

OILMEAL

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

## MAJOR ACTIVITY HIGHLIGHTS

- Soy & rapeseed meal reflect steady to slightly firm market sentiments.

## DOMESTIC MARKET

### Soy meal

The FAS prices of Soy DOC at Kandla port stood at \$ 291-285/MT. Soy meal prices in Indore firmed up further during second consecutive day after tracking firm cues from soy futures at CBOT. Relatively lower oceanic freight charges for Indian soy meal vis-à-vis South American soy meal coupled with Non-GM nature and good protein content is likely to fetch good import demand from Asian and Gulf countries in ensuing months. At CBOT, follow-through buying interest and hot and dry weather in western and northern Corn Belt cast firmness for soy futures but gains were capped by weakness in other commodities, grains and stock markets. Market also gained the bullishness from bullish weekly exports sales and NOPA July crush reports. The soybeans, soy meals and soy oil weekly sales stood at 957,800 tonnes, 256,600 tonnes and 19,600 tonnes respectively against trade expectation between 250,000-500,000 tonnes, 75,000-150,000 tonnes and 10,000-20,000 tonne respectively. As per the SEA of India the export of oil meals for the month of July 2007 was 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 decreased in export of soybean meal from 685,425 tons to 491,600 tons.

### Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	24.08.07	23.08.07	Parity To
Indore (MP)	10,750-10,800	10,700	Gujarat, MP
Shivpuri (MP)	10,500	10,400-10,500	UP, Bihar, WB, Nepal
Kota	10,500-10,550	10,450-10,500	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	10,850-10,900	10,800-10,900	Andhra, AP, Kar, TN
Dhulia/Jalna	NA	10,900-11,000	Mumbai Maharashtra

Nagpur (41/45)	10,750-10,850	10,700-10,800	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	NA	NA	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	24.08.07	23.08.07
Kandla	11,200-11,500	11,100-11,200
Mumbai	11,500-11,600	NA

### Current vessel positions in different ports: -

**No vessel carrying SBM reported at Kandla and Vizag port**

**Mumbai: - Vessel Splendor-VI** was expected to load 5000 MT of SBM. Chowgule agent would handle the vessel. It would load 5,000 MT of SBM.

**Kandla: - Vessel M.V Noshiro III** is expected to arrive on 19.08.07. It would load 10,500 MT of RSM. Interocean agent is handling the vessel.

### Current Vessel Position: -

Ports	Vessels	Vol. (MT)	Status	Desti- Nation
Mumbai	Splendor-VI	5,000	Expected	
Kandla	Noshiro-III	10,500	Expected	

### Rape/ Mustard Meal: -

The prices of RAP DOC local at Kandla port stood at \$135-138/MT on Friday. RAP DOC local was quoted steady at Rs 5350-5400/MT. The RAPE OIL CAKE at Mehsana was quoted at Rs 6900-7000/MT. Prices of MUSTARD OIL CAKE at Jaipur stood unchanged 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 softened further to Rs 768/10kg in Rajkot [Friday] on better prospects for groundnut seed production across the states and slight consolidation in prices of edible oils. Prices of groundnut DOC were unavailable. 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 23.

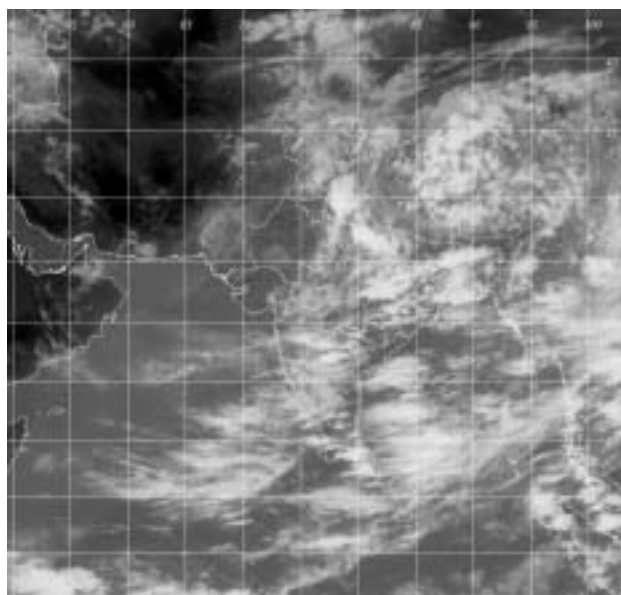
Month	Open	High	Low	Close	Chg
Sep 07	232.0	235.0	230.3	232.3	+3.1
Oct 07	234.5	237.8	232.6	235.2	+3.0

#### Monsoon Outlook (24.08.07)

##### Chief Features:

- The axis of the monsoon trough passes through Ferozepur, Aligarh, Kanpur, Ranchi, Sandhead and thence southeastwards to North-East Bay of Bengal.
- Current meteorological analysis and Numerical Weather Prediction Models continue to suggest gradual shifting of monsoon trough towards foothills of the Himalayas during next 2-3 days. Under this scenario, enhanced rainfall activity with isolated heavy to very heavy fall is likely over northeastern states, Sub-Himalayan West Bengal & Sikkim and Bihar during.
- Morning's cyclonic circulation over West-Central Bay of Bengal off Andhra Pradesh coast extending up to the mid-tropospheric level persists. Under its influence, scattered to fairly widespread rainfall is likely over North Tamil Nadu and Andhra Pradesh during next 48 hours.

#### Weather Map [As on 24.08.07]



Source-IMD

#### Outlook for subsequent two days from 0830 hours IST of 27<sup>th</sup> of August, 2007 (Based on numerical weather products):

- Scattered rainfall activity is likely over interior peninsula and adjoining Central India.
- Fairly widespread rainfall with isolated heavy to very heavy fall is likely over northeastern states, Sub-Himalayan West Bengal & Sikkim, Bihar and Uttar Pradesh.

#### FOREX RATE AS ON 24.08.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	41.18
European Union	Euro	55.85
Japan	100 Yen	35.53
United Kingdom	GBP	82.41

Source: GOI (IMD)

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