

OILMEAL

24<sup>th</sup> October, 2007

## MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects mixed sentiments.

## DOMESTIC MARKET

### Soy meal

Soymeal prices mostly remained steady to slightly firm during the Tuesday's trade on firm sentiment of beans at domestic market on the back of earlier commitments of meal export for Nov-Dec shipments and expectations of higher export of soymeal in 2007-08 season following lower crop in US and China is seen restricting the down side despite weakness in CBOT. At CBOT, amidst early surge in US dollar and lower energy prices pressurized the soybean and meal prices. Also favourable harvest weather in central US and improving sowing weather in Brazil aided to the bearish tone besides the improved sowing weather in South America. However, midday rally in wheat, dollar coming off its high and with late recovery in crude oil prices in seen limiting the downside. Weekly export inspections came in at 27.17 million bushels compared with trade expectations at 30-35 million bushels. Cumulative shipments have reached 14% of the export total for the year compared with 10.8% as the 5-year average for this time of the year. Shipments need to average 18.12 million bushels per week to reach the USDA projection. Palm oil slipped 1.9% overnight to add to the bearish tone to the soybean oil market. Meanwhile, Argentina exported 2,275,581 tonnes of soymeal and pellets in August'07 down from 2,314,122 tonnes shipped in corresponding period last year. European countries were the leading buyers of soymeal and pellets.

### Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	23.10.07	22.10.07	Parity To
Indore (MP)	12,800-12,900	12,800	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,400	12,400	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	12,500 / 12,800	12,500 / 13,000	Andhra, AP, Kar, TN
Dhulia/Jalna	13,700	13,300	Mumbai Maharashtra
Nagpur (41/45)	12,200-12,400	12,200-12,500	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	13,600	13,500	Local and South
Solapur	-	-	Local and South
Dharwar	13,800	13,400	Karnataka, Tamil Nadu

## DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	23.10.07	22.10.07
Kandla	13,700	13,500-13,600
Mumbai	13,900	13,700-13,800

### 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 declined from the Monday's level of Rs 7520-7525/ MT to 7470-7475/ MT on news report that the govt. on Friday directed NAFED to sell 5,000 tonnes of rapeseed for next 20 days ahead to festivities. 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 eased further from the Monday's level of Rs 612-613/10 Kg to Rs 604-605/10 Kg amidst increased arrival pressure across markets and subdued trading activity. Meanwhile, sources revealed that most of the mills starts crushing in Saurashtra region, while some mills are likely to start crushing soon, which also weighing on prices. However, expectation of export opportunity is seen limiting the down side to some extent. 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. 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 23 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec 07	271.00	277.80	270.50	275.70	-0.6
Jan 07	273.50	280.20	273.50	278.00	-1.4

### Monsoon Outlook (23.10.07)

#### Chief Features:

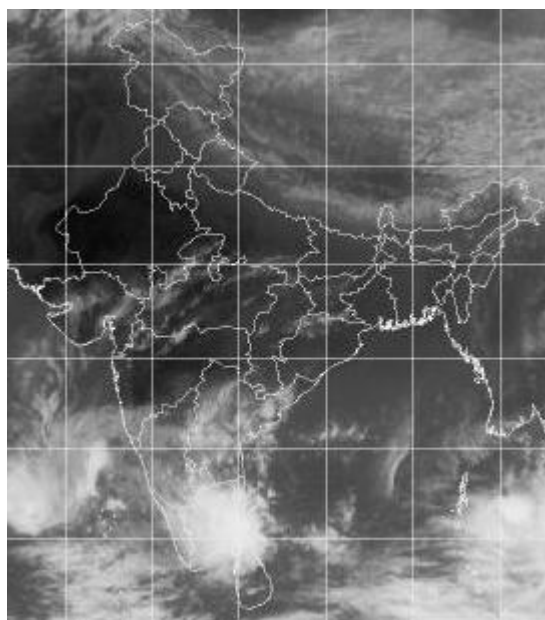
- During past 24 hours, fairly widespread rainfall with isolated heavy to very heavy falls has occurred over parts of south peninsula, Andaman & Nicobar Islands and Lakshadweep.
- Chief amounts of rainfall (in cm) are: Pamban-18, Madurai & Amini Divi-9 each, Kavali-8, Kakinada-7, Honavar-5 and Tuticorin & Kochi-4 each.
- Under the influence of two troughs of low pressure areas one over southwest Bay of Bengal and another over southeast Arabia Sea, fairly widespread rainfall with isolated heavy to very heavy falls is likely to continue over south peninsula during next 2-3 days.
- The Current meteorological conditions and various Numerical weather prediction models suggest formation of two low pressure areas, one over southeast Bay of Bengal & neighbourhood and another over southeast Arabia Sea & neighbourhood, around 26th October.

#### Outlook for subsequent two days from 0830 hours IST of 26<sup>th</sup> of October 2007 (Based on numerical weather products):

- Scattered rainfall activity is likely over south Peninsular India.

Source: GOI (IMD)

### Weather Map [As on 23.10.07]



Source-IMD

### FOREX RATE AS ON 23.10.07

Country/Continent	Currency	Value in Rupees
USA	Dollar	39.69
European Union	Euro	56.42
Japan	100 Yen	34.61
United Kingdom	GBP	80.90

## 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.