

OILMEAL

30th May, 2007

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

The FAS rates for soymeal at Kandla varied from \$262-264/MT. With further appreciation in value of rupees, export demand for soymeal would remain subdued. Soymeal prices softened across domestic markets however it stood range bound at ports. CBOT remained closed on Monday. At CBOT, the previous week rally in soybean prices is likely to continue this week amidst air of speculation that less than good conditions for soybean planting may hamper soybean productivity and acreages in near term coupled with good demand for livestock feed from China and firm palm oil 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)		
	29.05.07	28.05.07	Parity To
Indore (MP)	9,900-10,000	10,000	Gujarat, MP
Shivpuri (MP)			UP, Bihar, WB, Nepal
Kota	9,950	9950-10,000	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,200	10,200-10,250	Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	9900-10,000	10,000	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,000-10,100	10,100	Local and South
Solapur			Local and South
Dharwar		-	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)
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	29.05.07	28.05.07
Kandla	10,450-10,550	10,500
Jamnagar		
Mumbai	10,600	10,600

Current vessel positions in different ports: -

Kandla port: -

Current vessel status unavailable.

Mumbai port: -

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

Vizag: -

Vessel **Song Shan** is loading 6500 MT of SBM.

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: -

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 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. 495-525 per 20 kg (bag), Exports of groundnut extract during April 2007 declined to 4500 MT [solely

exported to Thailand] from previous months exports of 13,100 MT. 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 25.

Month	Open	High	Low	Close	Chg
July 07	219.0	219.5	217.8	218.2	+1.0
August 07	220.7	221.0	219.9	220.6	+1.5

Note: - CBOT IS CLOSED ON MONDAY.

Monsoon Outlook (29.05.07)

Chief Features:

- Southwest monsoon has further advanced into some parts of central Arabian Sea, most parts of coastal Karnataka, some parts of South Interior Karnataka and some more parts of Tamil Nadu and south Bay of Bengal.
- Conditions are favourable for further advance of southwest monsoon into some parts of Konkan & Goa and some more parts of Interior Karnataka and Tamil Nadu during next 48 hours.
- Under the influence of an offshore trough extending from south Konkan coast to Kerala coast, widespread rainfall with isolated heavy to very heavy falls are likely over Kerala, coastal Karnataka and south Konkan & Goa during next 48 hours. The ongoing rainfall activity over Interior Karnataka and Tamil Nadu is likely to increase during the same period.
- With the likely weakening and eastward movement of western disturbance, the ongoing rain/thunderstorm activity over northwest India is likely to decrease from tomorrow onwards. Consequently, day temperatures are likely to increase over the region from tomorrow.

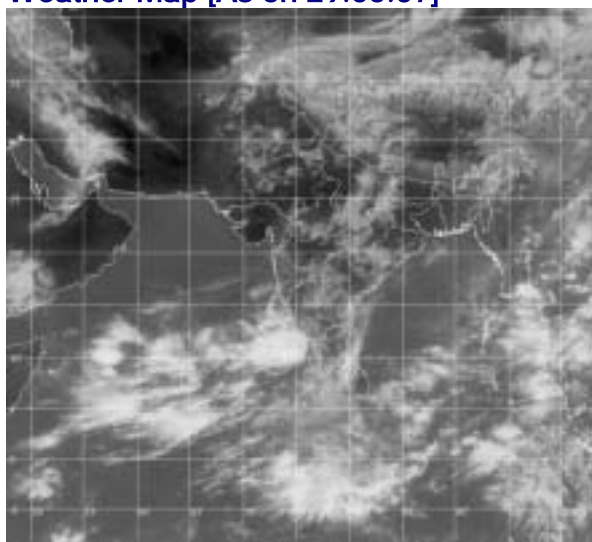
Warning (for next 48 hrs.): -

- Isolated heavy to very heavy rainfall is likely over south Konkan & Goa, Coastal Karnataka, Kerala and Lakshadweep Islands

Outlook for subsequent two days from 0830 hours IST of 1st of June, 2007 (Based on numerical weather products):

- Scattered to fairly widespread rain/thundershower activity is likely over south Peninsular India.

Weather Map [As on 29.05.07]



Source-IMD

FOREX RATE AS ON 29.05.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.45
European Union	Euro	54.37
Japan	100 Yen	33.33
United Kingdom	GBP	80.30

- Rise in day temperature over northwest India.

Source: GOI (IMD)

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