

OILMEAL

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

## MAJOR ACTIVITY HIGHLIGHTS

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

## DOMESTIC MARKET

### Soy meal

The FAS prices for soymeal varied from \$ 278 -292 /MT. Prices of soymeal continued to hold firm on bullish USDA demand supply estimates for US soybean and good buying support in the domestic markets. Domestically, supply of soybean has fallen short of demand on account of increasing resowing demand for soybean coupled with restricted selling from stockists. At CBOT, Soybean futures surged up after adding risk premiums to prices. Bullish USDA estimates for soybean production coupled with hot and dry weather forecast for Midwest by end of July aided the bullishness. Traders view that soybean prices need to be still higher in order to boost up soybean planting in US and South America to compensate for reduced acreage and potential decline in US soybean production. Bullish fundamentals outlook for global vegoils supported soy oil futures. Soymeal too reacted in consensus with soybean and soy oil. 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)		
	13.07.07	12.07.07	Parity To
Indore (MP)	11,000-11,100	10,680-11,050	Gujarat, MP
Shivpuri (MP)	10,800-10,950	10,800	UP, Bihar, WB, Nepal
Kota	10,900-10,950	10,750	Rajasthan, Del, Punjab, Haryana
Nanded/Latur		-	Andhra, AP, Kar, TN
Dhulia/Jalna	11,200-11,250	11,100-11,200	Mumbai Maharashtra

Nagpur (41/45)	11,700-11,800	11,400-11,500	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	-	11,100-11,250	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	13.07.07	12.07.07
Kandla	11,750-11,900	11,600-11,750
Jamnagar		
Mumbai	11,600	11,600-11,650

### Current vessel positions in different ports: -

#### Kandla port: -

**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-Natio n
Kandla	Iran Broojerdi	12,000	Working	
Mumbai	Badulu Valley	-	Working	

### Rape/ Mustard Meal: -

On tracking slightly firm sentiments across mustard complex on fifth consecutive day, the rapeseed meal prices stood firm at Rs6950-7050 /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 continued to trade firm and touched Rs 793-794/10kg mark in Rajkot amidst poor availability of stocks and dearth of quality groundnut seeds available for crushing. 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 12.

Month	Open	High	Low	Close	Chg
July 07	248.0	254.0	245.8	253.7	+7.3
August 07	248.0	254.0	247.0	253.7	+7.3

#### Monsoon Outlook (13.07.07)

##### Chief Features:

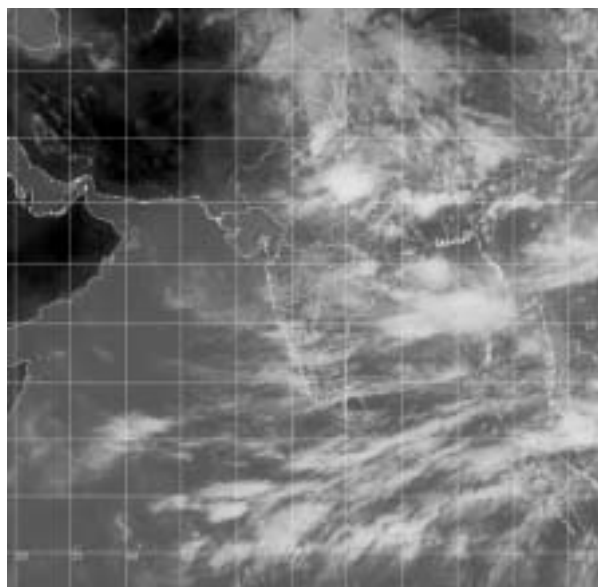
- The axis of the monsoon trough passes through Ferozepur, Muzaffarnagar, Bareilly, Gorakhpur, Asansol, Digha and thence southeastwards to eastcentral Bay of Bengal.
- The current meteorological analysis suggests fairly widespread rainfall activity is likely over Western Himalayan Region and adjoining northern plains during next 2-3 days
- Under the influence of the upper air cyclonic circulation over North Bay of Bengal, fairly widespread rainfall activity is likely over Gangetic West Bengal, Orissa and Chhattisgarh during next 2-3 days.

##### Outlook for subsequent two days from 0830 hours IST of 16<sup>th</sup> of July, 2007 (Based on numerical weather products):

- Fairly widespread rainfall activity is likely over Gangetic plains and adjoining central India.

Source: GOI (IMD)

#### Weather Map [As on 13.07.07]



Source-IMD

#### FOREX RATE AS ON 13.07.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.47
European Union	Euro	55.74
Japan	100 Yen	33.05
United Kingdom	GBP	82.08

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