

OILMEAL

23rd June, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soymeal prices reflect steady to slightly firm sentiments.
- Rapeseed meal reflects steady sentiments.

DOMESTIC MARKET

Soy meal

The FAS prices of soymeal at Kandla port stood at \$ 274-277/MT. As per spokesperson from SOPA, exports of Indian soymeal may decline by 14-15% during current season [2006-07] with expected exports of around 4 to 5 lakh MT of for the coming 4 months. Domestic demand from poultry and feed industry is supporting meal prices. The FAS prices for soymeal at Kandla port varied from \$ 274-277 /MT. Domestic soymeal prices softened marginally lower on Friday on tracking slightly bearish cues from soy futures at CBOT. At CBOT, Long liquidation selling on concern of rains over Eastern Corn Belt and talks of not so intense La Nina dragged soybean futures lower. Weekly US export sales for soybeans came in at 3.9 lakh MT as compared to trade expectations between 1 to 3 lakh MT. Meal sales reached 57,800 MT as compared to trade expectations between 50,000-125,000. Oil sales were 20,600 MT as compared to trade expectations between 0-10,000. As per SEA of India, oilmeal export for May stood at 2.3 lakh MT from April export figures of 4.32 lakh MT. For the same time period the soymeal export declined from 2.50 lakh MT to 1.10 lakh MT indicating continued subdued export sentiments for Indian soymeal. For the month of May, Vietnam imported around 67,375 MT of soymeal followed by Japan at 21,400 MT and Sri Lanka at 11,825 MT.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	22.06.07	21.06.07	Parity To
Indore (MP)	10,500	10,450-10,500	Gujarat, MP
Shivpuri (MP)	10,400	10,400	UP, Bihar, WB, Nepal
Kota	10,200-10,250	10,250	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,600	10,600	Andhra, AP, Kar, TN
Dhulia/Jalna	-	-	Mumbai Maharashtra

Nagpur (41/45)	10,500-10,600	10,700-10,750	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,600	10,700	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	22.06.07	21.06.07
Kandla	11,000-11,100	10,200
Jamnagar		
Mumbai		-11,100

Current vessel positions in different ports: -

Kandla port: -

M.V.Wakasa is expected to arrive on 16.06.07. It would load 9000 MT of SBM. Taurus agent is handling the vessel.

Current Vessel Position: -

Ports	Vessels	Vol. (MT)	Status	Desti-Natio n
Kandla	Wakasa	9000	Expected	

Rape/ Mustard Meal: -

Despite bearish cues from overseas markets, mustard complex is holding firm on Friday on account of lower stocks and good demand from feed industry, vanaspati millers and processing units. The rapeseed meal firmed up to Rs 6800 to 6900/MT. The DOC prices at Kandla were quoted at Rs 5300-5450/MT. As per Solvent Extractors Association of India's press release, the total oilmeal exports for May declined to 2.30 lakh MT from April's figures of 4.32 lakh MT. The rapeseed meal export too followed the suit and declined from 1.08 lakh MT to mere 74,225 MT. South Korea imported a maximum of 49,400 MT of

rapeseed meal followed by Vietnam and Taiwan at

11,325 and 9,200 MT respectively.

Groundnut DOC: -

Low crushing margin with poor offtake of groundnut seeds at current higher prices discouraged expellers to pace up crushing supported the market. Groundnut meals demand remained sluggish both at ports and domestically has extended the bullishness. As current groundnut oil prices are high and likely to improve further on limited availability of quality nuts, traders are expecting acreage to improve by 5-6% in

upcoming Kharif season but plantation conditions mostly depend upon cotton plantation status, which is better crop in returns over groundnut. Rates for groundnut DOC firmed up marginally to Rs 7800 to 8400 /MT for 40% oil content. 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 June 21.

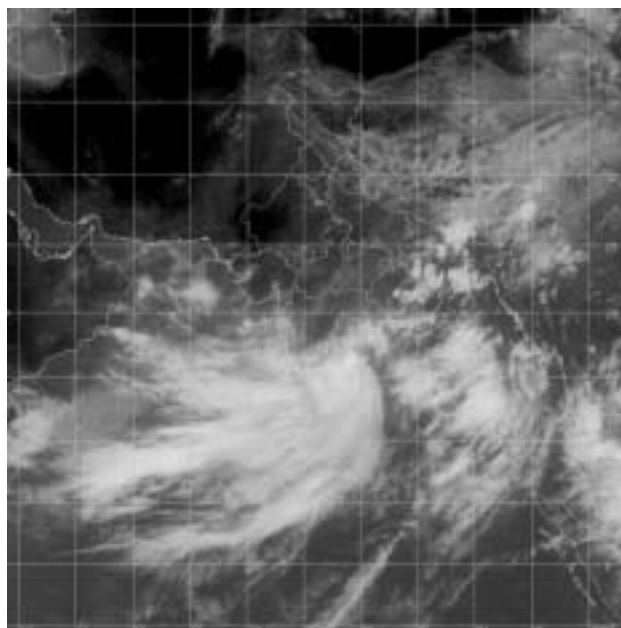
Month	Open	High	Low	Close	Chg
July07	234.0	234.0	223.0	226.2	-7.0
August07	236.0	236.1	225.3	228.2	-6.9

Monsoon Outlook (22.06.07)

Chief Features:

- The depression over west-central Bay of Bengal intensified further into a deep depression yesterday evening. The system moved west-northwestwards and crossed Andhra Pradesh Coast close to Kakinada today morning. It lay centered at 0830 hrs IST of today, the 22nd June 2007 over Coastal Andhra Pradesh close to Gannavaram. The system likely to move in a west-northwesterly direction and weaken gradually.
- The current meteorological analysis suggests ongoing enhanced rainfall activity is likely to continue over south peninsula till tomorrow. Subsequently the rainfall belt is likely to shift to Madhya Maharashtra, Konkan & Goa including Mumbai and Gujarat where scattered heavy to very heavy rains with isolated extremely heavy falls (> 25 cm) are likely till 26th.
- Conditions are favourable for further advance of southwest monsoon into remaining parts of Maharashtra, entire Gujarat and some parts of Madhya Pradesh, Rajasthan during next 72 hours.

Weather Map [As on 22.06.07]



Source-IMD

FOREX RATE AS ON 22.06.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.71
European Union	Euro	54.63
Japan	100 Yen	32.84
United Kingdom	GBP	81.24

Outlook for subsequent two days from 0830 hours IST of 25th of June, 2007 (Based on numerical weather products):

- Enhanced rainfall activity is likely to continue over Konkan & Goa, Madhya Maharashtra and Gujarat State.
- A low pressure is likely to develop over North Bay of Bengal around 26th. Subsequently the system

is likely to intensify further.

Source: GOI (IMD)

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