

OILMEAL

29th October, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects steady to slightly firm sentiments.

DOMESTIC MARKET

Soy meal

Soymeal prices stood steady to slightly weak during the Saturday's trade across the major markets on weakness in meal prices in international market (CBOT). At ports soymeal prices stood steady to slightly firm following firmness in soybean prices across the domestic market coupled with earlier export obligation of meal exports. At CBOT, The historical high in crude oil and new low in US dollar were the factor that supported market to reach the highest since end of September. Besides, market also got support from hike in 10% export taxes on palm oil from 7.5% earlier and relaxation in import taxes in palm and soybean oil by China. Hot and dry weather remain supportive for soybean harvest in US while interfering soybean sowing in Brazil added mixed advice to soybean futures. Meanwhile, the weekly soybean sales stood at 463,400 tonnes against trade estimation of 550,000-750,000 tonnes. Meal sales stood at 244,500 tonnes Vs trade expectation between 100,000-150,000 tonnes and soy oil sales totaled at 24,300 tonnes compared with trade expectation between 20,000-30,000 tonnes. The September Census crush report totaled at 147.5 mil bu against trade expectation near 146.5 mil bu.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	27.10.07	26.10.07	Parity To
Indore (MP)	13,300-13,500	13,300	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,800	12,800	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	13,300 / 14,100	13,200 / 13,500	Andhra, AP, Kar, TN
Dhulia/Jalna	14,100-14,200	14,100	Mumbai Maharashtra
Nagpur (41/45)	12,900-13,200	12,700-13,100	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	14,200	14,200	Local and South
Solapur	-	-	Local and South
Dharwar	14,500	14,000	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	26.10.07	25.10.07
Kandla	14,000	14,100-14,200
Mumbai	14,200	14,400-14,500

Current vessel positions in different ports: -

Kandla: -

Vessel **MV Pulau Cebu** has berthed 15.10.07. It would load 10,500 MT of SBM. Taurus agent is handling the vessel.

Vessel **MV Wakasa** has berthed 19.10.07. It would load 10,500 MT of SBM. Taurus agent is handling the vessel.

Vessel **MV Asha Manan** has berthed on 18.10.07. 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.

Mumbai:-

Vessel **Badulu valley - VI** was expected to arrive on 25.10.07. It would load 3400 MT of SBM. Sai Freight P. Ltd. is handling the vessel.

Rape/ Mustard Meal: -

Prices of mustard oil cake at Jaipur improved from the Friday's level of Rs 7670-7675/ MT to Rs 7770-7775/ MT on improved sentiment of mustard seed and oil across the markets following expectation of lower production this year. Improved sentiments of edible oil as well as other seeds (soybean) also lent support mustard. However, news report that NAFED to sell 5,000 tonnes of rapeseed for next 20 days ahead to festivities is seen limiting the upside. NAFED is likely to sell around 2,00,000 tonnes of Mustard during the period. However, good physical demand and announcement of higher MSP by the Center is seen limiting the downside. 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 improved further across the major markets from the Friday's level of Rs 622-623/10 Kg to 626-627/10 Kg on good physical demand at lower levels and ahead of festivals. Lower arrival across the markets also lent support to the prices. Firmness in other edible also supported the groundnut oil. Further, expectation of export opportunity may boost the sentiment of groundnut complex as millers are eyeing for exports opportunity

of groundnut complex due to lower crop / crop failure in Brazil, America and China. Meanwhile, sources revealed that most of the mills start crushing in Saurashtra region, while some mills are likely to start crushing soon, which is seen restricting the upside 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 27 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec 07	282.00	283.00	277.50	277.80	-1.70
Jan 07	285.00	285.2	280.50	280.60	-1.80

Monsoon Outlook (27.10.07)

Chief Features:

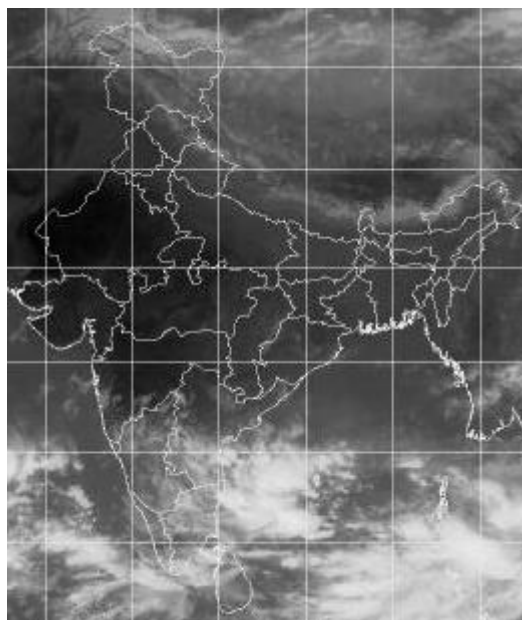
- Yesterday's well marked low pressure area over southeast Arabian Sea persists. The system is likely to concentrate into a depression during next 48 hours. It is likely to cause fairly widespread rainfall with isolated heavy to very heavy fall over Lakshadweep during next 24 hours.
- A fresh low pressure has formed over south-east and adjoining south-west Bay of Bengal. It is likely to become more marked during next 24 hours, under its influence fairly widespread rainfall with isolated heavy falls are likely over south Andhra Pradesh and Tamil Nadu coast during next 48 hours and increase thereafter.
- The Current meteorological analysis suggests fairly widespread rainfall with isolated heavy to very heavy falls over Andaman & Nicobar Islands and parts of south peninsula during next 48 hours.

Outlook for subsequent two days from 0830 hours IST of 30th of October 2007 (Based on numerical weather products):

- Widespread rainfall with scattered heavy to very heavy fall is likely over Coastal Andhra Pradesh, Rayalaseema, Tamil Nadu & Puducherry and Kerala.
- Scattered rainfall activity is likely over remaining parts of south peninsula and coastal Orissa.

Source: GOI (IMD)

Weather Map [As on 27.10.07]



Source-IMD

FOREX RATE AS ON 27.10.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	39.51
European Union	Euro	56.76
Japan	100 Yen	34.54
United Kingdom	GBP	81.16

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