

OILMEAL

31<sup>st</sup> May, 2007

## MAJOR ACTIVITY HIGHLIGHTS

- Soymeal sentiments reflect steady to weak sentiments.
- Rapeseed meal reflects steady market sentiments.

## DOMESTIC MARKET

### Soy meal

Reacting to bearish cues from overseas market [CBOT], soymeal prices settled considerably lower during first half of trading on Wednesday. At CBOT, weak export sales report for US soybeans, weakness in energy markets, overnight weakness in palm oil futures coupled with net long positions for soy futures led soybeans, meal and oil settle lower. Forecast of good rains for eastern Corn Belt regions in US added to bearishness. Appreciating value of rupees vis-à-vis US dollar coupled with poor export demand is make a dent on export sentiments for soymeal. Exports of soymeal tapered from May onwards on account of limited crushing and dearth of ready availability of soybeans at millers and processors end. India's oilmeal export during April declined to 4.32 lakh MT from previous months exports of 7.55 lakh MT. Soymeal exports during same period dropped to 2.31 lakh MT from previous months exports of 5.46 lakh MT.

### Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	30.05.07	29.05.07	Parity To
Indore (MP)	9800-9900	9,900-10,000	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	9800-9950	9,950	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,100-10,200	10,200	Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	9900-9950	9900-10,000	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,000-10,050	10,000-10,100	Local and South
Solapur			Local and South
Dharwar		-	Karnataka, Tamil Nadu

### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	30.05.07	29.05.07
Kandla	10,400	10,450-10,550
Jamnagar		
Mumbai	-	10,600

### Current vessel positions in different ports: -

#### Kandla port: -

Current vessel status unavailable.

#### Mumbai port: -

Vessel **Badulu Valley** was expected to arrive on 28.05.07. It would load 3400 MT of SBM. Sai Freight is handling the vessel.

#### Vizag: -

Vessel **Tan Binh 20** was loading 8600 MT of SBM. S. Chatterjee is the agent handling the vessel.

### Current Vessel Position: -

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
Vizag	Tan Binh	8600	Berthed	
Mumbai	Badulu Valley	3400	Expected	

### Rape/ Mustard Meal: -

Lower availability of seeds for this season means lower crushing of seeds and hence lower availability of oil meals to meet domestic and overseas demands. On contrary, the incidence of Bird Flu in Vietnam may dent exports of the very meal, as Vietnam happens to be major importer of rapeseed meal from India. RAP oil cake prices softened marginally to 6600-6650 per MT. The DOC prices at Kandla were quoted at Rs 5400/MT. As per official release of oilmeal export data SOPA, India's oilmeal export during April declined to 4.32 lakh MT from previous months exports of 7.55 lakh MT. Rapeseed meal export during April declined to 1.08 lakh MT from previous months exports of 1.24 lakh MT. China bought the maximum of 65,175 MT followed by South Korea 26,825.

### Groundnut DOC: -

Under low realization for groundnut meal and oil, expellers were reluctant to speed up crushing. Arrivals of shelled groundnut in Rajkot markets surpass last week arrivals (12-30 thousand bags) by 35-70 thousand bags in current week. In Rajkot market shelled groundnut traded between Rs. 410-510 per 20 kg (bag). Rates for groundnut DOC stood

range bound at Rs 7700 to 8200 /MT for 40% oil content whereas groundnut extract 45% was being sold at Rs 11,000 per MT. As per official release of oilmeal export data SOPA; exports of groundnut extract during April 2007 declined to 4500 MT [solely exported to Thailand] from previous months exports of 13,100 MT.

### CBOT Soy Meal Futures as on May 29.

Month	Open	High	Low	Close	Chg
July 07	216.8	217.2	214.0	214.4	-3.8
August 07	219.5	219.5	215.8	215.9	-4.7

### Monsoon Outlook (30.05.07)

#### Chief Features:

- Under the influence of an offshore trough extending from Karnataka coast to Kerala coast. Scattered to fairly wide spread rainfall is likely to continue over Kerala, Coastal Karnataka and Lakshadweep during next 2-3 days.
- The western disturbance over Jammu & Kashmir is moving away eastwards. Decreased activity with only isolated rain/thundershowers is likely over Western Himalayan region and adjoining plains of northwest India during next 2-3 days.

#### Warning (for next 48 hrs.): -

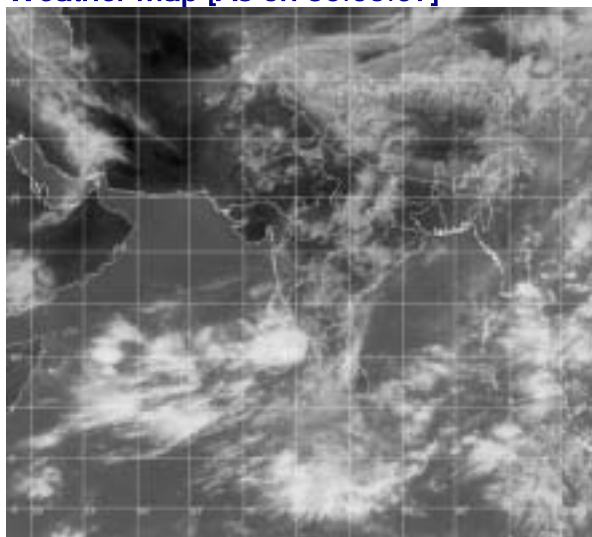
- Isolated heavy rainfall is likely over Coastal Karnataka, Kerala and Lakshadweep Islands.
- Isolated thunder squall is likely over northwest India, Orissa and West Bengal & Sikkim.

#### Outlook for subsequent two days from 0830 hours IST of 2<sup>nd</sup> of June, 2007 (Based on numerical weather products):

- Increase in rainfall activity along west coast from 3rd onwards.

Source: GOI (IMD)

### Weather Map [As on 30.05.07]



Source-IMD

### FOREX RATE AS ON 30.05.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.64
European Union	Euro	54.65
Japan	100 Yen	33.43
United Kingdom	GBP	80.44

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