

OILMEAL

14th March, 2006

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

The FAS rates for soymeal at ports stood at \$ 255 per MT. Amidst firm soymeal futures at CBOT, port delivery rates for soymeal firmed up. Delay in soybean harvest in South America coupled with speculative buying helped soymeal gain firm ground, the spill over affect was evident on Indian markets too. As per official release from Solvent Extractors Association of India, 3.51 lakh tonnes and 1.13 lakh tonnes of oilmeals were exported from Kandla and Mumbai port respectively during February 2007. Soymeal exported during Feb 2007 and Feb 2006 stood at 4.49 lakh tonnes and 5.87 lakh tonnes respectively. South Korea, Philippines, Thailand, Vietnam, Indonesia, Malaysia, Japan were the importing countries in Asian continent whereas UAE, Jordan, Kuwait and Baharain were other countries in Middle East.

Soybean DOC: - rates at different centers

| Places | Ex-factory rates (Rs/ton) | | |
|----------------|---------------------------|---------------|--|
| | 13.03.07 | 12..03.07 | Parity To |
| Indore (MP) | 10,400-10,500 | 10,350-10,450 | Guj, MP |
| Shivpuri (MP) | - | - | UP, Bihar, WB, Nepal |
| Kota | 10,200-10,300 | 10,150-10,200 | Rajasthan, Del, Punjab, Haryana |
| Nanded/Latur | 10,600 | 10,500 | Andhra, AP, Kar, TN |
| Dhulia/Jalna | 10,600 | 10,500 | Mumbai Maharashtra |
| Nagpur (41/45) | 10,300-10,400 | 10,100-10,200 | CG, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Sangli | 10,800-10,900 | 10,800 | Local and South |
| Solapur | - | - | Local and South |
| Dharwar | - | -- | Karnataka, Tamil Nadu |

DOC Port rate at different centers

| Centers | FOR Price (Buy price) | |
|---------|-----------------------|---------------|
| | 13.03. 07 | 12.03. 07 |
| Kandla | 10,400 | 11,000-11,100 |

| | | |
|----------|--------|--------|
| Jamnagar | - | - |
| Mumbai | 11,000 | 10,900 |

Current vessel positions in different ports: -

Kandla port: -

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.

Bedi port: -

M.V.Golden Win is loading 17,200 of SBM.

M.V. Royal Success is loading 2,40,000 MT of SBM.

M.V.Musashi is expected to load 10,500 MT of SBM. It is expected to arrive on 01.03.07.

M.V.Asian Rose is loading 8000 MT of SBM.

Mumbai port: -

Patton-1-VI was expected to arrive on 15.03.07. It would load 1800 MT of bagged SBM. Preetika agent is handling the vessel.

Badulu Valley VI is expected to arrive on 19.03.07. It would load 3,500 MT of SBM. Sai Freight Services is handling the vessel.

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. Dauntless | 15,000 | Expected | |
| Bedi | Royal Success | 2,40,000 | Working | |
| Bedi | M.V.Asian Rosalie | 7.700 | Loading | |
| Bedi | M.V.Musashi | 10,500 | Loading | |
| Bedi | M.V.Golden Win | 17,200 | Loading | |
| Mumbai | Badulu Valley-VI | 3,500 | Expected | |
| Mumbai | Patton-1-VI | 1800 | Expected | |
| Vizag | Areilla | 21,500 | Expected | |

Rape/ Mustard Meal: -

FAS rates for RAP DOC at Kandla stood at \$ 122 per MT. RAP DOC local was quoted at 5250-5300 per MT. RAP Oil Cake at Mehsana was quoted at Rs 6450-6500. The DOC prices at Kandla were quoted at Rs 5200-5300 in [Jute bags] Rs 5500 [PP Bags] and in Mundra it is offered in a range of Rs.5650. At Jaipur market the rate quoted stood at Rs.4600-4700 per ton. The rates offered at Kota stood at Rs 4200 4300per ton. As per official release from Solvent Extractors 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%. Out of total meal exported during February, 3.51 lakh tonnes and 1.13 lakh tonnes of oilmeals were exported from Kandla and Mumbai port respectively. Export of rapeseed meal during Feb 2007 and Feb 2006 stood at 97,650 and 28,750 MT respectively. Rapeseed meal was exported to China, South Korea, Thailand, Vietnam, Indonesia, Malaysia, and Japan.

Groundnut DOC: -

No significant change was observed on Monday, prices stood at initial levels. 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 7800 and Rs 8500 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 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 March 12

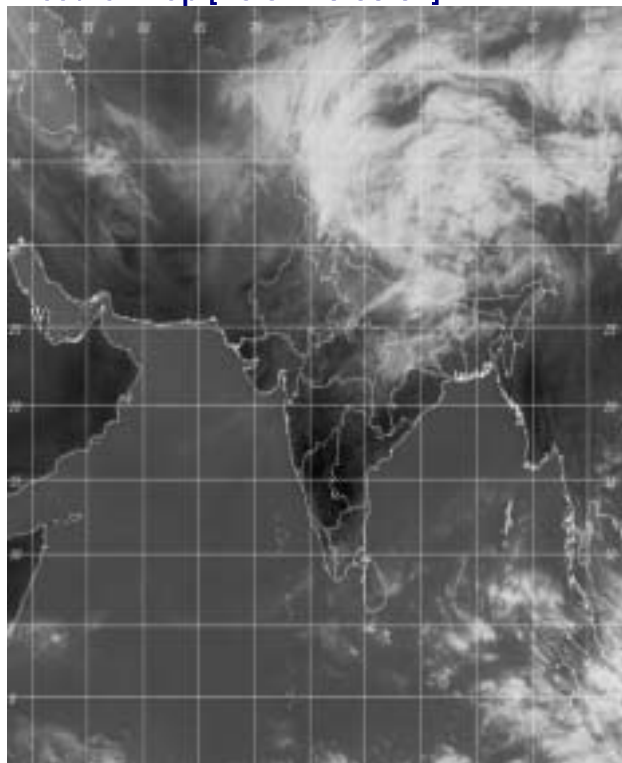
| Month | Open | High | Low | Close | Chg |
|--------|-------|-------|-------|-------|------|
| Mar 07 | 216.4 | 219.1 | 215.6 | 218.3 | +1.8 |
| May 07 | 221.0 | 224.5 | 220.6 | 223.2 | +1.4 |

Monsoon Outlook (13.03.07)

Chief Features:

- The western disturbance has caused widespread precipitation over Western Himalayan Region with scattered heavy to very heavy falls over Jammu & Kashmir during past 24 hours. Moderate rain/thundershowers also occurred at many places with isolated hail/squall over plains of northwest India, Rajasthan and Uttar Pradesh.
- Chief amounts of rainfall (upto 3 cms): Katra-26, Jammu-15, Banihal-12, Pahalgam-12, Quazigund-11, Batote-10, Srinagar-9, Bhandarwah-6, Tehri-5, Kalpa, Mukteshwar, Hissar & Kupwara-4 each, Sunder Nagar, Bhuntar, Karnal, Delhi (Sfd.) & Amritsar-3 each.
- The western disturbance has weakened and moving eastwards. Consequently the intensity of precipitation is likely to decrease considerably from today onwards over northwest India. However scattered to fairly widespread rain/thundershowers accompanied with isolated hail/squall is likely over east India today & tomorrow and over northeastern States from tomorrow onwards.
- The current meteorological analysis suggests rise in day temperatures by 5-6°C and fall in night temperatures by 2-4°C over northwest India during next 2-3 days. Fog conditions are also likely at some places in the plains of northwest India on 14th & 15th.

Weather Map [As on 13.03.07]



Source-IMD

Warning: -

- Isolated heavy precipitation is likely over Jammu &

Kashmir during next 24 hours.

- Isolated hail/squall is also likely over East Uttar Pradesh, Bihar and West Bengal during next 48 hours.

Outlook for subsequent two days from 0830 hours IST of 16th March, 2007 (Based on numerical weather products):

- Decrease in rainfall activity over northeastern States.

FOREX RATE AS ON 13.03.07

| Country/ Continent | Currency | Value in Rupees |
|-----------------------|----------|-----------------|
| USA | Dollar | 44.20 |
| European Union | Euro | 58.24 |
| Japan | 100 Yen | 37.68 |
| United Kingdom | GBP | 85.27 |

Source: GOI (IMD)

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