

OILMEAL

04 December, 2007

MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects steady to weak sentiments

DOMESTIC MARKET

Soy meal

Soymeal prices are firm on Monday across the major trading centers due to firm soymeal sentiments at ports despite weak international market (CBOT). Expectations of higher soymeal export this year following lower crop in US and China further supported the sentiment. However, weak undertone in soybean and oil is seen limiting the upside. Meanwhile, country exported only a third of soymeal out of 20 lakh tonnes contracted so far this season. Meanwhile, South Asian soybean importers have diverted to India due to expected lower soybean production in the US, which contributes about 35% of world's production and continuing drought condition in China which adversely affected the soy crop and production coupled with bumper soybean output in the country.

Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	03.12.07	01.12.07	Parity To
Indore (MP)	13000-100	13200	Gujarat, MP
Kota	12900	12950	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	13300-500	13500 / 13700	Andhra, AP, Kar, TN
Dhulia/Jalna	13800	13900	Mumbai Maharashtra
Nagpur (41/45)	12400-700	12500-12800	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	14100	14200	Local and South
Dharwar	14300	14400	Karnataka, Tamil Nadu

DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	03.12.07	01.12.07
Kandla	13800-900	13950-14050
Mumbai	14000-100	14350-14450

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 09.11.07. 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 stood steady at Saturday's level on weakness in local/regional exchanges tracking weakness in soybean and oil coupled with expectation of higher meal export this season and lower production this year. At Jaipur, prices stood steady at Saturday's price level of Rs 841-842/MT. Meanwhile, according to Solvent Extractors' Association of India's mustard seed promotion council, India's mustard seed output is expected only at around 6 MMT in 2007-08 Rabi season, due to a slower sowing pace on the back of inadequate soil moisture. However, reports of rainfall over Rajasthan region may add momentum to sowing, to some extent which generally extends till Dec.15 and is favourable for early sowing crop. Country's major winter oilseed Rapeseed / Mustard sowing fell to 5.27 million hectares as of November 30th against 6.13 million hectares corresponding period last year. As per Solvent Extractors Association of India's rapeseed/mustard meal exports declined to 457,600 tonnes during April-October period this year from 525,075 tonnes in corresponding period last year and around 3,90,050 MT of rapeseed DOC was exported during April-

September 2007 period compared to 4,51,075 MT corresponding period last.

Groundnut DOC: -

Spot prices of groundnut complex witnessed steady to weak sentiment on Monday amidst mild demand-against improved arrivals. Weakness in other seeds and edible oil further added negative tone. However, considering the lower Rabi acreage of 2.41lha against 2.79 last year is likely to support the prices in near term besides news report that country has resumes groundnut oil exports. Meanwhile, country has resumed exports of groundnut oil after a long gap of around 2 years, on the back of increased kharif output. However, the volumes shipped may remain thin because of low profitability on the back of lower groundnut prices in international markets, which further pressured the domestic prices as the demand from exporters remained subdued in the market. However, around 15,000-20,000 tonne have already been contracted and most shipments so far are destined for European and Chinese ports in

containers as well as in bulk. Export orders signed so far include delivery of 5,000 tonne of groundnut oil at a price of \$1,745/MT, basis cost and freight, to be delivered to Dunkirk port in France. Another cargo of 5,000 tonne is due for shipment to Europe's Rotterdam port after Dec. 10. Expectation of higher meal export this year following lower crop globally and bumper production this Kharif season in the country is also expected to support the sentiment. The prices of groundnut seeds for different qualities stood steady at Saturday's level of Rs 512-513 on Monday in different markets of Gujarat. In Rajkot market groundnut oil eased from the Saturday's level of Rs 670-671/10 Kg to Rs 666-667/10 Kg. The Solvent Extractors' Association of India has just compiled the data for export of oil meals for the month of October 2007 and reported at 200 tons. During April to October 2007, around 12,475 MT of groundnut meal was exported compare to 12,275 MT of groundnut meal in April-September 2007 period. No exports were witnessed for the month of October 2006.

CBOT Soy Meal Futures as on December 3rd [Open Auction]

Month	Open	High	Low	Close	Chg
Dec07	-	-	-	-	-
March 08	-	-	-	-	-

Monsoon Outlook (03.12.07)

Chief Features:

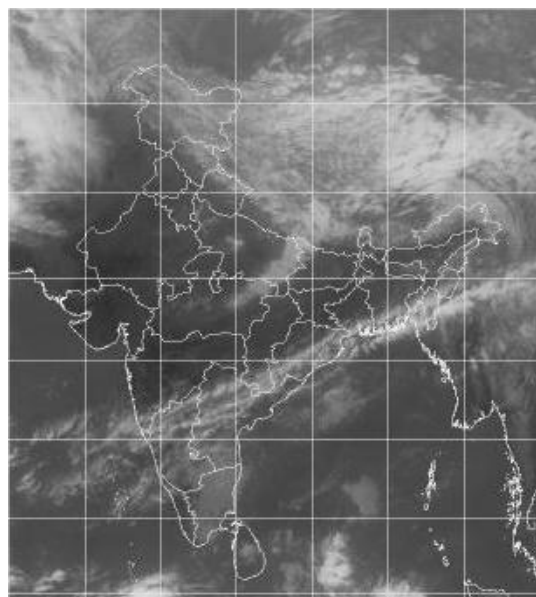
- With the eastward movement of the Western disturbance and prevailing of northwesterly winds, minimum temperatures are likely to fall by 3-4°C during next 2-3 days over plains of northwest and adjoining central India.
- Dense Fog conditions are also likely to prevail during late night-early morning over plains of northwest India during next 48 hours.

Outlook for subsequent two days from 1430 hours IST of 6th December, 2007 (Based on numerical weather products):

- Light Isolated rain/snow over Western Himalayan region.
- Isolated rain/thundershowers are likely over extreme south peninsula.

Source: GOI (IMD)

Weather Map [As on 03.12.07]



Source-IMD

FOREX RATE AS ON 03.12.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.56
European Union	Euro	58.04
Japan	100 Yen	35.78
United Kingdom	GBP	81.39

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