

## OILMEAL

1<sup>st</sup> August, 2007

### MAJOR ACTIVITY HIGHLIGHTS

- Soymeal and rapeseed meal prices reflect steady market sentiments.

### DOMESTIC MARKET

#### Soy meal

Soymeal traded steady on second consecutive day on tracking weak soymeal futures at CBOT. Prices across ports and domestic markets remained range bound. Recent culling operation in North East is on the verge of completion and infectious Flu is said to be contained by sustained efforts from the state government. Oil meals are trading on low note on sustained fears of its outbreak to neighbouring states. At CBOT, yet another outlook for dry weather during the week helped supported soybean. Since soybean crop is in pod filling stage, it's sensitive to weather. Any deviation from normal trend can lead to potential yield loss for the standing crop. Weekly export inspections came in at 7.5 million bushels as compared with trade expectations at 8-9 million. As per official release by SEA of India, around 64,075 MT of soymeal was exported during June in comparison to 1.10 lakh MT exported during May 2007. Vietnam imported a maximum of 30,150 MT followed up by Japan at 27,000 MT. For the same time period Indonesia, Sri Lanka, Kuwait and U.A.E imported 4550, 775, 975,475 MT respectively. A total of 4.24 lakh MT was exported during April June period.

Sangli	10,900	10,900-11,000	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	31.07.07	30.07.07
Kandla	11,000-11,100	11,000
Mumbai	11,300	11,000

#### Current vessel positions in different ports: -

No vessel carrying SBM reported at Kandla and Vizag port

#### Current Vessel Position: -

Ports	Vessels	Vol. (MT)	Status	Desti-Nation
-	-	-	-	-

#### Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	31.07.07	30.07.07	Parity To
Indore (MP)	10,600	10,600	Gujarat, MP
Shivpuri (MP)	10,800	10,800	UP, Bihar, WB, Nepal
Kota	10,600	10,600-10,650	Rajasthan, Del, Punjab, Haryana
Nanded/Latur			Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	10,800-10,900	11,000	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN

#### Rape/ Mustard Meal: -

Amidst mixed sentiments for mustard complex, the prices of rapeseed expeller meal eased marginally to Rs 6800-6850 /MT on Monday. However, the traders believe that weakness would be short lived. The DOC prices at Kandla were quoted at Rs 5700-5800/MT. Local DOC sold at Rs 4900-5000/MT in Rajasthan. As per Solvent Extractors Association of India's press release, 51,825 MT of rapeseed meal was exported during June in comparison to 74,225 MT during previous month. South Korea imported a maximum of 34,700 MT of rapeseed meal followed by Taiwan at 10,000 MT. Vietnam, Indonesia and Sri Lanka imported 5475, 1475 and 175 MT respectively. A total of 2.34 lakh MT was exported during April June time period.

## Groundnut DOC: -

Spot prices of groundnut oil continued to soften and touched Rs 782/10kg mark in Rajkot on slight consolidation in prices. As per government latest figures, despite slow monsoon progress groundnut sowing is rapidly completed in 3.9 million hectares as on July 27th against 3.35 million hectares last week and 3.46 million hectares last year. The agriculture minister has recently announced the groundnut sowing is completed in Andhra Pradesh. In Gujarat alone groundnut sowing is completed in 1.6 million hectares as compared to 1.5 million hectares last year whereas in South India (mainly Tamil Nadu,

Andhra Pradesh and Karnataka) sowing is completed in 2 million hectares. Amidst lower crushing and steady demand the rates for groundnut DOC stood steady at Rs 7700 to 8400 /MT for 40% and 45% oil content respectively. As per official release of oilmeal export data from SEA of India; around 275 MT of groundnut extract was exported during June in comparison to 4,500 MT exported during April. No meal was exported during the month of May. A total of 4,775 MT of groundnut meal was exported during the period of April-June.

### CBOT Soy Meal Futures as on July 30.

Month	Open	High	Low	Close	Chg
Aug07	215.0	215.0	211.5	213.6	-0.7
Sep 07	218.0	218.0	214.3	216.4	-0.3

## Monsoon Outlook (31.07.07)

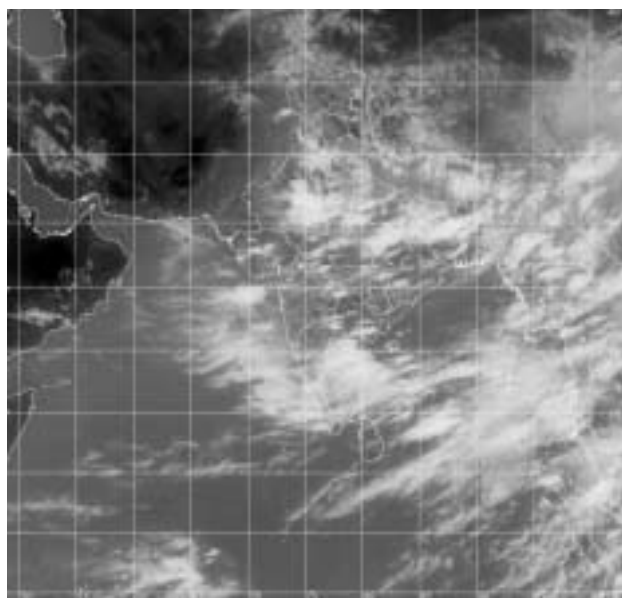
### Chief Features:

- The axis of the monsoon trough passes through Amritsar, Karnal, Lucknow, Patna, Dhubri and Jorhat.
- The numerical weather prediction models suggest likely formation of a low pressure area over northwest & adjoining west-central Bay of Bengal around 4th August. Subsequently, southwest monsoon is likely to revive over central & adjoining peninsular India.
- The current meteorological analysis suggests fairly widespread rainfall activity with isolated heavy to very heavy falls over Gangetic plains & northeastern states during next 48 hrs. and decrease thereafter.
- Under the influence of the off-shore trough, fairly widespread rainfall activity with isolated heavy to very heavy fall is likely along the west coast during next 3-4 days.
- In association with an upper air cyclonic circulation over west-central Bay of Bengal & adjoining coastal areas of south Andhra Pradesh and north Tamil Nadu, fairly widespread rainfall activity is also likely over Tamil Nadu and south Andhra Pradesh during next 48 hrs

### Outlook for subsequent two days from 0830 hours IST of 3<sup>rd</sup> of August, 2007 (Based on numerical weather products):

- Increase in rainfall activity is likely over Orissa and north Andhra Pradesh.

## Weather Map [As on 31.07.07]



Source-IMD

### FOREX RATE AS ON 31.07.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.44
European Union	Euro	55.42
Japan	100 Yen	34.00
United Kingdom	GBP	82.03

- Fairly widespread rainfall with isolated heavy to very heavy fall is likely along the west coast

Source: GOI (IMD)

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