

## OILMEAL

2<sup>nd</sup> August, 2007

### MAJOR ACTIVITY HIGHLIGHTS

- Soymeal and rapeseed meal prices reflect steady market sentiments.

### DOMESTIC MARKET

#### Soy meal

Soymeal prices across domestic markets stood steady for third consecutive day. Traders state that after break of Bird Flu in North East India, no active trading for soymeal was reported basically due to subdued sentiments prevailing across feed sector. At CBOT, despite good deliveries of soybeans and soy oil for August contract, the market saw some support from outlook of mostly dry weather conditions for soybean and corn crops in US. Deliveries on first notice day for August soybeans came in at 2,228 contracts as compared with trade expectations at 1,000 to 2,000 contracts. Oil deliveries were 2,824 contracts from expectations for 1,000-2,000 contracts and meal at 164 from 0-350 expected. Brazil crushed 2.555 million tonnes of soybeans in June, down from 2.696 million last year and down from 2.696 million tonnes from May. Brazil exported 3.07 million tonnes in June which was up from 2.3 million tonnes last year. As per official release by 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)		
	01.08.07	31.07.07	Parity To
Indore (MP)	10,600	10,600	Gujarat, MP
Shivpuri (MP)	10,700-10,800	10,800	UP, Bihar, WB, Nepal
Kota	10,500-10,600	10,600	Rajasthan, Del, Punjab, Haryana
Nanded/Latur			Andhra, AP, Kar, TN
Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	10,800-10,850	10,800-10,900	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN

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

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	01.08.07	31.07.07
Kandla	11,100-11,150	11,000-11,100
Mumbai	11,300-11,400	11,300

#### 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: -

Amidst steady sentiments for mustard complex, the prices of rapeseed expeller meal softened down to Rs 6700 /MT on Wednesday. However, the traders believe that weakness would be short lived. The DOC prices at Kandla were quoted at Rs 5600-5800/MT. Local DOC sold at Rs 4800-5000/MT in Rajasthan. 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 lakh MT was exported during April June time period.

## Groundnut DOC: -

Spot prices of groundnut oil continued to soften and touched Rs 782/10kg mark in Rajkot on slight consolidation in prices. As per government latest figures, despite slow monsoon progress groundnut sowing is rapidly completed in 3.9 million hectares as on July 27th against 3.35 million hectares last week and 3.46 million hectares last year. The agriculture minister has recently announced the groundnut sowing is completed in Andhra Pradesh. In Gujarat alone groundnut sowing is completed in 1.6 million hectares as compared to 1.5 million hectares last year whereas in South India (mainly Tamil Nadu,

Andhra Pradesh and Karnataka) sowing is completed in 2 million hectares. Amidst lower crushing and steady demand the rates for groundnut DOC stood steady 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 31.

Month	Open	High	Low	Close	Chg
Aug 07	215.0	217.3	214.5	215.6	+2.7
Sep 07	218.0	220.3	217.3	218.4	+2.3

## Monsoon Outlook (01.08.07)

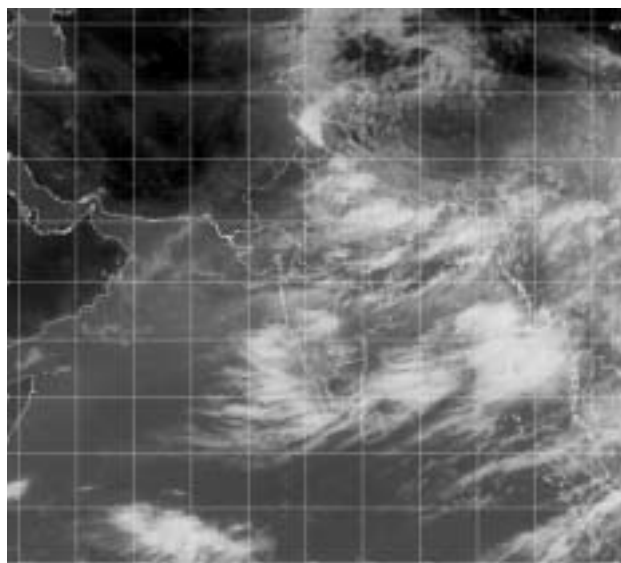
### Chief Features:

- The axis of the monsoon trough passes through Ferozepur, Muzaffarnagar, Shahjahanpur, Gonda, Raxaul, Cooch Behar, Tezpur and Tezu.
- The numerical weather prediction models continue to suggest likely formation of a low pressure area over northwest Bay of Bengal around 4th August. Consequently, the enhanced rainfall activity with isolated heavy to very heavy fall is likely over Orissa, north Andhra Pradesh and Chhattisgarh during 4 - 7 August.
- The current meteorological analysis suggests fairly widespread rainfall activity with isolated heavy to very heavy falls over Uttar Pradesh, Bihar, Sub-Himalayan West Bengal & Sikkim and northeastern states till tomorrow and decrease thereafter.
- Under the influence of the off-shore trough, fairly widespread rainfall activity with isolated heavy to very heavy fall is likely to continue along the west coast during next 4-5 days.

### Outlook for subsequent two days from 0830 hours IST of 4<sup>th</sup> of August, 2007 (Based on numerical weather products):

- Increase in rainfall activity is likely over Orissa, north Andhra Pradesh and Chhattisgarh.
- Fairly widespread rainfall with isolated heavy to very heavy fall is likely along the west coast.

## Weather Map [As on 01.08.07]



Source-IMD

### FOREX RATE AS ON 01.08.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.55
European Union	Euro	55.35
Japan	100 Yen	34.40
United Kingdom	GBP	82.06

Source: GOI (IMD)

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