

Contents:

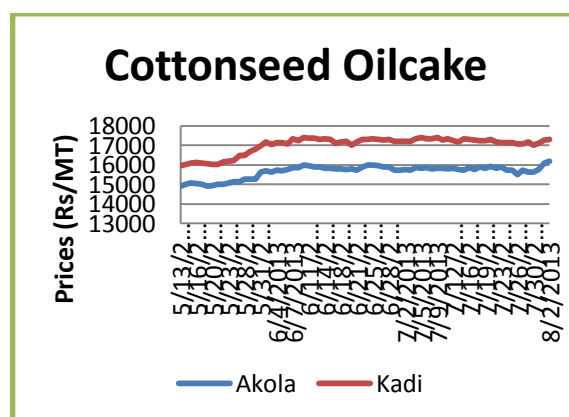
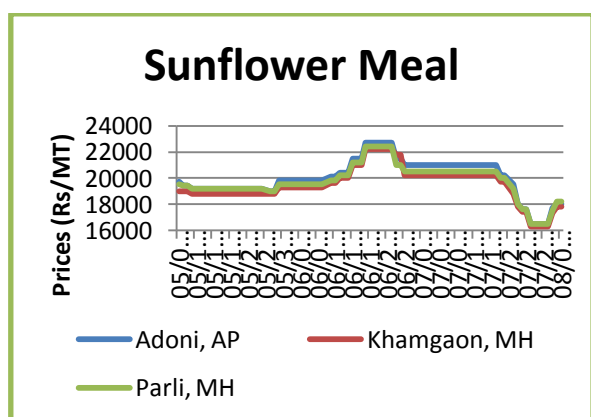
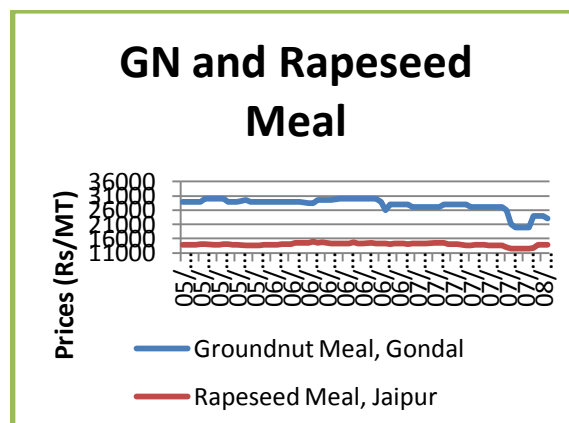
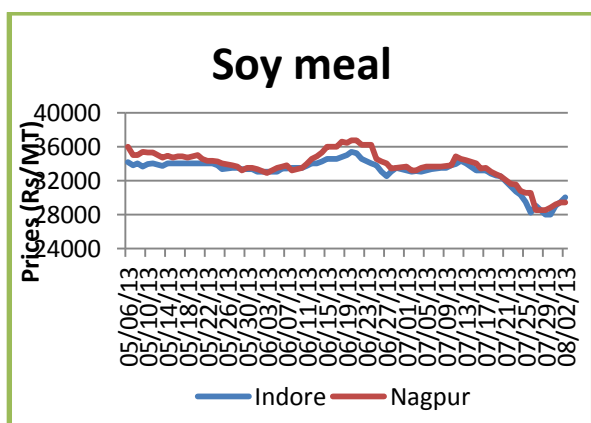
- ❖ Summary
- ❖ Trend – Raw Material, Feed
- ❖ Outlook
- ❖ Spreads
- ❖ Annexure - Prices

Summary

The key feed ingredients prices witnessed mixed sentiments during the week in review.

Soybean prices began the week on a surge as incessant rainfall in the key soybean producing regions of Madhya Pradesh, Rajasthan and Maharashtra led to fears of damage to the standing crop in these regions. Further, arrivals were affected in the spot markets during the week across all states. In addition, weakness in the Indian rupee also lent support to the domestic market. Soy meal also witnessed gains in line with the oilseed prices during the week. Mixed sentiments witnessed in most of the major spot markets of maize during last week. Wheat prices have fallen recently due to sluggish domestic demand and almost no export demand. Overall, feed prices depicted mixed tone during the week under consideration.

Trend – Raw Material, Feed



Source: AgriWatch

Domestic oilseeds and oil meals prices witnessed a range bound movement during this week. Market was up on concerns of crop damage in the leading production areas of central India. However, gains were capped by estimates of higher oilseed production in the current season due to

increased acreage. Besides, weakness in global oils and oilseeds markets continue to put pressure on the prices during the week.

Gains were restricted, primarily on government's estimates of higher soybean production this season and strong planting pace. The market slipped further on prospects of early crop arrivals in the markets. The domestic market was also affected by the plunge in soybean prices on CBOT due to weak demand and favorable weather conditions prevailing over key belts.

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In its latest official planting report, the kharif oilseeds planting was reported ahead of previous year's pace, as on 1 August, 2013. Overall, the oilseed planting was reported up by 19.60 per cent at 173.21 lakh ha against 144.87 lakh ha during the same period last year. Of the major kharif oilseeds crops, soybean planting stood up by around 15.20 per cent at 118.76 lakh ha compared to 103.06 lakh hectares during the same period last year on higher acreage in Madhya Pradesh, Maharashtra and Rajasthan due to timely onset of monsoon and widespread distribution of rainfall in oilseeds growing regions.

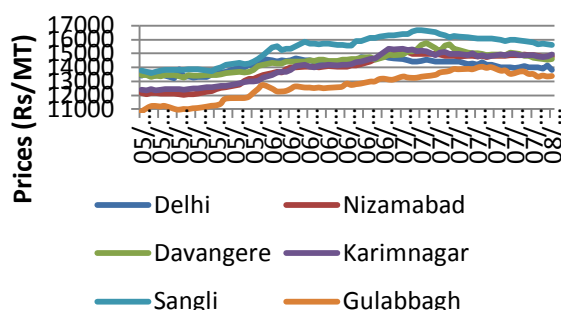
Soy meal witnessed gains in line with the oilseed prices during the week in review. Weakening of the Indian rupee over the last few days and strength in the oilseeds market support the bullishness. As per latest release by SOPA, the soy meal export during the month of June was 2.134 lakh tons as compared to 1.809 lakh tons in the same period of previous year. Internationally, US market attempts to grapple with the questionable meal export demand going forward and processors seem to have a steady supply stream of soybeans for now.

Mustard seed in key mandis across Rajasthan and Gujarat featured firm sentiments in line with domestic soybean prices. Arrivals were low across major spot markets of Rajasthan as compared to last week which also supported the prices. Also, improved demand for oils due to upcoming festivities also supported the prices. Also positive cues from slightly bullish palm oil export figures and weaker ringgits helped support prices of Malaysian palm oil to some extent, which in turn aided RM seed.

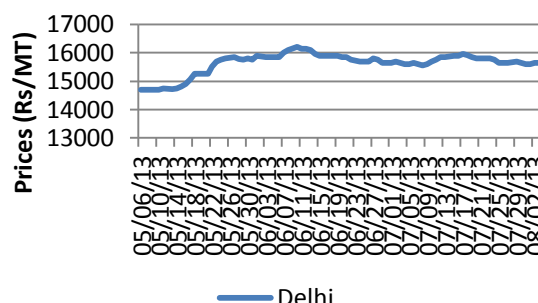
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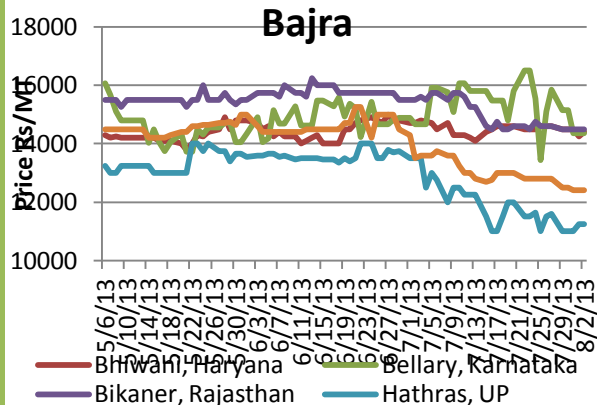
Maize



Wheat, Mill Delivery



Bajra



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

Mixed sentiments witnessed in most of the major spot markets of maize during last week.

In Ahmadabad region of Gujarat, poultry feed makers demand reported steady for corn in a range of Rs. 1500-1550 per quintal. However, starch feed makers demand reported down by Rs. 50 per quintal to Rs.1450 per quintal as compared to last week.

During the week, arrivals were disrupted most of the days due to rainfall. However, rest of the days, on daily basis, around 5 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1300-1325 per quintal, contained around 14% moisture, sourced from Bihar.

As per sowing report by Ministry of agriculture, maize sowing has increased from last year owing to good rainfall in the maize growing regions. Farmers have planted maize in 71.11 lakh hectares as of 26th July, 2013 against 57.15 lakh hectares sown in 2012-13.

As per Agriwatch trade sources, Kolkata feed millers demand reported in a range of Rs.1500-1550 per quintal, sourced from Bihar. Maize is also moving towards West Bengal in a range of Rs. 1450-1500 per quintal.

In Nizamabad region of A.P., around 2.7 lakh bags of maize could be in the hand of stockiest and farmers and in A.P., total maize stock could be around 17 lakh bags which is same from the last year during same period.

During the week, hybrid maize traded in a range of Rs.1370-1400 per quintal sourced from U.P. Sources revealed that lower quality arrivals could weigh on the prices.

As per USDA, U.S. corn export figures reached to 16,297,488 metric tons for the 2012-13 marketing year which is lowered by ~54% from the last marketing year during the same period. However, corn exports were up by 37% to 328,100 metric tons from the last week and 4% from the prior 4-week average. Out of total weekly exports of 328,100 for the period of July 19- 25, 2013 reported by U.S. to Japan (127,000 MT), Mexico (118,800 MT), Venezuela (62,800 MT), and El Salvador (7,000 MT).

As per the latest crop progress report released by USDA, Corn has silked by 71% as of 28th July, 2013 which is below 22% from the last year and 4% from the last 5 year average period. 8% corn has dough, below 27% from last year. However, 63% corn crop is in good to excellent condition which is above 39% as compared to last year.

As per European trader, South Korea's largest animal feed maker Nonghyup Feed Inc. has made an initial purchase of 50,000 tons of corn from the Black Sea region at \$233.44 a ton c&f from CHS for arrival by Jan. 15, 2014. The tender was for up to 140,000 tons of corn.

As per Reuter news, Singapore traders told that Asian corn buyers, including Indonesia and Vietnam, are largely covered for supplies until November but Malaysia is likely to be in the market for around 120,000 tons for October arrival. Asian buyers have been largely taking South American corn in contracts signed over the past month but some of the business is likely to shift to Ukraine, offering corn at \$240 a ton, C&F, for delivery in the fourth quarter, a discount of \$10 a ton on South American cargoes.

Wheat prices have fallen recently due to sluggish domestic demand and almost no export demand. Traders say prices are expected to fall further in week ahead as farmers are increasing supply in fear of falling prices. No export demand has reported as international wheat prices are lower than Indian wheat prices, which has resulted in more availability of wheat in domestic market, resulting in bearish pressure.

Bangladeshi traders has bought around 40,000 MT Indian wheat of Eastern Uttar Pradesh region at USD 290/MT, FOR. Wheat first will be sent to Kolkata and then transported to Bangladesh by road. Feed wheat buyers of Thailand are replacing Indian and Australian wheat with Black sea region wheat.

Traders from Karnal, Kosi, Kota and Rajkot has revealed that wheat prices may further fall as implementation of food security bill will divert some quantity to open market through illegal channels, which will increase availability at lower prices resulting in weak market.

As on 22nd July government has procured 250.84 lakh tonnes of wheat against 379.29 lakh tonnes at the same time previous year. Procurement has fallen by 34% this year due to lower production, higher purchases by private traders and holding of crop by farmers.

Trade sources revealed, milling wheat is trading in the range of Rs 1500-1525/Q in Amritsar region. Local demand is low and ample stock is available with government now. Government stock will be dictating market prices in times ahead.

According to traders, government will be selling 85 lakh tonnes of wheat from Punjab and Haryana at Rs 1500/Q Ex warehouse. Around 27.44 million tonnes of wheat is lying in stock as on 1st July. But South Indian traders feel it is prices to high due to transportation and other charges. In Karnataka government wheat will cost around Rs 1850-1875/Q, Mill delivered when lifted from Punjab and Haryana however wheat is available from Rajasthan and M.P private traders at Rs 1820-1850/Q with credit facility.

International wheat market is likely to trade steady to weak on better global output. Ongoing harvesting in US, Black Sea region and better expected planting in Canada and Argentina has pressurized market. However expected increase in demand from China and Egypt might support prices in near term.

Outlook

Feed prices are expected to trade range bound in the coming days due to fluctuation in the prices of key feed ingredients.

Spreads

Maize Average Weekly spread with Bajra

Week	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13
1	117.5	177.0	187.5	213.0	115.0	113.0	86.0	106.0	71.00	-5.0	2.50	137.00
2	86.67	219.0	213.0	210.0	131.0	82.50	112.5	145.0	33.00	-9.0	29.00	
3	100.0	270.0	214.0	158.0	170.0	93.75	110.0	154.0	-100.0	-38.0	57.00	
4	79.0	264.0	238.0	147.0	153.0	102.0	110.0	86.0	-104.0	-49.0	120.00	
5					135.0				-72.0			

*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 compared to last week. Bajra traded down vs. Maize. However, both commodities traded down due to lower quality crop arrivals. We expect that trend could continue in the near term and keep maize spread with bajra intact during next week.

Maize Average Weekly spread with Jowar

Week	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13
1	190	150.0	137.0	192.0	205.0	107.0	142.0	265.0	171.0	88.0	175.00	230.00
2	198.3	180.0	183.0	218.0	190.0	80.0	172.5	322.0	133.0	146	175.00	
3	208.0	177.0	204.0	169.0	182.5	147.5	178.0	320.0	-23.0	243	197.00	
4	93.0	140.0	142.0	172.0	153.0	170.0	244.0	205.0	0.83	229	250.00	
5					132.5				53.0			

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

As the table depicts, maize spread with jowar decreased as maize traded slightly down with the steady price movement in jowar. We expect that both commodities could follow the trend and keep maize spread with jowar towards southward zone.

Maize Average Weekly spread with Wheat

Week	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13
1	-106	-123	-139	-21	-48.0	-90.8	-59.0	-97	67	-132	-112.5	-107.5
2	-142	-188	-170	0.0	-44.0	-143	-14.0	-220	32	-133	-134.0	
3	-154	-193	-101	-5.0	4.0	-81.25	-2.50	-179	-140	-87.50	-182.5	
4	-156	-127	-27	-8.0	-31.0	-47.5	29.0	76.0	-174	-82.50	-105.00	
5					-62.0				-137			

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

As the table depicts, maize spread with wheat slightly decreased as maize traded down vs. wheat. We expect steady to weak movement in both commodities lead to steady tone of spread.

Maize Average Weekly spread with Barley

Week	Sep	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13
1	212	160.0	213.0	242.0	135.0	71.67	152.0	327.5	290.0	213.0	133.0	165.0
2	201.67	226.0	150.0	268.0	140.0	62.50	189.0	369.0	283.0	185.0	115.0	
3	234.0	206.0	157.0	168.0	174.0	122.5	239.0	383.0	122.5	143.0	140.0	
4	143.0	226.0	215.0	172.0	139.0	167.0	294.0	314.0	151.0	147.5	185.0	
5					97.50				196.0			

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

As the table depicts, In Delhi spot market, maize spread with barley decreased as barley traded steady during last week. We expect that barley could trade steady in the near term and keep maize spread with barley down as compared to last week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	02.08.2013	26.07.2013	Parity To
Indore (MP)	29300-3000	27800-28200	Gujarat, MP
Kota	29400-29600	27800-30000	Rajasthan, Del, Punjab, Haryana
Akola	30200-30500	28500-28800	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	30000-31000	30500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	32000	31000	Andhra, AP, Kar, TN
Dhulia/Jalna	31000	30300	Mumbai, Maharashtra
Nagpur (42/46)	-	-	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	-	-	Local and South
Solapur	-	30300	Local and South
Bundi	29000	27800	-

Soy DOC at Port

Centers	Port Price	
	2.8.2013	26.7.2013
Kandla (FOR) (INR/MT)	31000	30200
Kandla (FAS) (USD/MT)	510	513

International Soy DOC

Argentina FOB \$/MT	1.8.2013	25.07.2013	Change
Soybean Pellets	465	469	-4
Soybean Cake Meal	465	469	-4
Soybean Meal	473	477	-4
Soy Expellers	473	477	-4

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	2.8.2013	26.7.2013	Change
Adoni	18000	16500	+1500
Khamgaon	17800	16300	+1500
Parli	18200	16500	+1700
Latur	17800	16300	+1500

Groundnut Meal

Groundnut Meal	2.8.2013	26.7.2013	Change
Basis 45% O&A, Saurashtra	23500	26000	-2500
Basis 40% O&A, Saurashtra	20500	23000	-2500
GN Cake, Gondal	23000	20000	+3000

Mustard DOC/Meal

Mustard DOC/Meal	2.8.2013	26.7.2013	Change
Jaipur (Plant Delivery)	13800	12500	+1300
Kandla (FOR)	14400	13500	+900
Sri Ganganagar	635	620	+15

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	2 Aug, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Red	1410	1400	1375	1425	-
Davangere	Bilty	1455	1560	-	-	1335
Naugachia	Bilty	1320	1300	-	1100	1200
Nizamabad	Bilty	1490	1475	1500	1360	-
Ahmedabad	Feed	1500	1500	1580	1450	1490
	Starch	1400	1400	1570	1475	1540

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

	Argentina	Brazil	US	India (Davangere Origin)
FOB	218.9	184.05	223.83	277
Cost and Freight (Thailand)	268.9	239.05	283.83	312

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	100311
May	77018	60575	176819	142588	97546
Jun	109923	98400	117600	180987	213564
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>02.08.2013</u>	<u>26.07.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1437	1511	-74
		Hybrid	Bangalore	1510	1510	Unch
Jowar	Karnataka	White	Bangalore	2000	2200	-200
		White	Bellary	1436	2600	-1164
Maize	Karnataka	Yellow	Davangere	1440	1460	-20
	Andhra Pradesh	Yellow	Nizamabad	NA	1510	-
Rice	Haryana	IR8	Karnal	2300	2300	Unch
		Parmal Raw	Karnal	2400	2400	Unch
Soy meal	Madhya Pradesh	DOC	Indore	29300	27800	1500
	Maharashtra	DOC	Sangli	31000	32500	-1500
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	18000	16500	1500
	Maharashtra	Ex-factory	Latur	17800	16300	1500
Mustard	Rajasthan	Plant delivery	Jaipur	13800	12500	1300
Groundnut Meal	Gujarat	GN Cake	Gondal	23000	20000	3000

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