213.3 [209.8]	217 [213.4]	212.6 [209.2]	216.9 [211.1]	+4 [+0.1]

CBOT Remains Close on Saturday and Sunday

Note: - Values in parentheses (#) are for Monday

DOMESTIC MARKETS

Soy meal

Steady to bearish sentiments at port and domestic market sparked marginally weakness for soymeal. However, bullish overnight CBOT kept had underlying bullish impact and supported market against losses. Crushing for soymeal remained in steady trends. Overall beans arrivals declined but equal aggressive supported range bound prices. As per official release from SOPA, exports of soymeal from Kandla

port declined during Dec 2006 as compared to other ports namely Mumbai and Bedi ports. Exports of soymeal during Dec 2006 surpassed export figures of soymeal during same month for previous year by 2.70%. However, out of total oilmeal exported in Dec 2006, soymeal contributed a satisfactory share of around 81%. New vessels are waiting for vacant berths in order to load consignments for exports.

Soy Meal Price Drivers-

- Overseas suppliers offering meal at competitive prices.
- Steady sentiments for soymeal during most of the week.
- Steady to low crushing margins at processors end.
- Regular offtake of beans by solvent extraction units.

Outlook-

Short term (one week)

✍ Sentiments likely to trade range bound.

DOC Rates at Different Centres

S.No	Places	Ex-factory rates (Rs/ton)	
		29.01.07	03.02.07
1.	Indore (MP)	9600-9700	9800
2.	Datia (MP)	-	-
3.	Shivpuri (MP)	-	-
4.	Kota	9350-9400	9400

5.	Nanded/Latur	9600	9850
6.	Dhulia/Jalna	9700	9800
7.	Nagpur (41/45)	9500	9500-9600
8.	Sangli	10,000	10,000-10,100
9.	Solapur	9800-9900	10,000
10.	Dharwar	10,200	10,150-10,200

Soy Meal Vessel Report (03.02.07)

Current vessel positions in different ports

Kandla port: -

M.V. Leonis is waiting for berth and it would load 9000 MT of SBM and 3000 MT RSM from Kandla port. Taurus agent is handling the vessel.

MV Dauntless is expected to arrive on 1.02.2007 to load 15,000 MT SBM. Pearl Shg would handle the vessel.

Mumbai port: -

Afamia-VI is expected to arrive on 27.01.07. It would load 8000 MT SBM. Shann Marine Services is supposed to handle this vessel.

Vizag port: -

Vessel Tan Binh has arrived on 17.01.07 and is expected to load 7840 MT SBM and Bothra shipping services is handling the vessel.

Bedi port: -

MV. Marine Blue arrived on 22.01.2007 and expected to load 11000 MT SBM.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Commodity	Destination
Mumbai	Afamia-VI	8,000	Expected	SBM	
Kandla	M.V. Leonis	9,000	Waiting for berth	SBM	
Kandla	M.V. Dauntless	15,000	Expected	SBM	
Vizag	Tan Binh	7,840	Arrived	SBM	
Bedi	MV Marine Blue	11,000	Arrived	SBM	

Rape/ Mustard meal

Industry sources state that, animal feed industry has opted locally available rapeseed meal instead of DOC due to its easy availability and thus has become dearer at Rs 6200 per tons in comparison to locally available DOC available at Rs 5100 per ton. The FAS rates for rapeseed DOC was quoted in range of 118 to 122 USD. The DOC prices at Kandla were quoted at Rs 5200 in [Jute bags] Rs 5600 [PP Bags] and in Mundra it is offered in a range of Rs.5400-5500. At Jamnagar it is offered at Rs4900- 5100. At Jaipur market the

rate quoted stood at Rs.4500-4600 per ton. The rates offered at Kota stood at Rs 4400 per ton. As per official release of oilmeal export data from Solvent Extractors Association of India, the export of rapeseed meal for month of December declined by 7% in comparison to exports during November 2006. Except for locally available meal obtained from mills across mustard growing regions, sentiments for DOC remained steady and rates range bound.

Groundnut meal

Rates for groundnut meal remained steady in comparison to previous levels on account of steady to firm sentiments for groundnut and groundnut oil in domestic market. As per official release of oilmeal export data from Solvent Extractors Association of India, the export of groundnut

meal increased more than 300% over exports during the month h November 2006. Groundnut meal at 40% and 45% were quoted at Rs 7600 and Rs 8100-8200 per MT respectively in Rajkot. Good prospects for Rabi groundnut production in Gujarat

gave additional support to existing firmness to groundnut

by-products too.

Monsoon Outlook and salient features observed during the week.

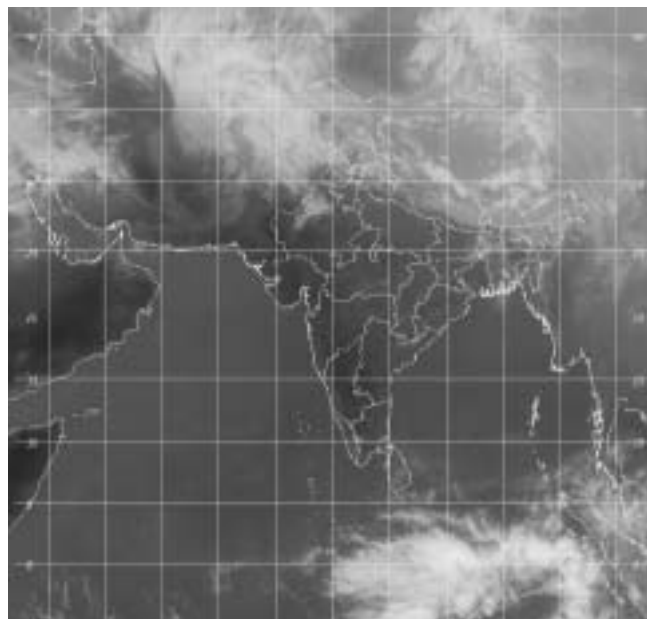
- No significant change has occurred in night temperatures over Indo-Gangetic plains and most parts of west and central India. The current scenario suggests that they are likely to rise by 1-2 °C during next 24 hours and slight fall thereafter.
- Lowest night temperature in the plains of the country was 5.1 °C recorded at Amritsar in Punjab.

Outlook for subsequent two days from 0930 hours IST of 03rd February 2007 (Based on numerical weather products):

- Precipitation activity is likely to continue over Western Himalayan region and it likely to extend into plains of northwest India.

Source: GOI (IMD)

Weather Map [As on 03.02.07]



Source-IMD

Forex

Forex rate as on 29.01.07 and 03.02.07

Country/ Continent	Currency	Value in Rupees [29.01.07]	Value in Rupees [03.02.07]
USA	Dollar	44.27	44.11
European Union	Euro	57.13	56.17
Japan	100 Yen	36.34	36.04
United Kingdom	GBP	87.71	86.71

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