

OILMEAL

11<sup>th</sup> August, 2007

## MAJOR ACTIVITY HIGHLIGHTS

- Soymeal and rapeseed meal prices reflect steady to weak market sentiments.

## DOMESTIC MARKET

### Soy meal

On Friday, the FAS prices of SOY DOC at Kandla port stood at \$ 275/MT. Little trade activity was witnessed in Mumbai region. Prices of soy meal stood steady at previous day's levels on tracking mixed cues from soy futures at CBOT. Strength in soy meal futures at CBOT prevented soy meal prices from declining abruptly. Further consolidation in prices of soybean and soy oil across domestic markets couldn't lend support to prices of soy meal. At CBOT, mixed views prevailed for soy complex. On one hand, rains over northern Corn Belt relieved the fears of stress likely over soybean crop in Southern Midwest. While on the other hand, long liquidation selling ahead of USDA monthly supply demand report dragged the soy futures lower. Weekly US export sales for soybeans came in at 5.3 lakh MT as compared to trade expectations between 3-5 lakh MT. Meal sales came above expectation to 2.00 lakh MT. Oil sales hit 30,800 metric tonnes as compared to trade expectations between 0-20,000. The Solvent Extractors' Association of India has just compiled the data for export of oil meals for the month of July 2007 and reported at 140,175 tons compared to 179,950 tons in July last year i.e. down by 22%. The overall export of oil meals for the period April 2007 to July 2007 is reported at 956,775 tons compared to 1,055,150 tons i.e. down by 9% due to a decrease in export of soybean meal from 685,425 tons to 491,600 tons and groundnut meal from 43,100 tons to 4,775 tons in first four months of current year due to failure of groundnut crop.

### Soybean DOC: - rates at different centers

| Places        | Ex-factory rates (Rs/ton) |               |                                 |
|---------------|---------------------------|---------------|---------------------------------|
|               | 10.08.07                  | 09.08.07      | Parity To                       |
| Indore (MP)   | 10,500-10,550             | 10,500-10,600 | Gujarat, MP                     |
| Shivpuri (MP) | 10,700                    | NA            | UP, Bihar, WB, Nepal            |
| Kota          | 10,400                    | 10,400-10,450 | Rajasthan, Del, Punjab, Haryana |
| Nanded/Latur  |                           |               | Andhra, AP, Kar, TN             |

|                |               |               |  |
|----------------|---------------|---------------|--|
| Dhulia/Jalna   |               |               | Mumbai Maharashtra                         |
| Nagpur (41/45) | 10,600-10,700 | 10,650        | CG, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Sangli         | 10,800-10,900 | 10,800-10,900 | Local and South                            |
| Solapur        |               |               | Local and South                            |
| Dharwar        |               |               | Karnataka, Tamil Nadu                      |

### DOC Port rate at different centers

| Centers | FOR Price (Buy price) |          |
|---------|-----------------------|----------|
|         | 10.08.07              | 09.08.07 |
| Kandla  | 10,950-11,000         | 10,900   |
| Mumbai  | NA                    | 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 | Destination |
|-------|---------|-----------|--------|-------------|
| -     | -       | -         | -      | -           |

### Rape/ Mustard Meal: -

On Friday, the FAS prices of RAP DOC at Kandla port stood at \$ 138-139/MT. RAP DOC local was quoted at Rs 5400/MT. The RAPE OIL CAKE at Mehsana was quoted at Rs 7100/MT. Prices of MUSTARD OIL CAKE at Jaipur stood at Rs 6800/MT. As per Solvent Extractors Association of India's press release, during the period of April-July 2007, Vietnam imported **24,975 tons of rapeseed meal**. South Korea imported **134,825 tons of rapeseed meal**. Japan imported 2,500 tons of rapeseed meal. China reduced the import from India due to better local crushing and imported only 65,175 tons of rapeseed meal during April to July 2007.

## Groundnut DOC: -

Spot prices of groundnut oil continued to soften and touched Rs 782/10kg mark in Rajkot on slightly firm demand for edible oils well before start of festive season. Amidst lower crushing and steady demand the rates for groundnut DOC stood steady at Rs 7500 to 8200 /MT for 40% and 45% oil content respectively. The Solvent Extractors' Association of India has just compiled the data for export of oil meals for the month of July 2007 and reported at 140,175

tons compared to 179,950 tons in July last year i.e. down by 22% . The overall export of oil meals for the period April 2007 to July 2007 is reported at 956,775 tons compared to 1,055,150 tons i.e. down by 9% due to in decreased in export of soybean meal from 685,425 tons to 491,600 tons and **groundnut meal from 43,100 ton to 4,775 tons** in first four months of current year due to failure of groundnut crop.

### CBOT Soy Meal Futures as on August 09.

| Month  | Open  | High  | Low   | Close | Chg  |
|--------|-------|-------|-------|-------|------|
| Aug 07 | 230.5 | 232.3 | 228.8 | 232.3 | +2.0 |
| Sep 07 | 232.2 | 234.7 | 230.5 | 234.6 | +2.5 |

## Monsoon Outlook (10.08.07)

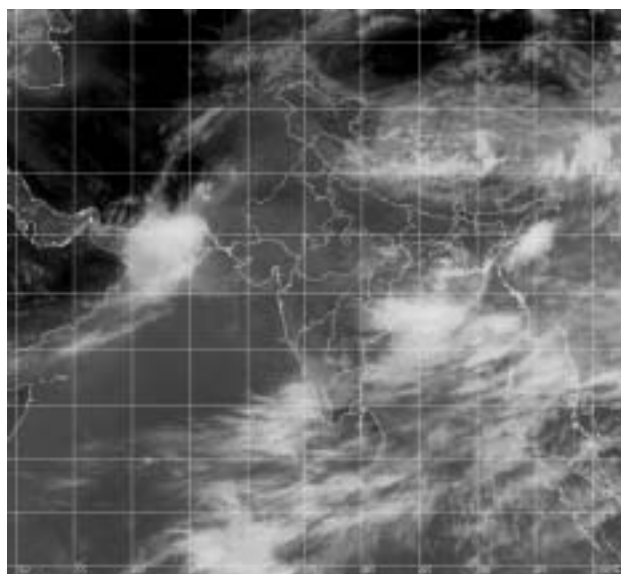
### Chief Features:

- A fresh low pressure area has formed over northwest Bay of Bengal off Orissa - West Bengal Coast. The system is likely to become more marked during next 48 hrs. Under its influence, fairly widespread rainfall with isolated heavy to very heavy falls is likely over Orissa and coastal West Bengal during next 48 hours. Subsequently, the rainfall activity likely to enhance over these areas and also may extend into more parts of east India.
- Yesterday's low pressure area over Kutch & neighbourhood has moved away westwards. The ongoing enhanced rainfall activity over Gujarat likely to decrease considerably from today onwards.
- In association with off-shore trough fairly widespread rainfall activity with isolated heavy to very heavy falls is likely along the west coast.
- The axis of the monsoon trough at sea level passes through Jaisalmer, Sikar, Aligarh, Gorakhpur, Bhagalpur, Asansol, the centre of the low pressure area, and thence southeastwards to east-central Bay of Bengal. However, the current meteorological analysis suggests gradual shift of western end of the monsoon trough towards foot hills of Himalayas from tomorrow onwards.

### Outlook for subsequent two days from 0830 hours IST of 13<sup>th</sup> of August, 2007 (Based on numerical weather products):

- Enhanced rainfall activity with scattered heavy to very heavy rainfall is likely over east India..
- Scattered rainfall activity is likely over Western

## Weather Map [As on 10.08.07]



Source-IMD

### FOREX RATE AS ON 10.08.07

| Country/Continent | Currency | Value in Rupees |
|-------------------|----------|-----------------|
| USA               | Dollar   | 40.67           |
| European Union    | Euro     | 55.60           |
| Japan             | 100 Yen  | 34.44           |
| United Kingdom    | GBP      | 82.12           |

Himalayan region and adjoining plains of northwest India.

- Subdued rainfall activity is likely over remaining parts of the country.

Source: GOI (IMD)

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