

OILMEAL

18th October, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects mixed sentiments.

DOMESTIC MARKET

Soy meal

Soymeal prices across the markets witnessed steady to weak sentiment during the Wednesday's trade on weakness in soymeal prices at port as well as in international market. Huge arrivals pressure of fresh bean in domestic markets also added bearish tone. However, prices are expected to recover on the back of export commitment of soymeal by Dec'07 and expectation of higher soymeal export in upcoming oilmeal marketing year 2007-08 due to lower crop in US and China. On other hand, good demand from millers / crushers reported in the market at prevailing prices for building stocks for 15-30 days crushing restricted the downside. At CBOT, soybean after initially trading firm on all time high for palm oil, energy and slow down harvest in US due to heavy rains, while, tumbled thereafter amidst weakness in energy, other commodity and financial market coupled with profit-taking. However, in later session, recovery in energy helped pulled soybean oil but weakness in meal pressurized soybean. Meanwhile, the weekly crop update shows around 66% crop was harvested compared with expected 65-70% and 66% last year.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	17.10.07	16.10.07	Parity To
Indore (MP)	12,900	12,900	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,500	12,600	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	12,600 / 13,000	12,700 / 12,900	Andhra, AP, Kar, TN
Dhulia/Jalna	13,500	13,500	Mumbai Maharashtra
Nagpur (41/45)	12,200-12,500	12,200-12,500	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	13,500	13,500	Local and South
Solapur	-	-	Local and South
Dharwar	13,300	12,900	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	17.10.07	16.10.07
Kandla	13,500-13,700	13,600-13,800
Mumbai	NA	13,800-13,900

Current vessel positions in different ports: -

Kandla: -

Vessel **MV Pulau Cebu** was expected to arrive on 13.10.07. It would load 10,500 MT of SBM. Taipan agent is handling the vessel.

Vessel **MV Asha Manan** was expected to arrive on 14.10.07. It would load 15,000 MT of SBM+CSM. Taurus agent is handling the vessel.

Vessel **MV Poseidon** was expected to arrive on 19.09.07. It would load 11,000 MT of SBM. Taurus agent is handling the vessel.

Vessel **Iran Broojerdi** has berthed on 02.10.07. It would load 14,500 MT of SBM/RSM. Taurus agent is handling the vessel.

MV. **Hazel Ace** has berthed on 30.09.07. It would load 8,400 MT of SBM. Taurus agent is handling the vessel.

Rape/ Mustard Meal: -

Prices of mustard oil cake at Jaipur stood steady at Tuesday's level of Rs 7660-7670/ MT amidst lower arrivals of mustard seed and some demand ahead of festival besides sowing demand. Higher MSP announced by the Center further supported the sentiment. As per Solvent Extractors Association of India's around 3,90,050 MT of rapeseed DOC was exported during April-September 2007 period compared to 4,51,075 MT corresponding period last. During September month 68,175 tons was exported compared to the 92,775 tons in corresponding period last year.

Groundnut DOC: -

Spot prices of groundnut oil declined from Tuesday's level of Rs 622-623/10 Kg to Rs 614-615/10 Kg on increased arrival against mild demand in Rajkot. The main hub of groundnut Saurashtra, witnessing arrivals of over 1,00,000 bags (1 bag = 35 Kg), which weighing heavily on prices despite festivals. However, millers are eyeing for exports opportunity of groundnut complex due to lower crop / crop failure in Brazil, America and China, which may boost the sentiment. Meanwhile, sources revealed that many mills start crushing in Saurashtra region, while some mills start crushing after Dusshera. Prices of

groundnut DOC stood steady at Saturday's level of 10,200-10,300/MT. The Solvent Extractors' Association of India has just compiled the data for export of oil meals for the month of September 2007 and reported at 7,500 tons compared to 5,000 tons compared to corresponding period last year. During April to September 2007, around 12,275 MT of groundnut meal was exported compare to 4,775 MT of groundnut meal in April-August 2007 period. No exports were witnessed for the month of July and August 2007.

CBOT Soy Meal Futures as on October 17 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec 07	279.70	280.00	275.30	275.90	-5.30
Jan 07	282.00	282.00	278.40	278.90	-5.00

Monsoon Outlook (17.10.07)

Chief Features:

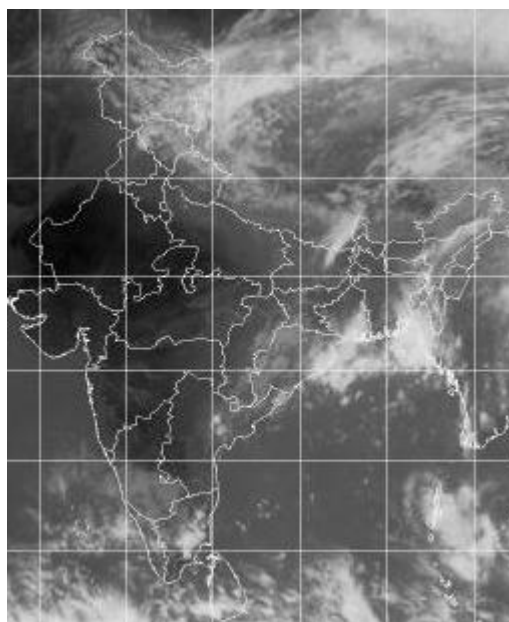
- The current meteorological analysis and Numerical Weather Prediction Models suggest that fairly widespread rainfall with isolated heavy falls is likely over Nagaland, Manipur, Mizoram & Tripura during next 24 hrs. and decrease thereafter. Scattered rainfall activity is also likely over remaining parts of North-eastern States during next 2-3 days.

Outlook for subsequent two days from 0830 hours IST of 20th of October 2007 (Based on numerical weather products):

- Scattered rainfall activity is likely to continue over northeastern states and extreme south peninsula.

Source: GOI (IMD)

Weather Map [As on 17.10.07]



Source-IMD

FOREX RATE AS ON 17.10.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.31
European Union	Euro	55.86
Japan	100 Yen	33.48
United Kingdom	GBP	80.19

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