

OILMEAL

2nd July, 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 \$ 278-282 /MT at Kandla port. Soymeal prices firmed up across domestic markets as well as across ports on tracking bullish soy futures at CBOT. At CBOT, Overnight firmness in palm oil at BMD with concern of dry weather over Corn Belt coupled with USDA's indication that soybean acreage would decline considerably this year helped to see a major bounce in soy futures. The USDA indicated that producers plan to plant 64.081 million acres as compared with trade estimate at 68 million acres and compared with the March USDA preliminary forecast of 67.14 million acres. June 1st stocks were pegged at 1.091 billion bushels, in line with trade expectations of 1.089 billion bushels (range 1.06-1.12) and compared with 991 million bushels last year. 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)		
	30.06.07	29.06.07	Parity To
Indore (MP)	10,500-10,650	10,350-10,450	Gujarat, MP
Shivpuri (MP)	10,300-10,350	10,300-10,350	UP, Bihar, WB, Nepal
Kota	10,100-10,150	10,000-10,050	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,500-10,550	10,300	Andhra, AP, Kar, TN
Dhulia/Jalna	-		Mumbai Maharashtra
Nagpur (41/45)	10,450-10,550	10,550-10,600	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,600-	10,600	Local and South

	10,650		
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	30.06.07	29.06.07
Kandla	10,200-11,300	10,800-10,900
Jamnagar		
Mumbai		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	Destl-Natio n
Kandla	Wakasa	9000	Arrived	
Kandla	Iran Broojerdi	12,000	Expected	

Rape/ Mustard Meal: -

On account of mostly firm mustard seed complex, and global cues, prices of rapeseed meal rose marginally on Friday. The rapeseed meal prices firmed up further on weekend trading to Rs 6900 to 7050/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: -

Spot prices of groundnut oil is continued to trade bullish and touched Rs 750/10kg mark in major trading centres amidst poor availability of stocks and surge in quality groundnut seeds. As per government latest release, during May1-June 22 groundnut sowing has been planted in 253,000 hectare against 317,000 hectare for the same period a year ago. From 2002, groundnut area is continuous shrinking to 19 lakh hectares in 2006; however, the Gujarat

government is serious and is likely to put the best to increase in plantation by minimum 3 lakh hectares this year. 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 29.

Month	Open	High	Low	Close	Chg
July07	235.0	239.0	229.0	229.2	+11.0
August07	239.5	240.3	231.0	231.2	+10.6

Monsoon Outlook (30.06.07)

Chief Features:

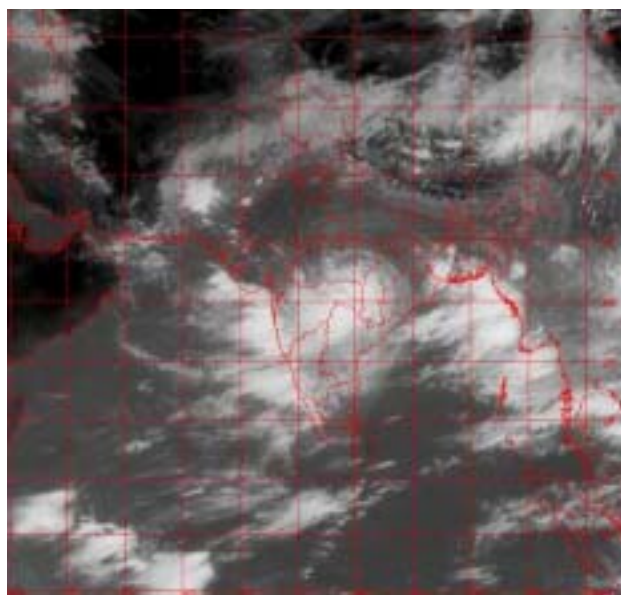
- Southwest monsoon has further advanced into the remaining parts of East Rajasthan and some more parts of West Rajasthan. Northern limit of monsoon passes through Barmer, Bikaner, Churu, Rohtak, Ludhiana and Amritsar.
- Yesterday's deep depression over Orissa moved west-northwestwards and weakened into a depression. It lay centered at 0830 hours IST of today over East Madhya Pradesh and adjoining Chhattisgarh about 150 kms southeast of Jabalpur (Madhya Pradesh). The system is likely to move in a northwesterly direction and weaken gradually.
- Under its influence, widespread rainfall with scattered heavy to very heavy fall and isolated extremely heavy falls (>25 cms) are likely over Vidarbha during next 24 hours and over south Madhya Pradesh during next 48 hours. Isolated heavy to very heavy falls are also likely over Chhattisgarh and north Madhya Pradesh during next 24 hours.

Outlook for subsequent two days from 0830 hours IST of 3rd of July, 2007 (Based on numerical weather products):

- Decrease in rainfall activity over Madhya Pradesh, Maharashtra and Gujarat State.
- A low-pressure area is likely to form over north Bay of Bengal around 5th July.

Source: GOI (IMD)

Weather Map [As on 30.06.07]



Source-IMD

FOREX RATE AS ON 30.06.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.74
European Union	Euro	55.18
Japan	100 Yen	33.08
United Kingdom	GBP	81.83

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