

OILMEAL

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

## MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects steady to slightly weak sentiments.

## DOMESTIC MARKET

### Soy meal

Soymeal prices across the markets witnessed steady to weak sentiment during the Thursday's trade following weakness in international market (CBOT). However, improved sentiment of soybean coupled with expectation of higher export of soymeal in 2007-08 season following lower crop in US and China is seen limiting the downside in prices. Also export commitment of soymeal by Nov-Dec is seen supporting the prices. At CBOT, amidst outlook of better sowing weather in South America and ideas that the market is in short term overbought condition pressurized the soy futures. Also Brazil which have been dry are receiving rains and parts of southern Brazil and Argentina which have been too wet are expected to have some dry weather in near term which also aided weakness. However, surge in energy prices and 23 years high of soybean oil limited the downside to some extent. For the weekly export sales report, released before the opening, traders are expecting soybean sales near 7,00,000-9,00,000 tonnes compared with 5,50,100 tonnes last week. Soybean sales need to average 3,37,500 tonnes/week in order to reach the current USDA forecast. Meal sales are expected near 75,000-1,50,000 tonnes with oil sales near 5,000-15,000 tonnes.

### Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	18.10.07	17.10.07	Parity To
Indore (MP)	12,800	12,900	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,400	12,500	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	12,600 / 13,100	12,600 / 13,000	Andhra, AP, Kar, TN
Dhulia/Jalna	13,400	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	13,500	13,300	Karnataka, Tamil Nadu

### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	18.10.07	17.10.07
Kandla	13,600-13,700	13,500-13,700
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 improved marginally from the Wednesday's level of Rs 7660-7670/ MT to Rs 7665-7675/ MT following improved demand of mustard seed and oil across the cash markets ahead of festivals and restricted arrivals. 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 improved from the Wednesday's level of Rs 614-615/10 Kg to 621-622/10 Kg on good demand ahead of festival against restricted arrivals during the Thursday's trade. Expectation export opportunity also lent support to the prices. 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 starts 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 18 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec 07	274.60	277.60	273.10	274.90	-1.00
Jan 07	277.00	280.40	276.00	277.80	-1.10

### Monsoon Outlook (18.10.07)

#### Chief Features:

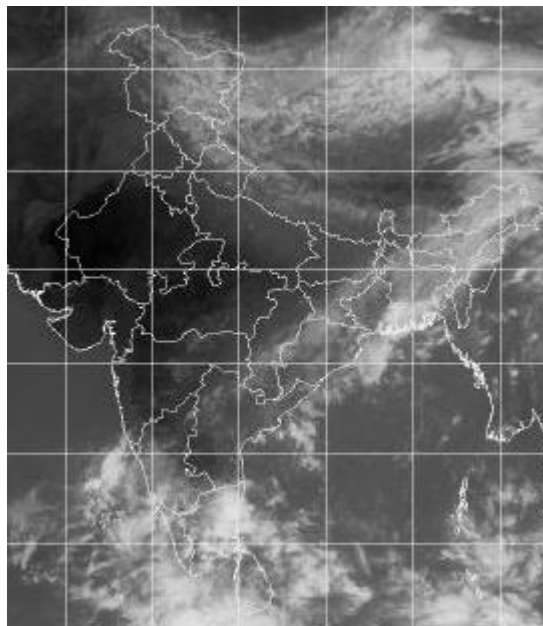
- The current meteorological analysis and Numerical Weather Prediction Models suggest that fairly widespread rainfall activity is likely over North-eastern States During next 24 hrs. and decrease thereafter. Scattered rainfall activity is also likely over extreme south peninsula during next 2-3 days.

#### Outlook for subsequent two days from 0830 hours IST of 21<sup>st</sup> 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 18.10.07]



Source-IMD

### FOREX RATE AS ON 18.10.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.68
European Union	Euro	56.23
Japan	100 Yen	34.10
United Kingdom	GBP	80.53

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