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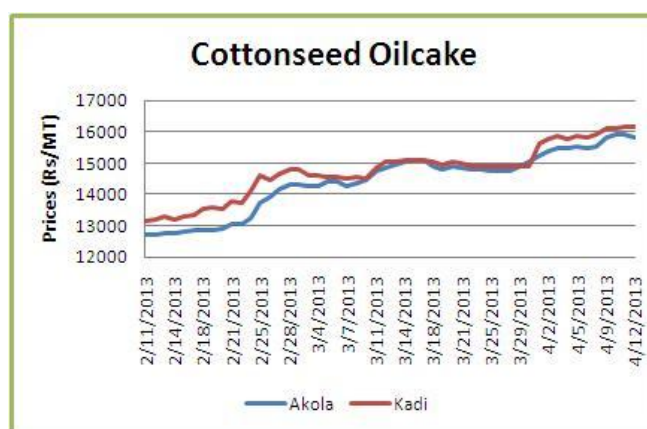
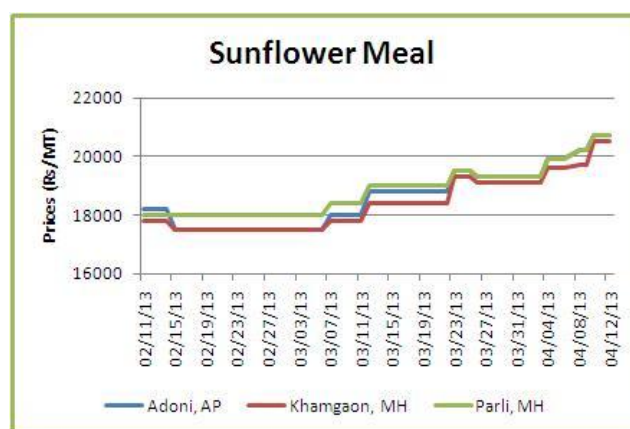
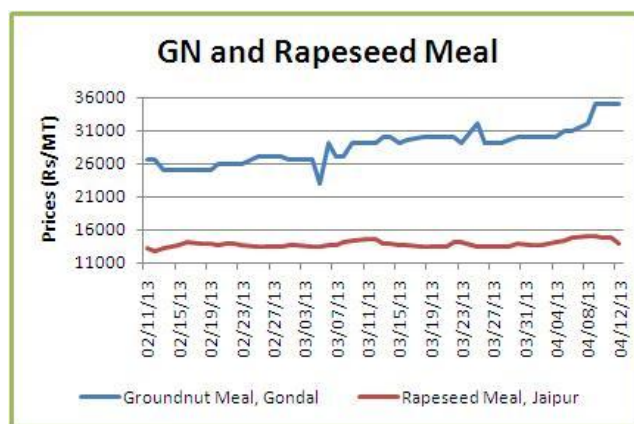
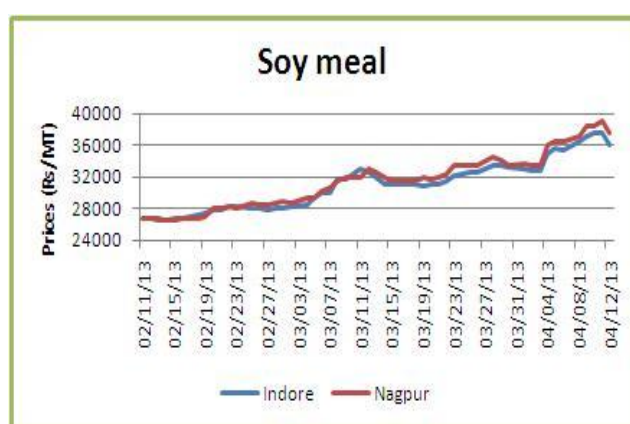
Summary

The key feed ingredients prices featured mixed tone during the week in review.

Soybean and soy meal prices witnessed gains on buying interest from crushers and strong international markets. Rapeseed/mustard seed prices extended gains in association with soybeans due to active buying despite seasonal arrivals. Further, wheat prices depicted weak trend during the week under review on increased pace of new crop arrivals at key centres. Maize featured mixed tone while bajra prices were steady to slightly firm on stable demand.

Overall, feed prices remained stable in the week under consideration despite a rise in prices of key feed ingredients such as soy meal and bajra.

Trend – Raw Material, Feed



Source: AgriWatch

The domestic soybean, meal and mustard seed prices extended gains, in association, consecutive second week on buying support from crushers and stockists.

Soybean improved on buying interest in crushers to meet the edible oil and meal demand during the week in review. The market was eagerly waiting for the two important international monthly reports from MPOB for production and inventory data and USDA for world agriculture supply and demand estimates for oilseeds during the week.

The Malaysian Palm Oil Board (MPOB) data proved to be bullish with fall in the palm oil inventories. Besides, better US exports inspection and overall shipment pace which continues to run at an explosive pace with cumulative shipments reported to be at 91% of the USDA export estimate vs. the 5 year average of 80%.

Further, in the monthly USDA report, the US crush was revised higher by 20 million bushels and export was revised up 5 million lend mild support to old crop CBOT soybean, but residual usage was revised down by 25 million as an offset.

Hence, better buying and strong international soybean market kept the domestic soybean market firm which is expected to gain further in near-term.

India's soy meal prices edged-up in tandem with soybean. Continued uptrend in prices of key feed ingredients like oilcakes, maize, bajra, DRB, di-calcium phosphate and meat bone meal other substitute grains in the last few days, pushed up the soy meal prices too. Since they are likely to get dearer further in coming weeks, the soy meal prices will eventually get upward support.

India's soy meal exports have slowed down, but their shipments are consistent. Iran, Japan, Thailand and France remained the consistent and major buyers in last several months.

Trade inquiries from the big buyers like Iran, Japan and other South-East Asian countries will further lend support the India meal prices. Preference for non-GMO meal, trade and logistic advantages will continue to remain supportive for the Indian meal.

According to the figures of the SOPA, India's Soy meal exports, which constitute the bulk of oilmeal exports, decreased by 30.66% to 3,20,265.370 tonnes in March'13 from 4,61,891.774 tonnes a year earlier.

The annual Soy meal exports in the financial year 2012-2013 (April-March) were 34,33,916.546 tonnes, decreased by 12.28 percent from 39,14,683.205 tonnes a year ago. During the FY 2012-13 export to Iran registered exceptional growth.

Partially, export of Soybean Meal suffered during Second quarter (Q2) due to poor availability of soybean & corresponding lower crushing.

During the first half of current Oil year (October – September), exports during October'12 to March'13 were 25,96,838.577 MT as against 27,85,831.205 MT last year or a drop of 6.78%.

The y-o-y fall in the India's soy meal export sales in the month of March is due to the demand shift towards South America owing to their competitive meal prices. This is due to the peak season in South America.

However, India's Y-o-Y soy meal prices have witnessed gains. Soy meal (Apr-May) exports price, FOR Kandla exports was quoted between Rs 37,000-38,550/MT compared to 24,300-26,500/MT during the same period last year.

The domestic soy meal is under pressure followed by competitive South American soy meal prices with harvesting picking up in the region. However, continued soy meal exports will lend support to some extent. The Indian meal exporters are advised to aggressively market their meal to the countries in vicinity including traditional South and Far-East Asian destinations to materialize the freight and logistics advantage. The prices are expected to feature range-bound movement on mixed sentiments.

India's soy meal prices will continue to face stiff price competition to South American meal as the harvesting in the region is underway. FOR, Kandla is likely feature range-bound movement between the price band of Rs.37,000-39,000/MT.

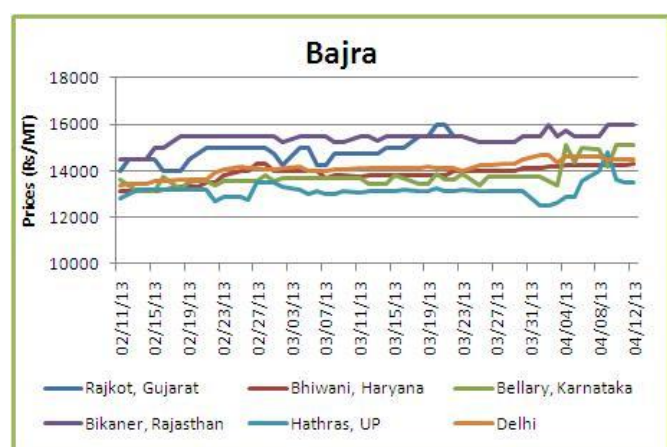
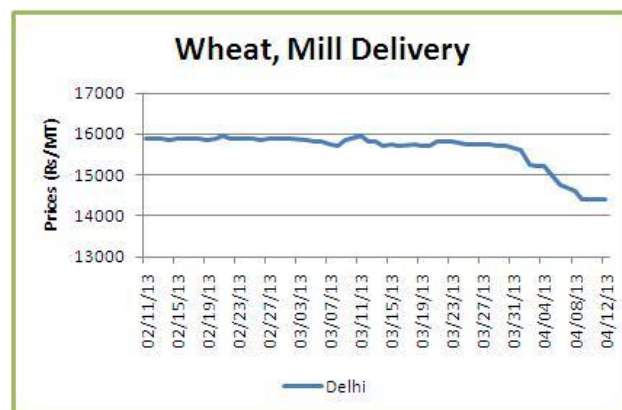
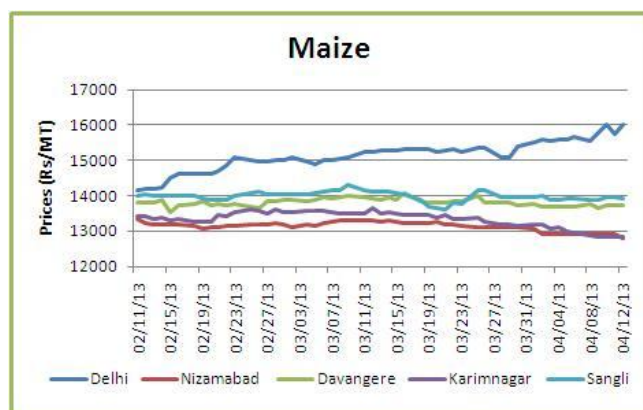
Mustard/rapeseed prices witnessed gains on supportive buying, extending previous week's gain. The prices gained despite surge in the seasonal supplies. However, active buying by the millers and the stockists remained the positive factor for the seed market during the period.

Besides, the Malaysian Palm Oil Board (MPOB) data proved to be bullish with fall in the palm oil inventories. The MPOB has reported that Malaysia's March palm oil stocks fell by 10.9 per cent to 2.17 million tons from 2.44 million tons in February 2013 but were higher as compared with 1.96 million tons of stock in March last year. In addition, palm oil production in March 2013 at 1.32 million tons was up 2.3 per cent from Feb 2013.

The mustard seed crushings have improved with the rise in arrivals the cash markets and the traders are expecting fresh demand in the mustard oil in a week or two with upcoming auspicious wedding dates. The market participants are closely watching rape extract exports for opportunity. Import restrictions from China, after traces of malachite green in the rapeseed extract imported by the country in December 2011 have hurt India's rapeseed shipments to a large extent.

The domestic mustard/rapeseed prices are likely to gain on active buying support across the cash markets in the key producing regions in near-term.

RM seed prices are expected to feature range bound movement with firm bias, in near term, on fresh buying. The prices are likely improve and are expected to witness 3550-3650 level in near term.



Source: Agriwatch (Prices: Maize-Industrial/Feed Grade. Wheat-Mill Delivery: Lawrence Road, Delhi)

During the week, mixed sentiments were witnessed in most of the major spot markets of maize.

As per Agriwatch trade sources, new crop arrivals of maize from Bihar are lower in quantity at this time and contain around 15 per cent moisture. In Naugachia, around 30-40 tons of maize crop arrivals are reported on daily basis quoted at Rs. 1450 per quintal containing 15-16% moisture level. Meanwhile, in Gulabghat, 100 tons of maize crop arrival reported. In Purina district, maize traded at Rs. 1500 per quintal with 14-15% moisture level.

Meanwhile, in the Ahmadabad market of maize, lower arrivals reported from Maharashtra. Sluggish local poultry feed makers demand reported at Rs. 1425-1470 per quintal while starch industry demand for corn reported at Rs. 1435-1510 per quintal during last week.

During the week, no major trade activity reported in Karnataka spot markets as arrivals are not coming to the market.

In the Nizamabad region of A.P., maize new crop arrival has started. However, demand for new crop is lower at this time due to high moisture level i.e. around 16%. Around 300,000 bags of maize could be in the Nizamabad market of maize. During the week, market was closed most of the days due to local festival. Sources revealed that maize could trade steady in the near term.

In Delhi spot market, maize traded steady to slightly firm during last week due to lower supply in the market.

Corn prices increased on CBOT owing to forecast by the USDA for U.S. corn ending stock at 757 million bushels in the current marketing year for 2012/13, below an average trade expectations for 812 million bushels. Also, wet weather condition in U.S Midwest and adverse weather condition in china's corn producing belt support the corn prices during last week.

As per USDA, U.S. corn export figures reached to 11494095 metric tons for the 2012-13 marketing year which is lowered by around 53% from the last marketing year during the same period. Corn exports were down by 51 percent to 279800 metric tons from the previous week and 37 percent from the prior 4-week average.

Indian C&F Maize prices (around \$332) were same during the week compared to the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (around \$344.8), Brazil C&F (around \$333.1) and getting stiff competition from Argentina Maize C&F prices (around \$297.44).

Indian corn prices are likely to trade weak due to sluggish export demand as global corn prices trade weak. New crop arrival from Bihar could also weigh on the prices.

Wheat prices remained steady to weak during the week under review due to increased pace of new crop arrivals. Prices are expected to fall further in the week ahead as harvesting will pick up in Punjab and Haryana.

Wheat inflation in March, 2013 was 19.87% which is lower than February's 21.63%. WPI has fallen from 206.9 in February to 206.3 in March. Inflation is expected to fall further in April due to new crop arrivals.

During the week MMTC issued wheat tender and MMTC has received highest bid of USD 302/T for 50,000 MT wheat to shipped by 5 June from east port. Earlier tender of MMTC received no bids.

With rising temperature, arrival from newly harvested crop has started picking up in the northern states. However, weather remains the key concern in many regions. Overall condition in Punjab and Haryana is dry.

Crop from other states may enter M.P. and Rajasthan as farmers of adjoining states are willing to take advantage of bonus and higher prices in local market. Supply is likely to increase continuously and will continue to weigh the market sentiment.

Rakes are being loaded from eastern U.P for South India at Rs 1450/Q, Delivered basis. Traders are offering Rs 1400-1425/Q in Rajasthan for new crop and Government is purchasing with token system limiting daily procurement to 500 MT per day, as per feedback from Farmers and Traders.

Wheat harvesting has almost concluded in Madhya Pradesh, while it is completed by 75-80% in Rajasthan, 95-96% in Gujarat, 25% in U.P and 15-20% in Bihar. Private traders are not getting export parity from Rajasthan and Gujarat as FOR Kandla is around Rs 1570/Q (USD 287.91/MT). Russia and Ukraine are offering wheat at USD 265-275/T.

As on 1 April 2013, wheat stock in the central pool was 242.07 lakh tons which was 199.52 lakh tons at the same time, last year.

Traders in M.P are buying new wheat crop in small quantity at Rs 1250-1280/Q, as wheat has been discoloured due to untimely rains and hailstorm, and higher content levels of foreign matter. Traders say that they will abstain from buying new crop for at least another week.

As per the latest USDA report, US ending stocks are projected 15 million bushels higher, as weak demand is seen from feed industry and world wheat ending stocks are projected at 182.26 million tons as compared to 178.23 million tons in previous report.

Wheat spot and future market is likely to trade steady to weak as supply will pressurize market.

Outlook

Prices of key feed ingredients are expected to feature range bound movement with firm bias in the days ahead due to rise in prices of key ingredients (mainly soy meal and bajra). However, likely decline in production of poultry products due to seasonality may pressurize the feed prices.

Spreads

Maize Average Weekly spread with Bajra

Week	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13
1	95	63.75	112	193	117.5	177.0	187.5	213.0	115.0	113.0	86.0	106.0
2	95.8	42.00	166	119	86.67	219.0	213.0	210.0	131.0	82.50	112.5	145.0
3	101.7	93.00	200	90	100.0	270.0	214.0	158.0	170.0	93.75	110.0	
4	72.0	127.5	204	103	79.0	264.0	238.0	147.0	153.0	102.0	110.0	
5	90.0			106.0					135.0			

*Market Center: Delhi. Maize – loose price. Maize prices less Bajra

As the table depicts, in Delhi spot market, maize spread with bajra traded firm as maize traded slightly higher due to lower supply in the market. Sources revealed that higher demand of poultry feed makers and lower supply could keep bajra prices slightly firm and keep maize spread with bajra down during next week.

Maize Average Weekly spread with Jowar

Week	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13
1	-322.5	-336	66	83	190	150.0	137.0	192.0	205.0	107.0	142.0	265.0
2	-324	-302	113	46	198.3	180.0	183.0	218.0	190.0	80.0	172.5	322.0
3	-170	-280	73.00	0	208.0	177.0	204.0	169.0	182.5	147.5	178.0	
4	-320	-152	85.8	17.5	93.0	140.0	142.0	172.0	153.0	170.0	244.0	
5	-403			122.5					132.5			

*Market Center: Delhi. Maize – loose price. Maize prices less Jowar

As the table depicts, maize spread with jowar increased from last week as jowar traded lower during last week due to sluggish demand. Sources revealed that both commodities could trade steady during next week and keep maize spread with jowar intact.

Maize Average Weekly spread with Wheat

Week	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13
1	-108	-117	22	70	-106	-123	-139	-21	-48.0	-90.8	-59.0	97.0
2	-109	-130	61	28	-142	-188	-170	0.0	-44.0	-143	-14.0	220.0
3	-69	-65	107	-47	-154	-193	-101	-5.0	4.0	-81.25	-2.50	
4	-96	3	108	-173	-156	-127	-27	-8.0	-31.0	-47.5	29.0	
5	-188			-167					-62.0			

*Market Center: Delhi. Maize – loose price. Maize prices less Wheat

As the table depicts, maize spread with wheat increasing week on week basis as wheat is trading down due to new crop arrival pressure. We expect that wheat could trade down further due to supply pressure and keep maize spread with wheat in the positive tone.

Maize Average Weekly spread with Barley

Week	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13
1	-239	-281	16	133	212	160.0	213.0	242.0	135.0	71.67	152.0	327.5
2	-191.7	-250	58	96	201.67	226.0	150.0	268.0	140.0	62.50	189.0	369.0
3	-191.7	-163	102.5	76	234.0	206.0	157.0	168.0	174.0	122.5	239.0	
4	-238.0	-16	85.8	94	143.0	226.0	215.0	172.0	139.0	167.0	294.0	
5	-283.0			207.5					97.50			

*Market Center: Delhi. Maize – loose price. Maize prices less Bajra

As the table depicts, in Delhi spot market, maize spread with barley increased from last week as barley traded down due to sluggish demand of malt industry buyer. Further, new crop arrivals of barley could also weigh on the prices and could keep maize spread with barley towards northward zone.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	12.04.2013	05.04.2013	Parity To
Indore (MP)	36000	35500-36000	Gujarat, MP
Kota	36500	36000	Rajasthan, Del, Punjab, Haryana
Akola	37000	36200	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	38500	-	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	38500	38000	Andhra, AP, Kar, TN
Dhulia/Jalna	39000	36000	Mumbai, Maharashtra
Nagpur (42/46)	37500	36500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	38500	38500-39000	Local and South
Solapur	38500	38000	Local and South
Bundi	37000	36000	-

Soy DOC at Port

Centers	Port Price	
	12.04.2013	05.04.2013
Kandla (FOR) (INR/MT)	37375	36000
Kandla (FAS) (USD/MT)	687	656

International Soy DOC

Argentina FOB \$/MT	12.04.2013	05.04.2013	Change
Soybean Pellets	439	431	+8
Soybean Cake Meal	439	431	+8
Soybean Meal	447	439	+8
Soy Expellers	447	439	+8

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	12.04.2013	05.04.2013	Change
Adoni	20700	19900	+800
Khamgaon	20500	19600	+900
Parli	20700	19900	+800
Latur	20500	19600	+900

Groundnut Meal

Groundnut Meal	12.04.2013	05.04.2013	Change
Basis 45% O&A, Saurashtra	33000	30000	+3000
Basis 40% O&A, Saurashtra	30000	28500	+1500
GN Cake, Gondal	35000	31000	+4000

Mustard DOC/Meal

Mustard DOC/Meal	12.04.2013	05.04.2013	Change
Jaipur (Plant Delivery)	13800	14300	-500
Kandla (FOR)	14800	15000	-200
Sri Ganganagar	655	665	-10

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	12 Apr, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1600	1565	1525	1420	-
Davangere	Bilty	-	1350	-	1360	1150
Naugachia	Bilty	-	-	-	-	1125
Nizamabad	Bilty	-	1280	-	1320	1180
Ahmedabad	Feed	1440	1450	1450	1450	1360
	Starch	1510	1500	1510	1450	1380

FOB, C&F – Maize at Various Destinations (USD/ton)

	Argentina	Brazil	US	India (Davengere Origin)
FOB	247.44	278.1	284.8	297
Cost and Freight (Thailand)	297.44	333.1	344.8	332

Soy Meal Exports (In MT):

<u>Month</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Jan	521243	240318	574996	474993	620133
Feb	375098	220552	540360	344240	577589
Mar	224639	163666	410537	460464	320265
Apr	100106	60264	305033	313832	
May	77018	60575	176819	142588	
Jun	109923	98400	117600	180987	
Jul	58268	166632	139547	168341	
Aug	127299	176138	165510	10005	
Sep	171955	290868	225921	6525	
Oct	219721	404960	223594	49840	
Nov	297340	443488	397659	517103	
Dec	328225	611157	798041	510698	
Total	2610835	2937018	4075617	2668918	

Feed Ingredient Prices at a Glance:

<u>Commodity</u>	<u>State</u>	<u>Variety</u>	<u>Centre</u>	<u>12.04.2013</u>	<u>05.04.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1421	1436	-15
		Hybrid	Bangalore	1475	1475	Unch
Jowar	Karnataka	White	Bangalore	1800	1800	Unch
		White	Bellary	1269	1289	-20
Maize	Karnataka	Yellow	Davangere	1310	1300	10
	Andhra Pradesh	Yellow	Nizamabad	1280	1230	50
Rice	Haryana	IR8	Karnal	1800	1800	Unch
		Parmal Raw	Karnal	2300	2250	50
Soy meal	Madhya Pradesh	DOC	Indore	36000	36000	Unch
	Maharashtra	DOC	Sangli	38500	39000	-500
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	20700	19900	800
	Maharashtra	Ex-factory	Latur	20500	19600	900
Mustard	Rajasthan	Plant delivery	Jaipur	13800	14300	-500
Groundnut Meal	Gujarat	GN Cake	Gondal	35000	31000	4000

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