

## OILMEAL

12<sup>th</sup> July, 2007

### MAJOR ACTIVITY HIGHLIGHTS

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

### DOMESTIC MARKET

#### Soy meal

Rains and flood like conditions have hampered soybean arrivals across states. Lack of readily available beans on steady decline in daily arrivals of beans against steady demand coupled with firm soy futures at CBOT have supported prices of Soymeal across ports and across domestic markets. At CBOT, views of sharp drop in soybean crop conditions by end of this month on account of drier weather outlook coupled with technical buying support aided soy futures to settle up on Tuesday. For the monthly supply/demand report for Thursday morning, traders are looking for 2007/2008 ending stocks to come in near 225 million bushels (range 176-280) as compared with the June USDA estimate of 320 million bushels. If acreage estimates are plugged-in with no other changes, ending stocks should come in near 202 million bushels. As per official release 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.

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

Places	Ex-factory rates (Rs/ton)		
	11.07.07	10.07.07	Parity To
Indore (MP)	10,900-10,950	10,800	Gujarat, MP
Shivpuri (MP)	10,600-10,650	10,450-10,500	UP, Bihar, WB, Nepal
Kota	10,700-10,750	10,550-10,600	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	-	-	Andhra, AP, Kar, TN
Dhulia/Jalna	11,000-11,100	-	Mumbai Maharashtra
Nagpur (41/45)	11,300-11,400	11,000	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN

Sangli	11,000	10,900-10,950	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	11.07.07	10.07.07
Kandla	11,600	11,400-11,500
Jamnagar		
Mumbai	11,700	11,600

#### 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 loading 12,000 MT of soymeal. It is expected to sail off on 04.07.07. Shantilal agent is handling the vessel.

##### Mumbai port: -

Vessel **Badulu valley** is loading SBM. It was expected to sail off on 04.07.07.

#### Current Vessel Position: -

Ports	Vessels	Vol. (MT)	Status	Desti- Nation
Kandla	Wakasa	9000	Arrived	
Kandla	Iran Broojerdi	12,000	Working	
Mumbai	Badulu Valley	-	Working	

#### Rape/ Mustard Meal: -

On tracking steady to slightly firm sentiments across mustard complex, the rapeseed meal prices stood steady to slightly firm at Rs6950-7000 /MT. The DOC prices at Kandla were quoted at Rs 5300-5500/MT. 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 2,34,425 MT was exported during April-June time period.

#### Groundnut DOC: -

Spot prices of groundnut oil is continued to trade bullish and touched Rs 797-800/10kg mark in major trading centres amidst poor availability of stocks and surge in quality groundnut seeds. From 2002, groundnut area is continuously 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 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 10.

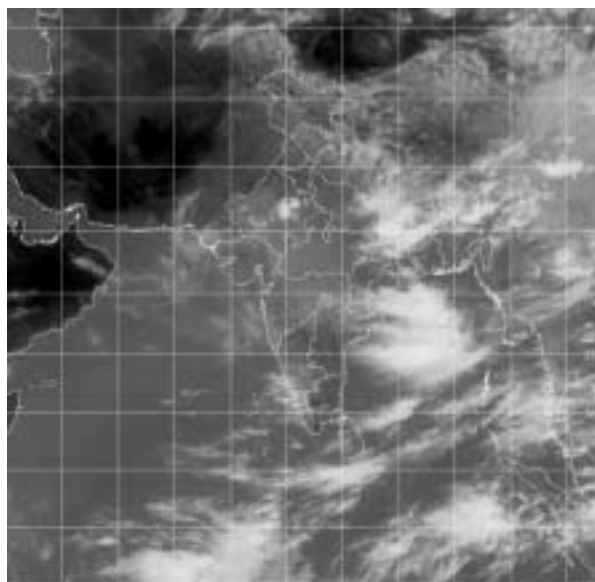
Month	Open	High	Low	Close	Chg
July 07	237.5	244.3	237.5	244.3	+7.4
August 07	239.0	245.5	239.0	244.9	+7.0

#### Monsoon Outlook (11.07.07)

##### Chief Features:

- Yesterday's low pressure area over southeast Rajasthan and neighbourhood has become less marked. However, associated cyclonic circulations extending up to mid-troposphere level lies over central Rajasthan & neighbourhood. Under its influence, fairly widespread rainfalls with isolated heavy fall are likely over south Rajasthan and Gujarat region during next 24 hrs. and decrease thereafter.
- The current meteorological analysis suggests that fairly widespread rainfalls with isolated heavy to very heavy fall are likely over northeast India, Sub-Himalayan West Bengal & Sikkim and Bihar during next 2-3 days.
- Numerical Weather Prediction Models suggest the formation of a low pressure area over North Bay of Bengal around 14th July causing increase in rainfall activity over Orissa and Gangetic West Bengal during subsequent 48 hours.

#### Weather Map [As on 11.07.07]



Source-IMD

#### Outlook for subsequent two days from 0830 hours IST of 14<sup>th</sup> of July, 2007 (Based on numerical weather products):

- Fairly widespread rainfalls with isolated heavy to very heavy falls are likely over west coast, Orissa and Gangetic West Bengal.
- Decrease in rainfall activity over northeast India.

#### FOREX RATE AS ON 11.07.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.38
European Union	Euro	55.52
Japan	100 Yen	33.30
United Kingdom	GBP	81.88

Source: GOI (IMD)

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