

OILMEAL

17th October, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects firm sentiments.

DOMESTIC MARKET

Soy meal

Soymeal prices quoted firm across the markets on expectation of higher exports in upcoming oilmeal marketing year 2007-08 coupled with firmness in soybean prices. Improved sentiments of soymeal at ports following firmness in CBOT further aided to the bullishness. Sources revealed that soybean prices firmed up across the markets despite huge arrivals on good demand from millers/crusher to fulfill the 6,00,000 lakh tonnes of soymeal export commitment by Dec'07, which pushed up the prices. Also prospects of higher meal exports particularly soymeal in oilmeal marketing year 2007-08 on the back of bumper production in the country and lower crop in US and China further supported the sentiment. At CBOT, All time high in crude oil and prevailing dry and hot weather in Brazil besides some rain on weekend pushed up soy oil as higher energy is supportive for bio-diesel usage. Inspection over NOPA soybeans crush report, September crush totaled at 139.8 million bushels as compared to 136.7 million bushels. Oil stocks came at 2.561 billion pounds from 2.432 billion pounds trade expected and 2.702 billion pounds last month. Weekly export inspections report of soybean came at 35.73 million bushels compared with trade expectations at 15-20 million bushels. Market found further bullishness from weakness in US dollar and surge in other commodities. Wet soil conditions in Western Corn Belt also added the firmness.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	16.10.07	15.10.07	Parity To
Indore (MP)	12,900	12,800	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,600	12,500	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	12,700 / 12,900	12,600 / 12,800	Andhra, AP, Kar, TN
Dhulia/Jalna	13,500	13,200	Mumbai Maharashtra
Nagpur (41/45)	12,200-12,500	12,100-12,300	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	13,500	13,400	Local and South
Solapur	-	-	Local and South
Dharwar	12,900	12,800	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	16.10.07	15.10.07
Kandla	13,600-13,800	13,400-13,600
Mumbai	13,800-13,900	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 from the Monday's level of Rs 7410-20/MT to Rs 7660-7670/ MT amidst improved sentiments in mustard seed and oil on the back of higher MSP announced by the Center and improved demand ahead of festival besides sowing 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.

Groundnut DOC: -

Spot prices of groundnut oil declined from Monday's level of Rs 638-639/10 Kg to Rs 622-623/10 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 16 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec 07	281.50	283.50	279.10	281.20	+2.3
Jan 07	284.00	286.00	282.00	283.90	+2.7

Monsoon Outlook (16.10.07)

Chief Features:

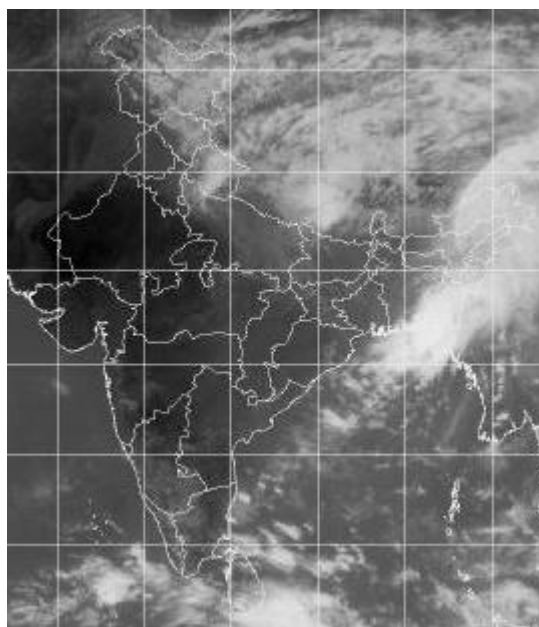
- Yesterday's low pressure area over north Bay of Bengal off Bangladesh - West Bengal coasts now lies over north Bay of Bengal & neighbourhood. Under its influence, fairly widespread rainfall with isolated heavy to very heavy falls is likely over North-eastern States during next 48 hours and decrease thereafter. Fairly widespread rainfall with isolated heavy fall is also likely over West Bengal & Sikkim during next 24 hrs and decrease thereafter.

Outlook for subsequent two days from 0830 hours IST of 19th of October 2007 (Based on numerical weather products):

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

Source: GOI (IMD)

Weather Map [As on 16.10.07]



Source-IMD

FOREX RATE AS ON 16.10.07

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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