

OILMEAL

28th February, 2006

MAJOR ACTIVITY HIGHLIGHTS

- Steady sentiments for soymeal at ports.
- Rapeseed meal reflects marginal improvement in rates.

DOMESTIC MARKET

Soy meal

Rates for soymeal at ports remained at previous levels amidst weak soymeal futures at CBOT. However, rates for soymeal in domestic market firmed up at the back of good demand from livestock and poultry industry. New vessels are waiting for berth to load SBM in bulk. As per official release from Solvent Extractors Association of India, exports of soybean extract for month of January registered at 5.05 lakh tonnes was almost steady against the sales of 5.06 lakh tonnes for Dec 2006. Maximum export for the meal was reported from Kandla, which handled around 1.24 million tonnes of soybean extract for the month of January 2007. Together Vietnam and South Korea imported a maximum of 2.73 lakh tonnes. Other importing countries were namely China, Thailand, Philippines, Malaysia, Sri Lanka, Japan, Indonesia, Mauritius and Middle East Countries.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	27.02.07	26.02.07	Parity To
Indore (MP)	10,300-400	10,350 - 10,400	Guj, MP
Shivpuri (MP)	10,000	-	UP, Bihar, WB, Nepal
Kota	9900	9700-9900	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	9900-10,000	10,000 - 10,100	Andhra, AP, Kar, TN
Dhulia/Jalna	10,400	10,200	Mumbai Maharashtra
Nagpur (41/45)	9800-9900	9800	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	-	-	Local and South
Solapur	-	-	Local and South
Dharwar	-	-	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	27.02. 07	26.02. 07
Kandla	11,100	11,100

Jamnagar	11,000	11,100
Mumbai	10,900	10,900

Current vessel positions in different ports: -

Kandla port: -

M.V IGWT is waiting for berth to load 19,000 MT of SBM. Shantilal agent would handle the vessel. The ship was expected to be ready by 23.02.07.

Taurus agent is handling the vessel to load 16,000 MT of SBM from unnamed vessel expected to berth on 26.02.07.

M.V. Iran Broojerdi was expected to arrive on 10.02.2007 to load 14,000 MT SBM. Taurus agent would handle the vessel. Current status unavailable.

Vessel M.V.Dauntless is expected to arrive on .01.03.2007. It would load 15,000 MT of SBM. Pearl SHG would handle the vessel.

Mumbai port: -

Al Mansoor-1-VI was expected to arrive on 16.02.07. It would load 6000 MT of bagged SBM. Aditya Marine Ltd would handle the vessel. Current status unavailable.

Afamia-VI had arrived on 27.01.07. It would load 8000 MT SBM. Shaan Marine Services is supposed to handle this vessel. Current status unavailable.

Vizag port: -

Areilla is expected to arrive on 27.02.07 to load 21,500 MT SBM. Duraflex services are handling the vessel.

Current Vessel Position

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Kandla	M.V.IGWT	19,000	Waiting	
Kandla	M.V. Dauntless	15,000	Expected	
Kandla	-	16,000	Expected	
Kandla	M.V. Iran Broojerdi	14,000	Expected	
Mumbai	M.V. Afamia	8,000	Berthed	
Mumbai	Al Mansoor-1-VI	6,000	Expected	
Vizag	Areilla	21,500	Expected	

Rape/ Mustard Meal: -

No significant change was observed today also. Amidst good availability of rapeseed meal, rates for meal firmed up marginally at few places on account of good demand from livestock and poultry feed industry. The DOC prices at Kandla were quoted at Rs 5000-5200 in [Jute bags] Rs 5400-5500 [PP Bags] and in Mundra it is offered in a range of Rs.5500. At Jaipur market the rate quoted stood at Rs.4600 per ton. The rates offered at Kota stood at Rs 4200 4300per ton. As per official release from Solvent Extractors

Groundnut DOC: -

No significant change was observed today and rates for DOC stood at previous week's level. Amidst scarcity of ready availability of groundnuts and decline in crushing of nuts rates for DOC has firmed up. **Groundnut meal at 40% and 45% [Excluding VAT] were quoted at Rs 7600 - 7700 and Rs 8300 - 8400 per MT respectively in Rajkot.** As per advance estimate released by COOIT, acreage and production of groundnut for 2006-07 would decline marginally. It further states that acreage for nuts would register an increase in Tamil Nadu and Orissa whereas

Association of India, exports of rapeseed extract for month of January registered at 7.48 lakh tonnes was over and above the sales for Dec 2006 by 44.33%. Maximum export for the meal was reported from Kandla, which handled around 6.25 lakh tonnes of rapeseed extract for the month of January 2007. China imported a maximum of 47,400 MT; other importing countries were Malaysia, Thailand, South Korea, Indonesia and Italy.

production of nuts is estimated to hike in Tamil Nadu and Gujarat. As per traders, the very observation is unlikely to affect routine trading for groundnut DOC in near term. As per official release from Solvent Extractors Association of India, exports of groundnut extract for month of January registered at 5000 MT declined sharply against the sales of 14, 250 MT during Dec 2006. Maximum export for the meal was reported from Bedi port, which handled around 65,650 MT of groundnut extract for the month of January 2007. Thailand stood as a sole importer for the very extract.

CBOT Soy Meal Futures as on February 26

Month	Open	High	Low	Close	Chg
Mar 07	231.3	231.5	227.5	227.6	-1.3
May 07	237.8	238.0	233.7	233.9	-1.0

Monsoon Outlook (26.02.07)

Chief Features:

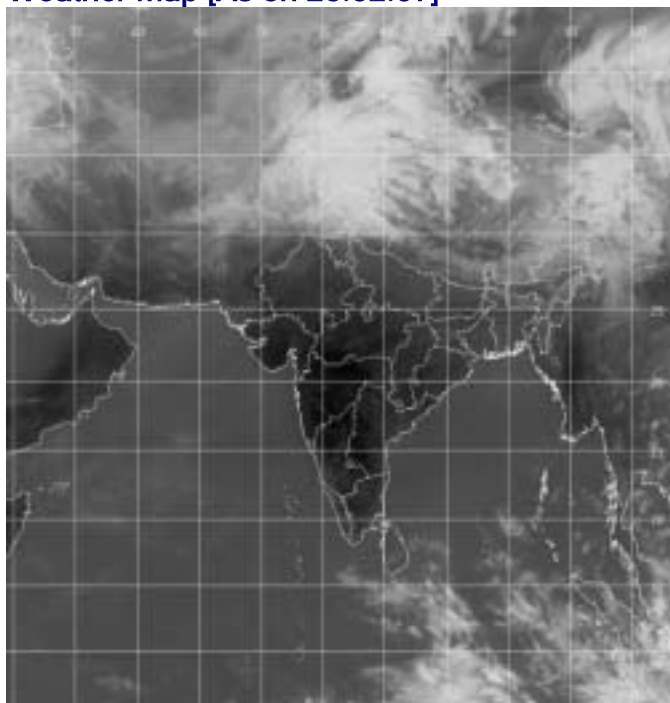
- Under the influence of the western disturbance, scattered rain/snow has occurred over Western Himalayan region during the last 24 hours. The current meteorological analysis suggests that widespread precipitation with isolated heavy falls is likely over the western Himalayan region during next 2 days and decrease thereafter. Scattered rain/thundershowers are also likely over plains of northwest India and Rajasthan during the same period. Isolated hailstorm/squall is also likely over the above region during next 2 days.
- Subsequently the rain/thundershowers activity is likely to shift to East Uttar Pradesh, Bihar, Jharkhand, West Bengal and northeastern states during 1st and 2nd March.

Heavy rainfall / hail warning (valid for next 48 hours): -

- Isolated heavy rain/snow over Western Himalayan Region.
- Isolated hailstorm/squall is likely over northwest India and Rajasthan

Outlook for subsequent two days from 0830 hours IST of 2nd March, 2007 (Based on numerical weather products):

Weather Map [As on 26.02.07]



Source-IMD

FOREX RATE AS ON 27.02.07

- Mainly dry weather over northwest India and increase in day temperatures.
- Scattered rain/thundershowers likely to continue over northeastern States

Source: GOI (IMD)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.20
European Union	Euro	58.23
Japan	100 Yen	36.78
United Kingdom	GBP	86.72

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.