

OILMEAL

4th July, 2007

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

Soymeal prices continued to escalate across domestic markets as well as across ports on spill over impact of Monday's strong gains of soy futures at CBOT. Weather concern and follow through technical buying supported soy futures closed on firm note. The CBOT raised the minimum margin requirements for soybeans and products starting with the Monday night session. Minimum initial spec margins move to \$1,823 per contract from \$1,215 previous; meal \$1,283 from \$945 and oil \$810 from \$608. July soybean deliveries came in at 2,505 contracts this morning with oil at 1,558 contracts and meal at 70 contracts. For the weekly export inspections report, released during the session, soybean exports came in at 7.176 million bushels as compared with trade expectations for 7-11 million bushels. 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)		
	03.07.07	02.07.07	Parity To
Indore (MP)	10,700-10,750	10,550-10,700	Gujarat, MP
Shivpuri (MP)	10,500	10,300-10,400	UP, Bihar, WB, Nepal
Kota	10,250-10,350	10,100-10,150	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,500	10,550-10,600	Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	10,500-10,600	10,450-10,550	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	-	10,650	Local and South

Solapur		Local and South
Dharwar		Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	03.07.07	02.07.07
Kandla	10,300-11,350	10,250-11,300
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	Destination
Kandla	Wakasa	9000	Arrived	
Kandla	Iran Broojerdi	12,000	Expected	

Rape/ Mustard Meal: -

On tracking mixed sentiments across mustard complex, the rapeseed meal prices stood range bound at Rs 6900 to 7000/MT. The DOC prices at Kandla were quoted at Rs 5300-5400/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 stood at Rs 7700 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 July 02.

Month	Open	High	Low	Close	Chg
July07	233.2	238.1	230.0	235.8	+6.6
August07	235.0	241.3	232.0	237.9	+6.7

Monsoon Outlook (03.07.07)

Chief Features:

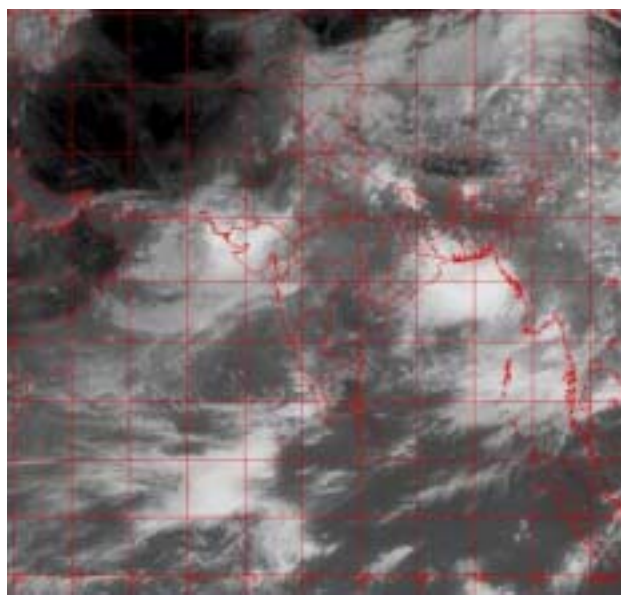
- Yesterday's low pressure area over southeast Rajasthan and adjoining West Madhya Pradesh and Gujarat region now lies over south Rajasthan & neighbourhood. Under its influence, widespread rainfall with scattered heavy to very heavy fall and isolated extremely heavy fall is likely to continue over Gujarat during next 24 hrs. and decrease thereafter. Fairly widespread rainfall with isolated heavy falls are also likely over Konkan, north Madhya Maharashtra, southwest Madhya Pradesh and south Rajasthan during next 48 hours and decrease thereafter.
- A fresh low-pressure area has formed over northeast Bay of Bengal and neighbourhood. It is likely to cause widespread rainfall with isolated heavy to very heavy falls over Gangetic West Bengal during next 2-3 days, which will also extend into north Orissa and Jharkhand during the same period.

Outlook for subsequent two days from 0830 hours IST of 6th of July, 2007 (Based on numerical weather products):

- Fairly widespread rainfall activity is likely over west coast, Indo-Gangetic plains and northeastern states.

Source: GOI (IMD)

Weather Map [As on 03.07.07]



Source-IMD

FOREX RATE AS ON 03.07.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.58
European Union	Euro	55.29
Japan	100 Yen	33.08
United Kingdom	GBP	81.89

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