

OILMEAL

27th June, 2007

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

Soymeal prices stood steady during first half of trading despite firm soy futures at CBOT. Continued weakness in palm oil at BMD prevented any upside movement in domestic soybean, soyoil and soymeal prices. Domestic soymeal prices are consolidating on global cues. Domestic demand from poultry and feed industry seems to be supporting meal prices from a steep fall. However, dearth of ready availability of beans would continue to provide support to soy complex as whole. At CBOT, the long term view of soybean losing grounds to corn coupled with bullish expectations of the upcoming USDA planted acreage report supported soy futures. For the weekly export inspections report, released during the session, exports came in at 15.5 million bushels as compared with trade expectations at 6-8 million. 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)		
	26.06.07	25.06.07	Parity To
Indore (MP)	10,350	10,300-10,350	Gujarat, MP
Shivpuri (MP)	10,250-10,300	10,300	UP, Bihar, WB, Nepal
Kota	10,100-10,150	10,200	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,350	10,300-10,400	Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	10,500-10,600	10,400-10,500	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,500-	10,500	Local and South

	10,600		
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	26.06.07	25.06.07
Kandla	10,800-10,850	10,850-10,900
Jamnagar		
Mumbai		-

Current vessel positions in different ports: -

Kandla port: -

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

M.V.Iran Broojerdi is expected to load 12,000 MT of soymeal on 28.06.07. Shantilal agent is handling the vessel.

Current Vessel Position: -

Ports	Vessels	Vol. (MT)	Status	Desti-Natio n
Kandla	Wakasa	9000	Arrived	
Kandla	Iran Broojerdi	12,000	Expected	

Rape/ Mustard Meal: -

Restricted selling by stockists and good demand from vanaspati units and millers were holding the prices of seeds and oils almost firm. The major share of the Rabi seasons mustard seeds harvest is with strong hands thereby creating a paucity of seeds across spot markets. The rapeseed meal prices stood steady at Rs 6900-6950/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: -

Due to poor demand of groundnut meals from exporting nations, higher prices of groundnuts coupled with low realization for oil, expellers remained disinterested in pace up crushing. Pressure from cotton and slow progress of monsoon in major groundnut growing regions (delay by 10 days in Gujarat provinces) that hampered Kharif groundnut sowing sentiments and just 76,000 hectares land has

been planted in country as on June 15 against 94,000 hectares last year in latest government estimation. Rates for groundnut DOC firmed up marginally to Rs 7800 to 8500 /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 25.

Month	Open	High	Low	Close	Chg
July 07	218.0	220.5	216.9	220.1	+2.7
August 07	220.5	222.5	219.3	222.4	+2.9

Monsoon Outlook (26.06.07)

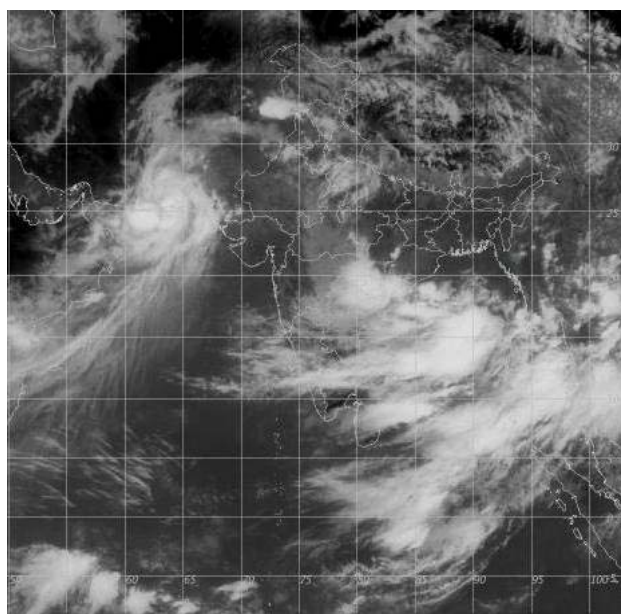
Chief Features:

- Southwest monsoon has further advanced into some more parts of East Uttar Pradesh, remaining parts of Uttarakhand, entire Himachal Pradesh, Jammu & Kashmir and northern parts of West Uttar Pradesh, Haryana and Punjab.
- As predicted, a low-pressure area has formed over northwest Bay of Bengal off Orissa coast. The current meteorological analysis suggests that the system is likely to concentrate into a depression by tomorrow over the same area. Under its influence, fairly widespread rainfall with isolated heavy to very heavy falls is likely over Orissa, south Chhattisgarh and north Andhra Pradesh during next 24 hours. Subsequently, the rainfall activity is likely to enhance further with scattered heavy to very heavy falls and isolated extremely heavy falls over these areas and also extend into Vidarbha and Madhya Pradesh during next 2-3 days.
- Yesterday's deep depression over northeast Arabian Sea moved west-northwestwards and crossed Pakistan coast near long. 64.0 E° between 0730 and 0830 hrs. IST of today and lay centred at 0830 hrs. IST of today over southwest Pakistan & neighbourhood. It is likely to move in a west-northwesterly direction and weakened gradually.

Outlook for subsequent two days from 0830 hours IST of 29th of June, 2007 (Based on numerical weather products):

- Enhanced rainfall activity with scattered heavy to very heavy falls and isolated extremely heavy

Weather Map [As on 26.06.07]



Source-IMD

FOREX RATE AS ON 26.06.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.95
European Union	Euro	55.09
Japan	100 Yen	33.23
United Kingdom	GBP	81.80

falls is likely over Orissa, Chhattisgarh, north Andhra Pradesh, Vidarbha, Madhya Pradesh.

Source: GOI (IMD)

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