

OILMEAL

22nd 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 \$ 275/MT. With increasing domestic consumption of soymeal, the percentage share of soymeal for meeting export demand is likely to remain subdued against range bound value of Indian Rupee vis-à-vis US dollar. Domestic soymeal prices across MP recouped previous day's losses and stood firm on Thursday. Soymeal prices across Maharashtra continue to hold firm. At CBOT, lack of follow through selling on Tuesdays price slide coupled with commercial short covering besides speculative and fund buying aided soybean and soymeal futures to settle up. Weather concern over Corn- fields and soybean continues to haunt trading sentiments. 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)		
	21.06.07	20.06.07	Parity To
Indore (MP)	10,450-10,500	10,400-10,450	Gujarat, MP
Shivpuri (MP)	10,400	10,100-10,200	UP, Bihar, WB, Nepal
Kota	10,250	10,250	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,600	10,450-10,550	Andhra, AP, Kar, TN
Dhulia/Jalna	-		Mumbai Maharashtra
Nagpur (41/45)	10,700-10,750	10,600-10,650	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,700	10,700	Local and South

Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	21.06.07	20.06.07
Kandla	10,200	11,000
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-Nation
Kandla	Wakasa	9000	Expected	

Rape/ Mustard Meal: -

Despite bearish cues from overseas markets, mustard complex is holding firm on account of lower stocks and good demand from feed industry, vanaspati millers and processing units. The rapeseed meal stood steady at Rs 6800 to 6850/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 20.

Month	Open	High	Low	Close	Chg
July 07	230.3	236.0	230.3	233.2	+3.5
August 07	233.5	237.8	233.5	235.1	+3.2

Monsoon Outlook (21.06.07)

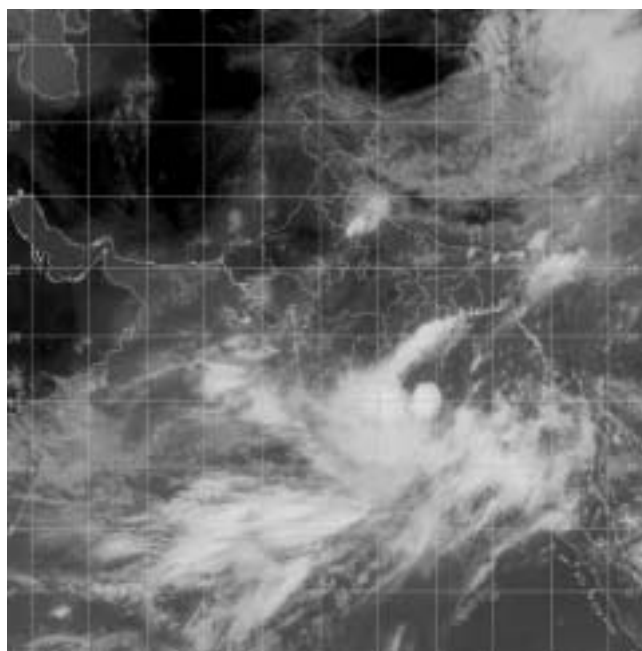
Chief Features:

- As predicted, yesterday's well marked low pressure area over east-central & adjoining west-central Bay of Bengal has concentrate into a depression and lay centered at 0830 hrs IST of today, the 21st June 2007 over west-central Bay of Bengal near Lat. 15.5 N/ Long 86.0 E about 430 km east-southeast of Kakinada. The system is likely to intensify further and move in a west-northwesterly direction and cross north Andhra Pradesh coast between Narsapur and Vishakhapatnam by tomorrow afternoon.
- Under its influence, widespread rains with scattered heavy to very heavy falls are likely over Andhra Pradesh, north coastal Tamil Nadu and Pondicherry during next 48 hours. Isolated extremely heavy rains (> 25 cm) are also likely over central districts of Coastal Andhra Pradesh and Telangana during the same period. Subsequently, with the likely west-northwestward movement of the system, the enhanced rainfall belt is likely to shift to Maharashtra, Goa, Karnataka, south Madhya Pradesh, Gujarat and southeast Rajasthan during 23 to 26 June.
- Southwest monsoon is likely to advance further into remaining parts of Orissa, Chhattisgarh & Maharashtra, entire Gujarat and parts of Madhya Pradesh and Rajasthan during next 4-5 days.

Outlook for subsequent two days from 0830 hours IST of 24th of June, 2007 (Based on numerical weather products):

- Increase in rainfall activity likely over Maharashtra, Goa, Gujarat State and southeast Rajasthan.

Weather Map [As on 21.06.07]



Source-IMD

FOREX RATE AS ON 21.06.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.75
European Union	Euro	54.59
Japan	100 Yen	32.97
United Kingdom	GBP	81.17

- Decrease in rainfall activity likely over Andhra Pradesh, Orissa, Chhattisgarh and Tamil Nadu

Source: GOI (IMD)

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