

OILMEAL

13th 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 Mumbai port stood at \$ 278/MT. Soymeal prices managed to stay steady for second consecutive day on weak advices from CBOT. Though soymeal futures managed to stay marginally up but couldn't extend support to domestic prices of soymeal. At CBOT, soy futures settled mixed with slight firmness noticed in soymeal. Prices of soybean and soy oil crashed down on liquidation selling, slightly bearish weather outlook for next week and lesser encouraging USDA supply demand estimates. The USDA pegged soybean production at 2.625 billion bushels as compared with the average trade estimate at 2.655 billion bushels (2.55-2.722) and the July USDA estimate of 2.625 billion bushels. The USDA pegged world soybean ending stocks for the 2007/2008 season at 51.63 million tonnes from 51.87 million last month and from the record 64.52 million this season. 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.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	11.08.07	10.08.07	Parity To
Indore (MP)	10,500	10,500-10,550	Gujarat, MP
Shivpuri (MP)	10,700	10,700	UP, Bihar, WB, Nepal
Kota	10,450	10,400	Rajasthan, Del, Punjab, Haryana
Nanded/Latur			Andhra, AP, Kar, TN

Dhulia/Jalna	11,100-11,200		Mumbai Maharashtra
Nagpur (41/45)	10,600	10,600-10,700	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,900-11,000	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)	
	11.08.07	10.08.07
Kandla	11,000	10,950-11,000
Mumbai	11,000	NA

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
-	-	-	-	-

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 5350-5400/MT. The RAPE OIL CAKE at Mehsana was quoted at Rs 7000-7100/MT. Prices of MUSTARD OIL CAKE at Jaipur stood at Rs 6600/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 780/10kg mark in Rajkot on steady demand for edible oils on weekend trading. 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 10.

Month	Open	High	Low	Close	Chg
Aug 07	228.0	233.5	228.0	232.5	+0.2
Sep 07	232.5	236.0	229.0	234.3	-0.3

Monsoon Outlook (11.08.07)

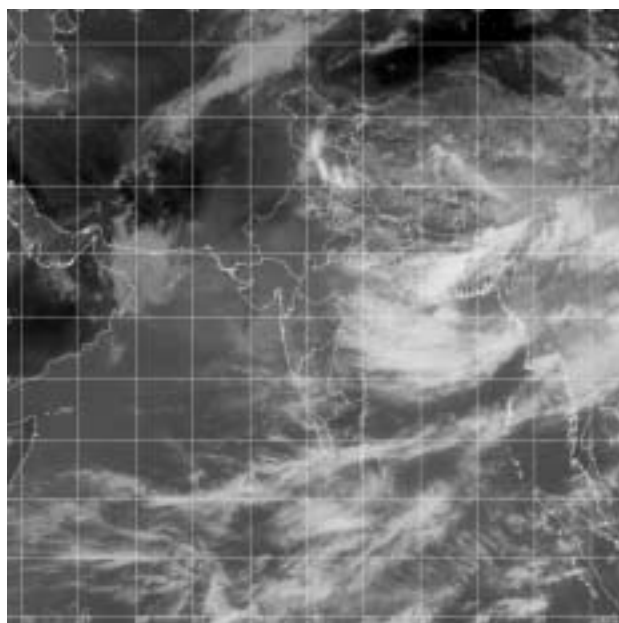
Chief Features:

- Yesterday's low pressure area over northwest Bay of Bengal off Orissa-West Bengal Coast persists and likely to become more marked during next 1-2 days. Under its influence, widespread rainfall with isolated heavy to very heavy fall is likely over Orissa, Gangetic West Bengal, north Coastal Andhra Pradesh and Jharkhand during next 3-4 days. Rainfall activity is also likely to increase over East Uttar Pradesh, Bihar and Chhattisgarh from tomorrow onwards
- As predicted the western end of the monsoon trough has shifted to northwards and now lies close to foothills of the Himalayas. This scenario is likely to continue for the next 3 days and cause scattered rainfall activity over northwest India.
- Today the eastern end of the monsoon trough passes through Muzaffarpur, Purnea, Berhampore, Kolkata, centre of the low pressure area and thence southwards to central Bay of Bengal.

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

- Enhanced rainfall activity with scattered heavy to very heavy rainfall is likely over east & adjoining central India and northeastern States.
- Scattered rainfall activity is likely over Western Himalayan region and adjoining plains of northwest India.

Weather Map [As on 11.08.07]



Source-IMD

FOREX RATE AS ON 11.08.07

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

Source: GOI (IMD)

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