

MAJOR ACTIVITY HIGHLIGHTS

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

DOMESTIC MARKET

Soy meal

Domestic soymeal prices have been looking for direction from overseas as domestic demand continues to hold steady. Tracking firm cues from CBOT, soymeal prices settled slightly up during first half of trading. Traders are looking for good export market for soymeal on expectation of bumper crop this season and good export enquiries for November and December shipments through Chicago. At CBOT, the chances for hot and dry weather to persist in the Southern Midwest for next week supported the bounce in soy futures. The outlook that high temperatures could hamper with normal pod-setting stage sparked short covering early in the session. Brazil government officials revised the production forecast for the 2006/2007 soybean crop to a record 58.4 million tonnes from 58.0 million in the July projection. For the USDA Crop Production report on Friday, the average trade estimate for soybean production came in at 2.655 billion bushels (2.55-2.722) as compared with the July USDA estimate of 2.625 billion bushels and last year's production at 3.188 billion. 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)		
	08.08.07	07.08.07	Parity To
Indore (MP)	10,400-10,450	10,300	Gujarat, MP
Shivpuri (MP)	10,800-10,900	10,700-10,800	UP, Bihar, WB, Nepal
Kota	10,400	10,200-10,300	Rajasthan, Del, Punjab, Haryana
Nanded/Latur			Andhra, AP, Kar, TN

Dhulia/Jalna			Mumbai Maharashtra
Nagpur (41/45)	10,500	10,500	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	10,700	10,600-10,700	Local and South
Solapur			Local and South
Dharwar			Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	08.08.07	07.08.07
Kandla	10,800-10,850	10,700
Mumbai	NA	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: -

Amidst steady spot market sentiments for mustard complex, the prices of rapeseed expeller meal too stood steady at Rs 6600-6650/MT on Tuesday. However, the traders believe that weakness would be short lived. The DOC prices at Kandla were quoted at Rs 4350/MT. Local DOC sold at Rs 4800/MT in Rajasthan. 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 762/10kg mark in Rajkot on good consolidation in prices of oilseeds and oil meals. 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 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 07.

Month	Open	High	Low	Close	Chg
Aug 07	220.5	226.0	220.5	226.0	+5.3
Sep 07	222.5	227.8	222.0	227.6	+5.1

Monsoon Outlook (08.08.07)

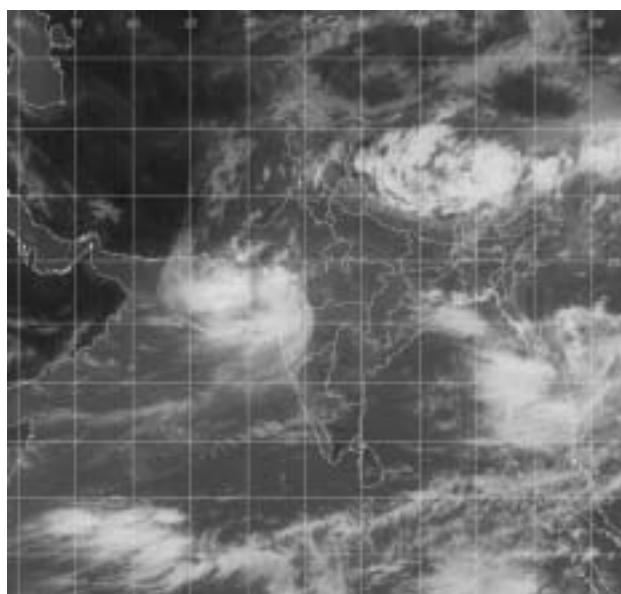
Chief Features:

- The depression over East Madhya Pradesh moved westwards and weakened into a well marked low pressure area over central Madhya Pradesh at 1730 hrs. IST of yesterday. It now lies over West Madhya Pradesh & neighbourhood.
- Under its influence, widespread rainfall with scattered heavy to very heavy falls and isolated extremely heavy falls (>25cm) is likely over north Madhya Maharashtra, Gujarat state and north Konkan during next 48 hours.
- Fairly widespread rainfall with isolated heavy to very heavy falls is also likely over West Madhya Pradesh, south Rajasthan and south Konkan & Goa during the same period.
- The axis of the monsoon trough passes through Phalodi, centre of well marked low pressure area, Umaria, Ranchi, Kolkata and thence southeastwards to east-central Bay of Bengal.
- A low pressure area is likely to form over north Bay of Bengal around 10th August, which may subsequently increase the rainfall activity over Orissa, Chhattisgarh and north Andhra Pradesh

Outlook for subsequent two days from 0830 hours IST of 11th of August, 2007 (Based on numerical weather products):

- Scattered rainfall activity likely over the plains of northwest India.

Weather Map [As on 08.08.07]



Source-IMD

FOREX RATE AS ON 08.08.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	40.58
European Union	Euro	55.70
Japan	100 Yen	34.09
United Kingdom	GBP	81.85

- Increase in rainfall activity over Orissa, Chhattisgarh and north Andhra Pradesh.

Source: GOI (IMD)

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