

## OILMEAL

3rd 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 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)		
	02.07.07	30.06.07	Parity To
Indore (MP)	10,550-10,700	10,500-10,650	Gujarat, MP
Shivpuri (MP)	10,300-10,400	10,300-10,350	UP, Bihar, WB, Nepal
Kota	10,100-10,150	10,100-10,150	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,550-10,600	10,500-10,550	Andhra, AP, Kar, TN
Dhulia/Jalna		-	Mumbai Maharashtra
Nagpur (41/45)	10,450-10,550	10,450-10,550	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,650	10,600-	Local and South

Solapur		Local and South
Dharwar		Karnataka, Tamil Nadu

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	02.07.07	30.06.07
Kandla	10,250-11,300	10,200-11,300
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 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
July 07	235.0	239.0	229.0	229.2	+11.0
August 07	239.5	240.3	231.0	231.2	+10.6

### Monsoon Outlook (02.07.07)

#### Chief Features:

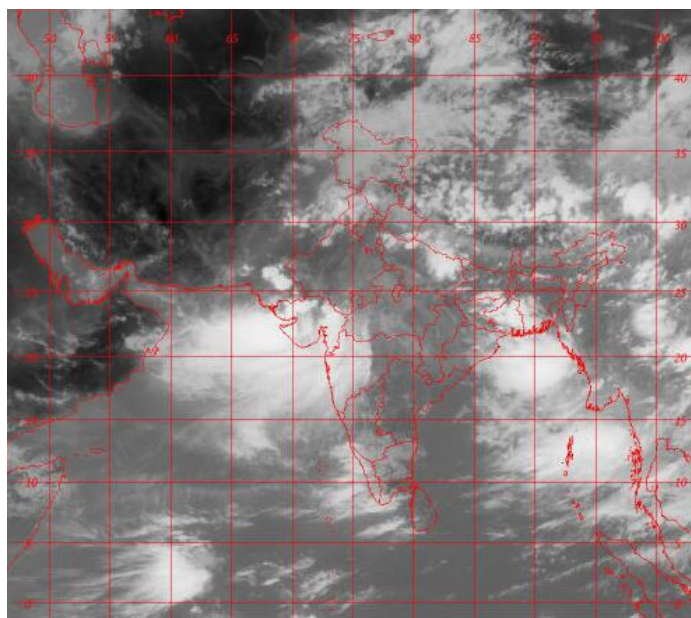
- Yesterday's well marked low pressure area over southeast Rajasthan and adjoining West Madhya Pradesh and Gujarat region has weakened into a low pressure area over the same region.
- The current meteorological analysis suggests that widespread rainfall with scattered heavy to very heavy fall and isolated extremely heavy fall is likely over Gujarat till tomorrow and decrease thereafter. Fairly widespread rainfall with isolated heavy falls are also likely over Konkan, north Madhya Maharashtra, southwest Madhya Pradesh and southeast Rajasthan.
- Numerical Weather Prediction models suggest formation of a low pressure area over north Bay of Bengal around 5th July. Under its influence, rainfall activity is likely to increase over east India from 5th onwards.
- Fairly widespread rainfall is likely over Western Himalayan region during next 3 days. Scattered rain/thundershowers are also likely over plains of northwest India during the same period.

#### Outlook for subsequent two days from 0830 hours IST of 5th of July, 2007 (Based on numerical weather products):

- Increase in rainfall activity is likely over east India.

Source: GOI (IMD)

### Weather Map [As on 02.07.07]



Source-IMD

### FOREX RATE AS ON 02.07.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.66
European Union	Euro	55.05
Japan	100 Yen	33.07
United Kingdom	GBP	81.70

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