

## OILMEAL

11 December 2007

### MAJOR ACTIVITY HIGHLIGHTS

- Soy meal reflects steady to firm sentiments

### DOMESTIC MARKET

#### Soy meal

Soymeal prices remained steady to firm on Monday amidst firm soymeal sentiment at ports. Prices at all the markets remained same on Monday as Saturday prices. According to the Solvent Extractors' Association of India, India's oilmeal exports in Nov rose 1.3% to 590,825 metric tons from 583,250 tons last year. But during Apr-Nov the total export fell 10% compared to last year's 2.29 million tons. Soymeal exports in Apr-Nov fell to 1.42 MT from 1.65 MT. China's demand reduced because of better local crushing this subsequently declined in exports of rapeseed meal, soymeal and groundnut meal. However, India's castor meal exports jumped 82% to 206,100 tons in Apr-Nov due to demand from South Korea and Taiwan. At ports soymeal is fetching at US \$381-85 FAS.

#### Soybean DOC: - rates at different centers

Places	Ex-factory rates (Rs/ton)		
	08.12.07	08.12.07	Parity To
Indore (MP)	13600	13600	Gujarat, MP
Kota	13300	13300	Rajasthan, Del, Punjab, Haryana
Nanded/Latur	13600/13800	13600/13800	Andhra, AP, Kar, TN
Dhulia/Jalna	14400	14400	Mumbai Maharashtra
Nagpur (41/45)	13000	13000	CG, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	14200	14200	Local and South
Dharwar	14500	14500	Karnataka, Tamil Nadu

#### DOC Port rate at different centers

Centers	FOR Price (Buy price)	
	09.12.07	08.12.07
Kandla	14850-15000	14850-15000
Mumbai	15000-100	15000-100

#### Current vessel positions in different ports: -

Kandla: -

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Kandla: -

Vessel **MV Stella M** was expected to arrive on 07.12.07. It would load 8,000 MT of SBM. Seacrest agent is handling the vessel.

Vessel **M.V. GULF PRIDE** was expected to arrive on 14.12.07. It would load 8,400 MT of RSM. Seacrest agent is handling the vessel.

Vessel **M.V. FUSHIMI** has berthed on 08.12.07. It would load 14,500 MT of SBM/RSM. Taurus agent is handling the vessel.

#### Mumbai:-

Vessel **Badulu Valley** - VI has arrived on 07.12.07. 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 are weak on Monday amidst weakness in mustard seed in regional exchanges and local markets. At Jaipur, mustard meal traded at Rs.847.50/MT on Monday which is down compared to Saturday. 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, favourable climatic conditions in western Indian 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 have increased to 79,250 tonnes during April-November period this year from 68,250 tonnes in corresponding period last year.

#### Groundnut DOC: -

Spot prices of groundnut complex witnessed firm sentiment on Monday amidst firm physical demands, 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 tonnes 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

were weak at Saturday's level of Rs.504-505 per 20 kg to Rs.499.90 per 20 Kg to on Monday in different markets of Gujarat. In Rajkot market groundnut oil was weak from the Saturday's level of Rs.652-653 per 10 Kg to Rs.651.40 per 10 kg on Monday. 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 November 2007.

#### CBOT Soy Meal Futures as on December 8, 2007 [Open Auction]

Month	Open	High	Low	Close	Chg
Dec07	302.3	310.5	301	310.5	+10.9
March 08	311	318.5	309.7	318.2	+10.7

### Monsoon Outlook (10.12.07)

#### Chief Features:

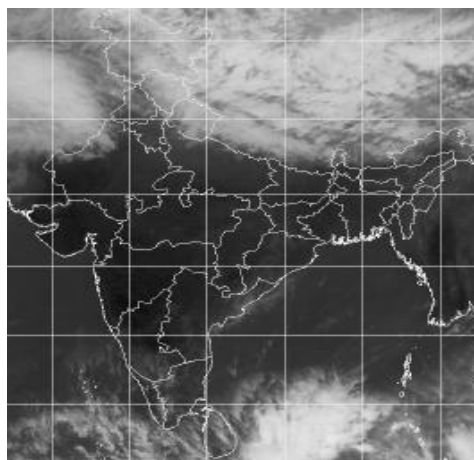
- Under the influence of the western disturbance, isolated to scattered rain/snow is likely over Western Himalayan Region during next 2-3 days. Isolated rain/thundershowers are also likely over adjoining plains of northwest India during the same period.
- Current meteorological analysis and numerical weather prediction models suggest further slight rise in minimum temperatures over plains of northwest India during next 1-2 days.
- A low pressure area is likely to form over southwest Bay of Bengal off east coast of Sri Lanka during next 48 hours.

#### Outlook for subsequent two days from 1430 hours IST of 13<sup>th</sup> December, 2007 (Based on numerical weather products):

- Isolated to scattered rainfall activity is likely over extreme south peninsula.
- Fall in minimum temperatures and fog at isolated pockets over the plains of northwest India.

Source: GOI (IMD)

### Weather Map [As on 10.12.07]



Source-IMD

#### FOREX RATE AS ON 10.12.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.38
European Union	Euro	57.66
Japan	100 Yen	35.29
United Kingdom	GBP	80.07

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