

OILMEAL

12th October, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects firm sentiments.

DOMESTIC MARKET

Soy meal

Soymeal prices shot up across the market amid exports commitments of meal. Good demand of beans reported in the market to fulfill the stockists and solvent plant's requirement. Sources revealed that around 6 lakh tonnes of soymeal will be exported by December this year. Firm sentiments of soymeal at ports following firmness in international markets also aided bullishness besides the news that South Korea would purchase 45,000 tonnes of Indian soymeal for January-February 15th deliveries. At CBOT, amid expectation that the USDA may lower acreage estimate for its Friday's report boosted the soybean sentiments. Further, talks that China has bought US soybean also lent support the prices besides weather and supply concern in Brazil due to prevailing hot and dry weather for northern growing areas. However, traders are hoping that sowing process will pick up next week onwards due to expected rain towards weekend, which limited the upside. Meanwhile, ahead of USDA's report for Friday, traders are expecting the ending stock for 2007-08 near 229 million bushels compared to 215 million bushels and crop estimates at 2.648 billion bushels against 2.619 billion bushels in USDA's Sept. report. However, domestically some negative force are seen that restricting upside in prices like quality concerns of fresh beans due to higher moisture content (15-18%), increasing arrivals in near term as farmers need money for Rabi cultivation and ahead of festivals (Idd, Dushera and Diwali) besides bumper production of beans this year.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	11.10.07	10.10.07	Parity To
Indore (MP)	12,700	12,200	Gujarat, MP
Shivpuri (MP)	-	-	UP, Bihar, WB, Nepal
Kota	12,500	12,400	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	12,700 / 12,800	12,600 / 12,700	Andhra, AP, Kar, TN
Dhulia/Jalna	13,200	12,900	Mumbai Maharashtra
Nagpur (41/45)	12,200-12,500	12,100-12,400	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	13,400	13,000	Local and South

Solapur	-	-	Local and South
Dharwar	12,800	12,700	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	11.10.07	10.10.07
Kandla	13,500-13,600	13,000-13,200
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 from the previous day levels of Rs 7170-7220/MT to Rs 7220-7370/MT amidst improved sentiments in mustard seed and oil on the back of higher MSP announced by the Center. 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 stood steady at its Wednesday's level of Rs 706-7/10 Kg in Rajkot amidst normal demand supply situation. Some demand from expellers was reported during the Wednesday's trade ahead of festivals (Idd, Dushera and Diwali) restricted the downside despite of steadily improving arrivals. Prices of groundnut DOC stood steady at Wednesday'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 11 [Open Auction]

Month	Open	High	Low	Close	Chg
Oct 07	268.5	269.0	263.7	268.8	+5.5
Dec07	274.7	275.5	270.0	274.9	+5.8

Monsoon Outlook (11.10.07)

Chief Features:

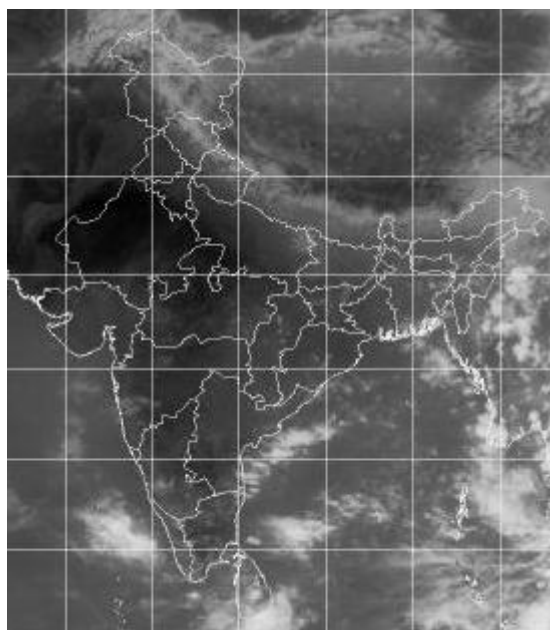
- The current meteorological analysis suggests that scattered light to moderate rainfall is likely over northeastern states during next 2-3 days.
- With the likely establishment of the seasonal east-west shear zone, scattered rain/thundershowers may commence over extreme south peninsula from tomorrow onwards.
- The current scenario suggests that minimum temperatures are likely to remain below normal by 2-3 °C over many parts of northwest, central and east India during next 3-4 days.
- Southwest monsoon is likely to withdraw from more parts of east & Central India and Maharashtra.

Outlook for subsequent two days from 0830 hours IST of 14th of October 2007 (Based on numerical weather products):

- Scattered rainfall activity is likely over extreme south peninsula.

Source: GOI (IMD)

Weather Map [As on 11.10.07]



Source-IMD

FOREX RATE AS ON 11.10.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.31
European Union	Euro	55.76
Japan	100 Yen	33.51
United Kingdom	GBP	80.12

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