

## OILMEAL

29<sup>th</sup> 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 stood from \$ 271-273 /MT at Kandla port. Soymeal prices stood steady at ports whereas its trading range bound across domestic markets with slight softening noticed on account of weak cues from CBOT. At CBOT, amidst choppy trading, mixed views on weather over Corn Belt and long liquidation selling eased down the soybean and meal futures. Soy oil was under slight selling pressure from overnight weakness in palm oil at BMD. For the monthly crush report, released before the opening, traders are looking for soybeans crushed in May to come in near 150.4 million bushels as compared with 146.2 million bushels last year. Oil stocks are expected near 3.33 billion pounds as compared with 3.287 million the previous month and 2.885 billion pounds at the end of May 2006. For the weekly export sales report, released before the opening, traders are looking for soybean sales near 100,000-300,000 tonnes as compared with 390,800 last week. Meal sales are expected near 50,000-125,000 tonnes with oil sales near 0-10,000 tonnes. 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)		
	28.06.07	27.06.07	Parity To
Indore (MP)	10,400	10,400-10,450	Gujarat, MP
Shivpuri (MP)	10,300	10,300	UP, Bihar, WB, Nepal
Kota	10,000	10,150	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,300	10,400	Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra

Nagpur (41/45)	10,550	10,500-10,600	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,500-10,550	10,600	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	28.06.07	27.06.07
Kandla	10,800-10,900	10,800-10,950
Jamnagar		
Mumbai	10,900	10,900

#### 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-Nation
Kandla	Wakasa	9000	Arrived	
Kandla	Iran Broojerdi	12,000	Expected	

#### Rape/ Mustard Meal: -

The major share of the Rabi seasons mustard seeds harvest is with strong hands thereby creating a paucity of seeds across spot markets. On account of slightly firm mustard seed complex prices of rapeseed meal rose marginally on Thursday. The rapeseed meal prices firmed up marginally to Rs 6900 to 7000/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 for 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 27.

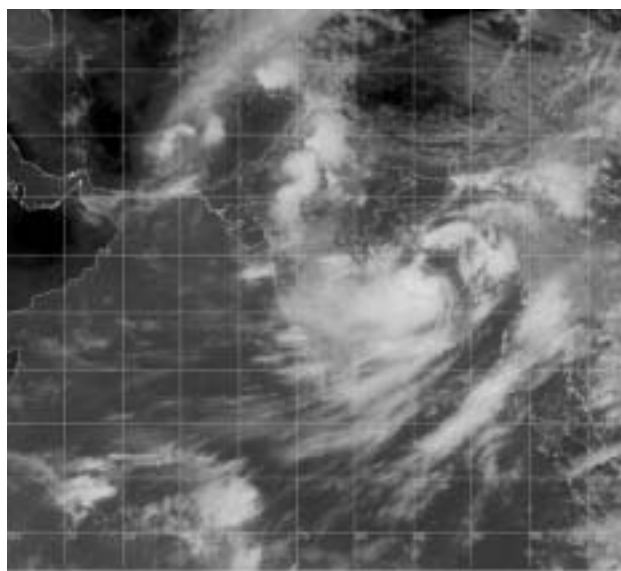
Month	Open	High	Low	Close	Chg
July 07	218.5	221.4	216.4	217.9	-2.2
August 07	221.7	223.7	219.0	220.9	-1.6

### Monsoon Outlook (28.06.07)

#### Chief Features:

- Southwest monsoon has further advanced into the remaining parts of Madhya Pradesh & Uttar Pradesh, most parts of East Rajasthan, some parts of west Rajasthan and some more parts of Haryana (including Delhi) and Punjab.
- Yesterday's well-marked low-pressure area over north & adjoining central Bay of Bengal has concentrated into a depression at 0530 hrs. IST of today and further intensified into a deep depression and lay centred at 0830 hrs. IST of today, 28th June'07 over northwest & adjoining west-central Bay of Bengal near lat. 18.5°N/ long. 87.0 E° about 200 km southeast of Puri. It is likely to intensify further and move in a west-northwesterly direction and cross Orissa coast between Gopalpur and Paradeep, close to Puri by today the 28th June'07 mid-night.
- The current meteorological analysis suggests that scattered rain/thundershowers are likely over Western Himalayan region and plains of northwest India during next 3 days. Under its influence, widespread rainfall with scattered heavy to very heavy falls and isolated extremely heavy falls (> 25 cms.) are likely over north Andhra Pradesh, Orissa and Chhattisgarh during next 48 hrs. Subsequently, the enhanced rainfall belt is likely to shift to Madhya Pradesh, Maharashtra & Goa and Gujarat state from 30th onwards.

### Weather Map [As on 28.06.07]



Source-IMD

#### FOREX RATE AS ON 28.06.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.84
European Union	Euro	55.03
Japan	100 Yen	33.19
United Kingdom	GBP	81.81

### Outlook for subsequent two days from 0830 hours

**IST of 30<sup>th</sup> of June, 2007 (Based on numerical weather products):**

- Enhanced rainfall activity with scattered heavy to very heavy falls and isolated extremely heavy falls is likely over Madhya Pradesh, Maharashtra & Goa and Gujarat state.

**Source:** GOI (IMD)

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