

OILMEAL

25th October, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects firm sentiments.

DOMESTIC MARKET

Soy meal

Soymeal prices shot up across the markets on firm sentiment of soymeal at ports following firmness in international market (CBOT). Further, firm sentiment of beans at domestic market on 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 also seen boosting the sentiment despite of huge arrival pressure of fresh beans. At CBOT, amidst weakness in the US dollar and active buying support in soybean oil, imparted bullishness in soybean. Slow harvest process also aided bullish tone. However, dry weather much of this week for the Northern and Western Corn Belt should help boost harvest this week. On other hand, weakness in energy, wheat and corn is seen limiting the upside. Meanwhile, the USDA pegged soybean harvested area at 75% complete compared with trade expectations at 75-78% and 76% last year. The 10 year average for this time of year is 78%. Harvesting in Iowa is lagging and so far only 76% completed from 90% of the 5-year average. Demand news is somewhat quiet but traders' suspect good demand from China. South Korea bought 55,000 tonnes of meal from South America overnight.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	24.10.07	23.10.07	Parity To
Indore (MP)	13,100-13,200	12,800-12,900	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,600	12,400	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	13,000 / 13,500	12,500 / 12,800	Andhra, AP, Kar, TN
Dhulia/Jalna	13,800	13,700	Mumbai Maharashtra
Nagpur (41/45)	12,200-12,500	12,200-12,400	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	13,500-13,700	13,600	Local and South
Solapur	-	-	Local and South
Dharwar	13,900	13,800	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	24.10.07	23.10.07
Kandla	13,800	13,700
Mumbai	14,200	13,900

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 Tuesday's level of Rs 7470-7475/ MT to Rs 7570-7575/ MT on improved sentiment of mustard seed and oil across the markets following expectation of lower production this year. 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 from the Tuesday's level of Rs 604-605/10 Kg to Rs 611-612/10 Kg on improved demand against slightly lower arrival on Wednesday. Firmness in other edible also lent support to the groundnut oil. 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. However, 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, 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 24 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec 07	277.50	279.50	275.30	276.60	+0.9
Jan 07	280.00	281.70	277.60	279.00	+1.0

Monsoon Outlook (24.10.07)

Chief Features:

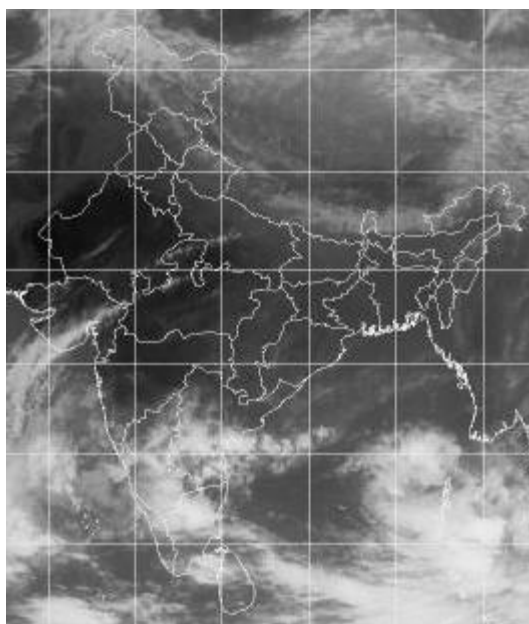
- A low pressure area has formed over southwest Bay of Bengal off Tamil Nadu coast and adjoining Sri Lanka. Under its influence, widespread rainfall with scattered heavy to very heavy falls are likely over Tamil Nadu & Pondicherry during next 48hrs. Fairly widespread rainfall with isolated heavy falls are also likely over south Coastal Andhra Pradesh, Rayalaseema and Kerala during the same period. The above low pressure area is likely to emerge into southeast Arabian Sea around 26th and intensify further.
- The Current meteorological conditions suggest widespread rainfalls with isolated heavy falls are likely over Andaman & Nicobar Islands and Lakshadweep during next 2-3 days.
- Various Numerical weather prediction models suggest formation of another low pressure area over southeast Bay of Bengal & neighbourhood around 27th .
- Chief amount of rainfall (cms.): Karaikal-17, Nagapatnam-16, Vedaranniyam-15, Puducherry-9, Agathi-7, Gulbarg-6, Selam & Tirchillapali- 5 each.

Outlook for subsequent two days from 0830 hours IST of 27th of October 2007 (Based on numerical weather products):

- Scattered to fairly widespread rainfall activity is likely over south Peninsular India.
- Low pressure area over southeast Arabian Sea is likely to concentrate into a depression.

Source: GOI (IMD)

Weather Map [As on 24.10.07]



Source-IMD

FOREX RATE AS ON 24.10.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.57
European Union	Euro	56.35
Japan	100 Yen	34.56
United Kingdom	GBP	81.01

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