

OILMEAL

13th October, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects steady to slightly weak sentiments.

DOMESTIC MARKET

Soy meal

Soymeal spot market witnessed steady to slightly weak sentiment during the Friday's trade. Increased arrivals pressure of fresh beans pressurized the prices of soybean and meal. However, good demand of beans and firmness in international market restricted the down side in prices to some extent. Sources revealed that millers and crushers are buying soyabean heavily to meet the export commitment of 6-lakh tonnes of soymeal by December'07. At ports soymeal prices remained unchanged following firm sentiment in CBOT. At CBOT, expectations that USDA may revise lower its crop production estimate on Friday's crop production report coupled with firmness in crude oil and metals boosted the sentiments of soybean. Gains in wheat also lent support to soybean. Meanwhile, Taiwan is tendering to buy 10,000 tonnes of US soybeans, which further aided bullishness. However, news of export cancellation of 130,000 tonnes of US soybean from unknown destination limited the upside. Further, mixed weather news from South America forced to trade choppy as dry and hot weather prevailing there which is not suitable for soybean sowing. For the USDA supply/demand report for Friday traders are hoping that 2007-08 ending stocks to come in near 229 million bushels compared with 215 million bushels reported in USDA's September report. Crop Production is expected to come in near 2.648 billion bushels compared with 2.619 billion bushels USDA's September report. For the weekly export sales report, traders are hoping soybean sales near 600,000-900,000 tonnes compared with 666,100 tonnes last week. Meal sales are expected near 50,000-150,000 tonnes and oil sales near 5,000-15,000 tonnes.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	12.10.07	11.10.07	Parity To
Indore (MP)	12,700	12,700	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,500	12,500	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	12,600 / 12,800	12,700 / 12,800	Andhra, AP, Kar, TN
Dhulia/Jalna	13,000	13,200	Mumbai Maharashtra
Nagpur (41/45)	12,200-12,500	12,200-12,500	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN

Sangli	13,400	13,400	Local and South
Solapur	-	-	Local and South
Dharwar	12,800	12,800	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	12.10.07	11.10.07
Kandla	13,500-13,700	13,500-13,600
Mumbai	NA	NA

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 previous day levels of Rs 7220-7370/MT amidst improved sentiments in mustard seed and oil on the back of higher MSP announced by the Center as well as improved demand. 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.

Spot prices of groundnut oil declined from Thursday's level of Rs 706-707/10 Kg to Rs 691-692/10 Kg on increased arrival against normal demand in Rajkot. Sources revealed many mills starts crushing in Saurashtra region, while some mills start crushing after Dusshera. However, in coming day festivities (Dushera, Diwali and marriages) would support the prices. Prices of groundnut DOC stood steady at Wednesday's level of 10,200-10,300/MT. The Solvent

Groundnut DOC: -

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 12 [Open Auction]

Month	Open	High	Low	Close	Chg
Oct 07	268.5	272.5	266.0	272.0	+3.2
Dec07	274.2	279.2	272.3	278.1	+3.2

Monsoon Outlook (12.10.07)

Chief Features:

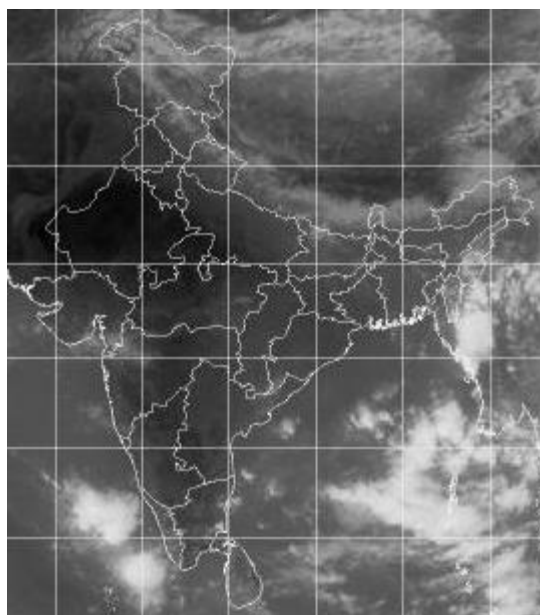
- Southwest monsoon has further withdrawn from more parts of of Bihar, Jharkhand, Chhattisgarh, Maharashtra and some parts of Gangetic West Bengal and Orissa.
- The withdrawal line passes through Forbesganj, Bankura, Angul, Jagdalpur, Yeotmal, Aurangabad, Dahanu, Lat. 20.0°N/Long. 70.0°E, Lat. 20.0°N/Long. 65.0°E, Lat. 20.0°N/Long. 60.0°E.
- The current meteorological analysis suggests that scattered rainfall activity is likely over northeastern states and extreme south peninsula during next 3-4 days.
- The current scenario suggests that minimum temperatures are likely to remain below normal by 2-3 °C over many parts of northwest, central and east India during next 3-4 days.

Outlook for subsequent two days from 0830 hours IST of 15th 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 12.10.07]



Source-IMD

FOREX RATE AS ON 12.10.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.33
European Union	Euro	55.74
Japan	100 Yen	33.54
United Kingdom	GBP	79.74

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.