

OILMEAL

08th June, 2007

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

The US Soybean oil creating a new contract high prompted technical selling which dragged down the soybean futures despite follow through buying support from previous day. Slight weakness reflected overnight in palm oil coupled with weakness in corn led the soy complex settle lower. Domestic soymeal prices recovered lately on slightly improved buying support despite news of Centre contemplating to reduce duty structure on selected imported oils. 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)		
	07.06.07	06.06.07	Parity To
Indore (MP)	9,900-10,100	10,000-10,100	Gujarat, MP
Shivpuri (MP)	10,100		UP, Bihar, WB, Nepal
Kota	9,950-10,000	9,900-10,000	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,100-10,200	10,100-10,200	Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	10,200	10,100-10,200	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,200	10,100	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	07.06.07	06.06.07
Kandla	10,400	10,400
Jamnagar		
Mumbai	-	10,400-10,450

Current vessel positions in different ports: -

Kandla port: -

Current vessel status unavailable.

Mumbai port: -

Vessel **Badulu Valley** was expected to arrive on 04.06.07. 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: -

Amidst temporary weakness in mustard complex, the RAP oil cake prices stood steady at previous levels of Rs 6600-6700 per MT. The DOC prices at Kandla were quoted at Rs 5300-5350/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: -

As current groundnut oil prices are high and likely to improve further on limited nuts stocks, traders are expecting nut acreage to improve by 5-6% in upcoming Kharif season but plantation conditions mostly depends upon cotton plantation status, which is better crop in returns over groundnut and areas is seen up at 5.5 million hectares against 3.8 million hectare last year thanks to smooth availability of cotton seeds, particularly Bt varieties. In Rajkot market groundnut oil prices traded between Rs. 670-685 per 10 kg during the week. Traders are expecting

groundnut oil is likely to trade in bullish tone amidst limited oil stocks in physical market with poor realization cost but upside movement would be in control of refined cottonseeds oil. 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 June 06.

Month	Open	High	Low	Close	Chg
July07	225.7	225.7	221.6	223.9	+0.3
August07	225.9	226.0	222.3	224.7	-0.2

Monsoon Outlook (07.06.07)

Chief Features:

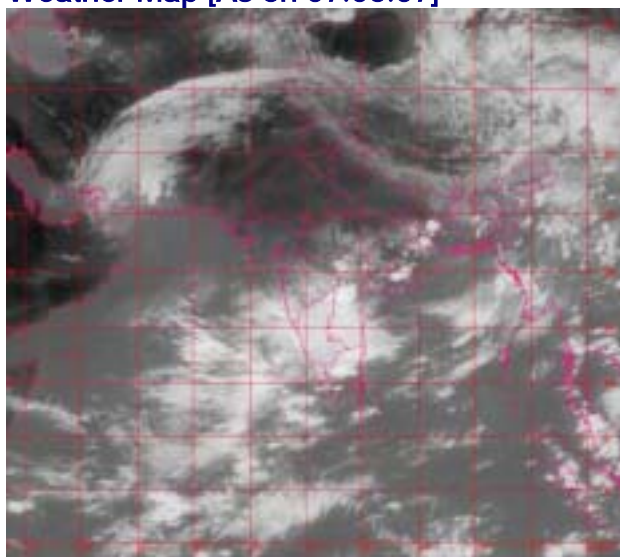
- The analysis of the current meteorological conditions suggest strong northwesterly surface winds are likely to continue over plains of northwest India during next 3 days. Under the present scenario day temperatures are likely to further increase and become 43-45 °C over this region.
- Fairly widespread rainfall is likely to continue over northeastern states during next 48 hours and increase thereafter.
- Numerical Weather Prediction models suggest reorganization and strengthening of monsoon flow over Arabian Sea and Bay of Bengal during next 2-3 days

Outlook for subsequent two days from 0830 hours IST of 10th of June, 2007 (Based on numerical weather products):

- Increased rainfall activity is likely over northeastern states.
- Fairly wide spread rainfall activity likely along west coast.

Source: GOI (IMD)

Weather Map [As on 07.06.07]



Source-IMD

FOREX RATE AS ON 07.06.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.63
European Union	Euro	54.89
Japan	100 Yen	33.49
United Kingdom	GBP	81.01

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