

OILMEAL

22nd May, 2007

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

Soymeal prices traded range bound on Monday as softening prices of soy oil and soybean couldn't provide support to prices of meals. At CBOT, traders expect that livestock feed demand would keep prices of corn and soybean almost firm as crushing of beans have declined and would keep supply pressure of beans almost tight. US is intending to increase pace of crushing of beans as soy oil prices are ruling high and expected to remain firm on account of firm prospects for palm oil sentiments at BMD. **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) | | |
|----------------|---------------------------|---------------|--|
| | 21.05.07 | 19.05.07 | Parity To |
| Indore (MP) | 9950 | 10,100-10,200 | Guj, MP |
| Shivpuri (MP) | 10,100 | 10,200 | UP, Bihar, WB, Nepal |
| Kota | 9950 | 10,100 | Rajasthan, Del, Punjab, Haryana |
| Nanded/Latur | 10,100 | 10,200 | Andhra, AP, Kar, TN |
| Dhulia/Jalna | | | Mumbai Maharashtra |
| Nagpur (41/45) | 10,000 | 10,200 | CG, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Sangli | 10,100-10,250 | 10,300 | Local and South |
| Solapur | | | Local and South |
| Dharwar | | - | Karnataka, Tamil Nadu |

DOC Port rate at different centers

| Centers | FOR Price (Buy price) | |
|---------|-----------------------|----------|
| | 21.05.07 | 19.05.07 |

| | | |
|----------|--------|---------------|
| Kandla | 10,400 | 10,200-10,450 |
| Jamnagar | | |
| Mumbai | 10,400 | 10,200-10,400 |

Current vessel positions in different ports: -

Kandla port: -

Current vessel status unavailable.

Mumbai port: -

Vessel **Badulu Valley** is expected to arrive on 25.05.07. I would load 3400 MT of SBM. Sai Freight is handling the vessel.

Vizag: -

Vessel **Song Shan** is expected to load 6500 MT of SBM. It is expected to arrive on 18.05.07.

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

Current Vessel Position: -

| Ports | Vessels | Vol. (MT) | Status | Destination |
|--------|---------------|-----------|----------|-------------|
| Vizag | Tan Binh | 8600 | Berthed | |
| Vizag | Song Shan | 6500 | Arrived | |
| Mumbai | Badulu Valley | 3400 | Expected | |

Rape/ Mustard Meal: -

RAP oil cake prices traded range bound at Rs 6600 per MT. The FAS rates for rapeseed meal [38%] at Kandla port on Monday stood at \$ 137/tonnes. Prices of rapeseed DOC holds firm as demand from livestock feed industry in domestic and overseas markets [Vietnam, China, South Korea and Middle East holds good. RAP oil cake traded range bound at Rs 6600 per MT. The DOC prices at Kandla were quoted at Rs 5000 in [Jute bags] Rs5700 [PP Bags] and in Mundra it is offered in a range of Rs.5500. 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: -

Rates for groundnut DOC stood range bound at Rs 7600 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 18.

| Month | Open | High | Low | Close | Chg |
|----------|-------|-------|-------|-------|------|
| July07 | 214.0 | 214.0 | 211.2 | 212.0 | -0.7 |
| August07 | 216.5 | 216.5 | 213.7 | 214.8 | -0.5 |

Monsoon Outlook (21.05.07)

Chief Features:

- Southwest monsoon has further advanced into some more parts of Southeast Bay of Bengal, some parts of east-central Bay of Bengal and remaining parts of Andaman Sea
- Under the influence of a western disturbance, currently lying over north Pakistan and adjoining Jammu & Kashmir, scattered rain/thundershowers are likely over Western Himalayan region during next 2-3 days. Duststorm/ thunderstorm is also likely over isolated pockets of plains of northwest.
- Current meteorological analysis suggests fairly widespread rain/thundershowers with isolated heavy falls likely over northeastern states during next 48 hours and decrease thereafter.

Warning (for next 48 hrs.): -

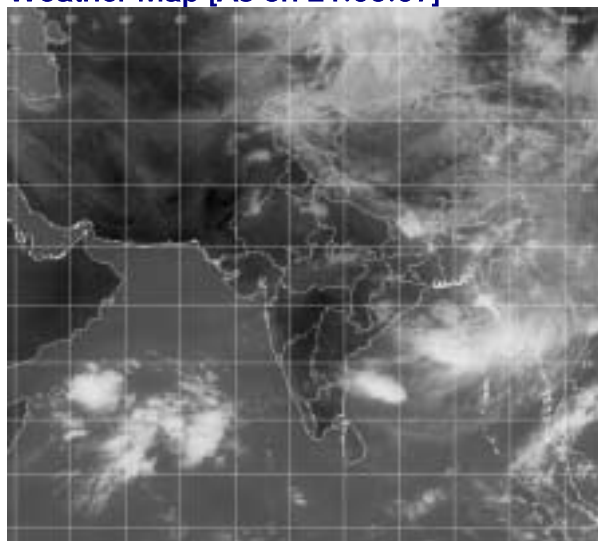
- Isolated thunder squall is likely over Jammu Division of Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Rajasthan, Delhi, Chandigarh, Uttar Pradesh, Bihar, Jharkhand, Orissa, and West Bengal & Sikkim.

Outlook for subsequent two days from 0830 hours IST of 21st of May, 2007 (Based on numerical weather products):

- Scattered rainfall activity over northeastern States and isolated over northwest & east India.
- Increase in rainfall activity along west coast.

Source: GOI (IMD)

Weather Map [As on 21.05.07]



Source-IMD

FOREX RATE AS ON 21.05.07

| Country/Continent | Currency | Value in Rupees |
|-------------------|----------|-----------------|
| USA | Dollar | 40.60 |
| European Union | Euro | 54.87 |
| Japan | 100 Yen | 33.48 |
| United Kingdom | GBP | 80.13 |

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