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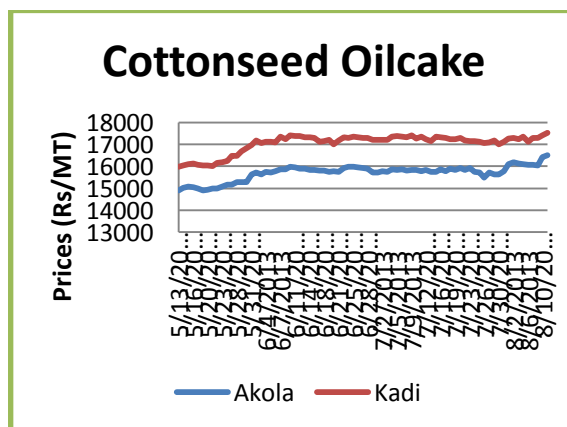
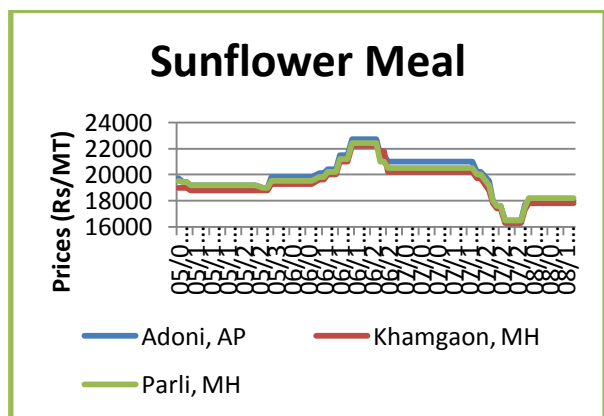
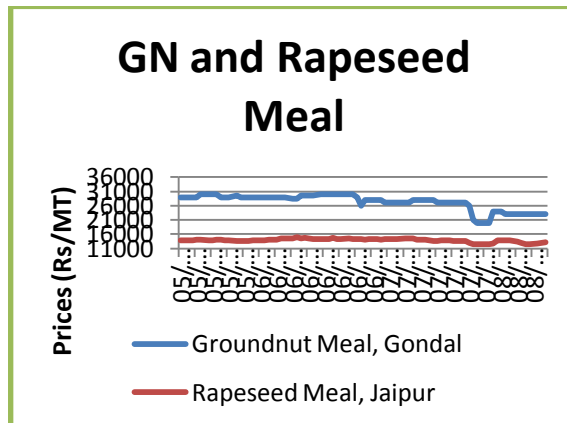
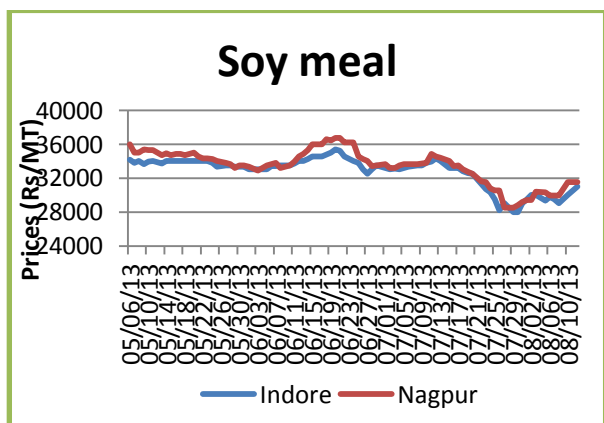
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## Summary

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

Soybean prices edged higher as incessant rainfall in the key soybean producing regions of Madhya Pradesh, Rajasthan and Maharashtra has led to widespread fears of damage to the standing crop in these regions. Further, arrivals were hit in the spot markets of Rajasthan and Madhya Pradesh during the week. In addition, continued weakness in the Indian rupee also lent support to the market. Soy meal witnessed steady to slightly firm tone in line with the soybean prices. Weakening of the Indian rupee over the last few days and strength in the oilseeds market support the bullishness. Mixed sentiments witnessed in most of the major spot markets of maize during last week. Wheat prices have fallen recently on the general talk in market that government may offer some discount for selling wheat through OMSS as election are round the corner. Government would try to curb inflation within limit. Despite, lower production, overall sentiment in the market remains bearish.

## Trend – Raw Material, Feed



Source: AgriWatch

Domestic oil seeds and oil meals prices witnessed a surge during the week in review. Market was up on concerns of crop damage in the leading soybean producing regions of central India and modest gains in prices of soybeans on CBOT market during the past week. However, market was pressured by estimates of much higher oilseed acreage and expected higher soy production in the current season.

Sharp gains were restricted, primarily due to government's estimates of higher soybean production this season and strong planting pace. In the latest official planting report, the kharif oilseeds planting was reported ahead of previous year's pace, as on 8 August, 2013. Overall, the oilseed planting was reported up by 18.30 per cent at 181.26 lakh ha against 153.2 lakh ha during the same period last year.

Internationally, soybean prices on CBOT featured slight gains. China auctioned off domestic reserves during this week to crushers to make room for new crop supplies. Further, strong economic data released by China has added to the long term optimism over their economic growth imparting a bullish tone to the market. As per Oil World, current US oilseed crop conditions are generally favorable. However, the late plantings of soybeans and lower than usual temperatures recently have increased the risk that the crops will partly not be mature when the first freeze occurs. Timing and magnitude of such a freeze will be of key importance in these regions.

Reportedly, profit margins of farmers have been squeezed significantly for the next crops in Argentina and Brazil due to the recent plunge in soybean prices amid higher stock positions. Still, farmers in these countries are likely to expand soybean sowings for next year's crop at the expense of corn due to relatively better profit margins.

Soy meal witnessed steady to slightly firm tone in line with the soybean 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. According to the latest release by SOPA, the export during July 2013 was 1.070 lakh tones as compared to 1.683 lakh tones in the same period of previous year showing a decrease of approx. 36.4 per cent. On a financial year basis, the export during April 2013 to July 2013 has been 5.183 lakh tons as compared to 8.242 lakh tons in

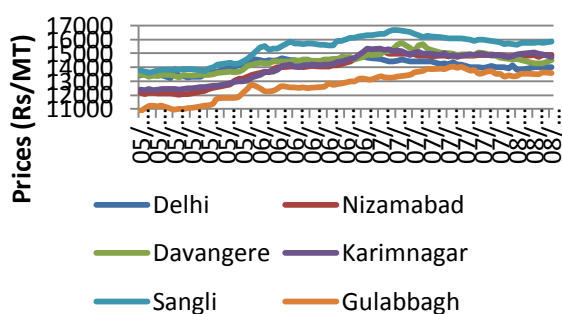
Rapeseed/mustard seed prices in key spot markets of Rajasthan and Gujarat featured firm sentiments, in line with soybean prices. As the arrivals season approaches its end, supplies are becoming thin in major spot markets of Rajasthan supporting the gains. Also, improved demand for oils due to upcoming festivities continues to provide some support to the domestic market. Gains were limited due to the widespread estimates of higher oilseeds acreage during the ongoing season.

BMD CPO depicted weak sentiments during the week's trading which was cut short due to Eid-al-Fitr holidays from the afternoon session of Aug 7 and will re-open on Aug 12. Internationally, rapeseed prices have been under pressure recently due to increasing new-crop arrivals and reports about higher than expected production in Ukraine and several EU member countries such as Germany. Harvest of the crop has commenced in some regions ahead of schedule. Rapeseed crop estimate for the European Union is projected to exceed 20 million tons.

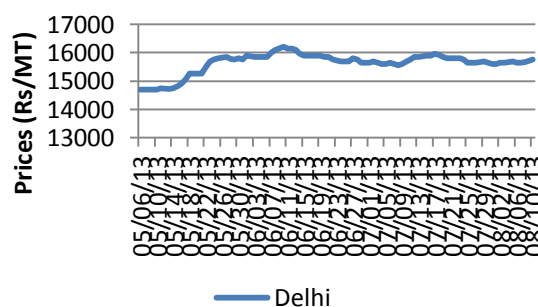
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Of the major kharif oilseeds crops, soybean planting stood up by around 14.80 per cent at 121.06 lakh ha compared to 105.43 lakh hectares during the same period last year on higher acreage in Madhya Pradesh, Maharashtra and Rajasthan due to favorable weather conditions. Groundnut planting was reported up by 20.70 per cent at 39.32 lakh ha compared to 32.57 lakh ha on higher area coverage in the state of Gujarat due to good rainfall in the state. Sunflower planting was up by 55 percent at 2.00 lakh ha compared to 1.29 lakh ha during the same period last year.

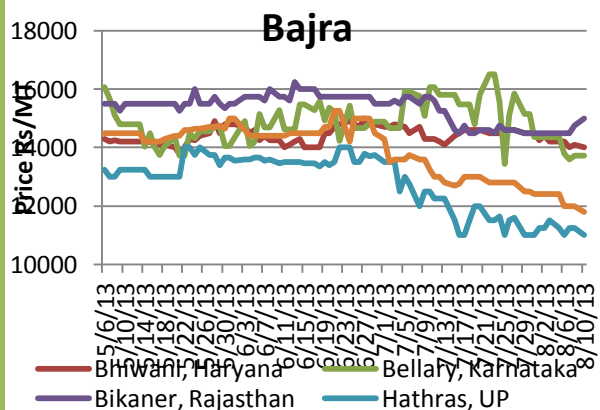
### Maize



### 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 firm by Rs. 50 per quintal for corn in a range of Rs. 1540-1600 per quintal. However, starch feed makers demand reported steady in a range of Rs.1390-1450 per quintal as compared to last week.

During the week, on daily basis, around 7 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1250-1375 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 7.49 million hectares as of 1st August, 2013 against 6.29 million hectares sown in 2012-13.

During the week, as per Agriwatch trade sources, Kolkata feed millers demand reported in a range of Rs.1450-1500 per quintal, sourced from Bihar.

As per IBIS data, During the month of July'13, 0.421 million tons corn exports reported to Malaysia, Nepal, Vietnam and Taiwan through Tondiarpet ICD, Raxul LCS, JNPT, Kolkata Sea, Chennai Sea, and Vizag port.

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, in Delhi spot market, hybrid maize traded steady in a range of Rs.1350-1400 per quintal sourced from U.P.

As per USDA, U.S. corn export figures reached to 16,727,847 metric tons for the 2012-13 marketing year which is lowered by ~53.6% from the last marketing year during the same period. However, corn exports were up by 31% to 430,400 metric tons from the last week and 39% from the prior 4-week average. Out of total weekly exports of 430,400 for the period of July 26- Aug 1, 2013 reported by U.S. to Japan (212,200 MT), Saudi Arabia (69,700 MT), Mexico (67,000 MT), and Venezuela (46,500 MT).

Informa has lowered its 2013 corn yield estimates for the US to 158.6 bushels per acre, from 160 bushels per acre previously estimated and also lowered its forecast for the US corn crop this year by 119 m bushels to 14.14 bn bushels, above the U.S. Department of Agriculture's current outlook of 13.950 billion bushels.

As per the latest crop progress report released by USDA, Corn has silked by 94% as of 11th August, 2013 which is below 6% from the last year and 1% from the last 5 year average period. 32% dough condition reported in corn, below 44% from last year. Also, 5% dent reported in corn, also below 34% from the last year. 64% corn crop is in good to excellent condition, same from last week but above 41% as compared to last year.

There is a general talk in market that government may offer some discount for selling wheat through OMSS as election are round the corner. Government would try to curb inflation within limit. Despite, lower production, overall sentiment in the market remains bearish.

As supply side from private trades/stockiest/farmers is adequate, off take from FCI godowns is expected to remain sluggish in the month of August. However, some incentives to bulk buyers would attract them to buy wheat from government's stock. There is a general feeling in the market that

open market stock would start decreasing September onward and then higher off take from government's stock might be expected.

Meanwhile in the latest development the CCEA has approved the export of 2 million Tonnes of wheat from FCI godowns during the current financial year at a floor price of USD 300 per T through the public sector undertakings like PEC, MMTC and STC.

The CCEA also approved reimbursement of loss by the government to FCI on account of the exports calculated as the difference between the economic cost to FCI and its realization from the exporting CPSUs after deduction of their commission at the rate of 1 per cent of the FOB price and the actual port expenses.

According to IBIS, India wheat export is estimated at 3.03 lakh tonnes in July month as compared to 5.91 lakh tonnes. Fall in export is due to cheaper wheat available from Russia, Ukraine and US. UAE was the top market for Indian wheat in July with 70,331 MT followed by Indonesia with 69,892 MT.

As on 1st August 2013, wheat stock in central pool stock is reported at 403.78 lakh tonnes as compared to 475.26 lakh tonnes at the same time last year.

In Rajasthan, traders are in no position to lift central pool stock wheat from Punjab and Haryana as it is costing around Rs 50-70/Q more than local wheat moreover miller in Rajasthan prefer either local wheat or M.P wheat over Punjab and Haryana wheat due to quality concern.

International market is likely to trade steady to weak on increased global output by USDA to 705.38 million tonnes from 697.80 million tonnes. 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 Baira

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	200.00
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. Maize traded higher due to increase in demand from poultry. Sources revealed that bajra could trade higher due to increase in demand from malt industry buyers. We expect that both commodities could trade higher in the near term and keep maize spread with bajra slightly down as compared to last 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	295.00
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 increased as jowar traded down during last week. We expect that jowar could trade steady and keep maize spread with jowar in the positive tone.

### 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	-125.0
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 decreased as wheat traded higher vs. maize. We expect firm 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	199.0
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 during last week. We expect that barley could trade steady in the near term and keep maize spread with barley in the positive tone.

## Annexure

### Oil Meal Prices at Key Spot Markets:

#### Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	08.08.2013	02.08.2013	Parity To
Indore (MP)	29000	29300-3000	Gujarat, MP
Kota	28700	29400-29600	Rajasthan, Del, Punjab, Haryana
Akola	29500	30200-30500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	31000	30000-31000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	32000	32000	Andhra, AP, Kar, TN
Dhulia/Jalna	31500	31000	Mumbai, Maharashtra
Nagpur (42/46)	-	-	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	-	-	Local and South
Solapur	-	-	Local and South
Bundi	28700-28800	29000	-

#### Soy DOC at Port

Centers	Port Price	
	8.8.2013	2.8.2013
Kandla (FOR) (INR/MT)	30750	31000
Kandla (FAS) (USD/MT)	503	510

#### International Soy DOC

Argentina FOB \$/MT	7.8.2013	1.8.2013	Change
Soybean Pellets	437	465	-28
Soybean Cake Meal	437	465	-28
Soybean Meal	445	473	-28



Soy Expellers	445	473	-28
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**Sunflower Meal Rates**

Centers	Ex-factory rates (Rs/ton)		
	8.8.2013	2.8.2013	Change
Adoni	18000	18000	Unch
Khamgaon	17800	17800	Unch
Parli	18200	18200	Unch
Latur	17800	17800	Unch

**Groundnut Meal**

Groundnut Meal	8.8.2013	2.8.2013	Change
Basis 45% O&A, Saurashtra	-	23500	-
Basis 40% O&A, Saurashtra	-	20500	-
GN Cake, Gondal	-	23000	-

**Mustard DOC/Meal**

Mustard DOC/Meal	8.8.2013	2.8.2013	Change
Jaipur (Plant Delivery)	12500	13800	-1300
Kandla (FOR)	13500	14400	-900
Sri Ganganagar	8.8.2013	2.8.2013	Change

**Maize Spot Market Prices (Rs. /Quintal)**

Market	Grade	10 Aug, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Red	-	1410	1350	1425	-
Davangere	Bilty	1450	1455	1557	1443	1393
Naugachia	Bilty	1300	1320	1300	1175	1170
Nizamabad	Bilty	-	1490	1510	1400	-
Ahmedabad	Feed	1600	1500	1620	1450	1525
	Starch	1450	1400	1600	1525	1500

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

	Argentina	Brazil	US	India (Davangere Origin)
FOB	218.8	183.35	215.9	286
Cost and Freight (Thailand)	268.8	238.35	275.9	321

**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	
<b>Total</b>	<b>2610835</b>	<b>2937018</b>	<b>4075617</b>	<b>2668918</b>	

**Feed Ingredient Prices at a Glance**

<u>Commodity</u>	<u>State</u>	<u>Variety</u>	<u>Centre</u>	<u>10.8.2013</u>	<u>2.8.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1372	1437	-65
		Hybrid	Bangalore	1510	1510	Unch
Jowar	Karnataka	White	Bangalore	1600	2000	-400
		White	Bellary	1370	1436	-66
Maize	Karnataka	Yellow	Davangere	1450	1440	10
	Andhra Pradesh	Yellow	Nizamabad	1490	1490	Unch
Rice	Haryana	IR8	Karnal	2300	2300	Unch
		Parmal Raw	Karnal	2400	2400	Unch
Soy meal	Madhya Pradesh	DOC	Indore	30000	29300	700
	Maharashtra	DOC	Sangli	34500	31000	3500
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	18000	18000	Unch
	Maharashtra	Ex-factory	Latur	17800	17800	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	12800	13800	-1000
Groundnut Meal	Gujarat	GN Cake	Gondal	23000	23000	Unch

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