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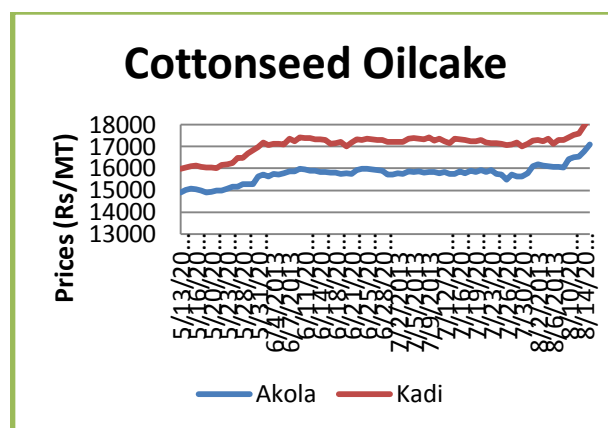
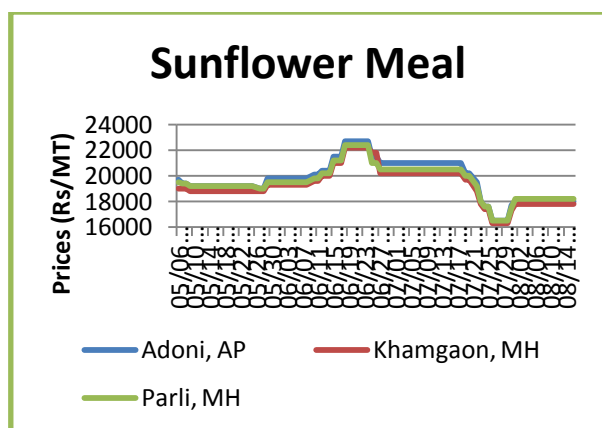
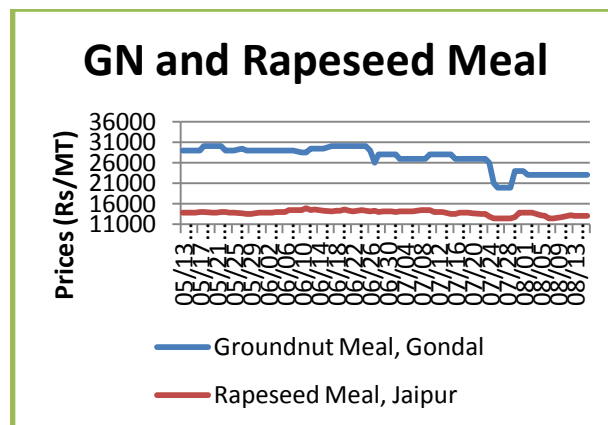
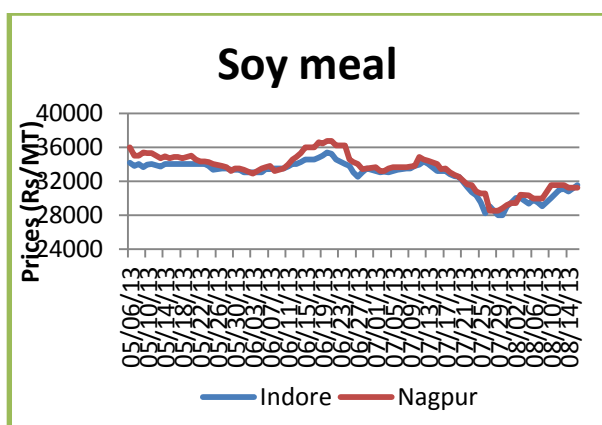
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Summary

The key feed ingredients prices witnessed steady to firm 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 over the past weeks has led to widespread fears of damage to the standing crop in these regions. As per sources, there are preliminary reports of lower yields in regions of western Rajasthan. Soy meal witnessed steady to slightly firm tone in line with the soybean prices. Weakening of the Indian rupee and strength in the oilseeds market supported the bullishness. Steady to firm sentiments witnessed in most of the major spot markets of maize during last week. Wheat cash market traded almost steady from previous level in clueless market. However, festive demand for wheat products may restrict market to dip further. Supply side remains ample and local demands are being taken care of by private trades.

Trend – Raw Material, Feed



Source: AgriWatch

Domestic oilseeds and oil meals prices featured a firm tone during the week. Market was up over concerns of crop condition in the leading soybean producing regions of central India and bullish sentiments in international oils and oilseeds markets.

Soybean prices edged higher as incessant rainfall in the key soybean producing regions of Madhya Pradesh, Rajasthan and Maharashtra over the past weeks has led to widespread fears of damage to the standing crop in these regions. As per sources, there are preliminary reports of lower yields in regions of western Rajasthan.

There are forecasts of rainfall in the coming days which are increasing fears of crop getting affected. As per sources, the soybean crop is into its flowering stage and estimates of yield can be expected by end of August. Yield estimates will give a clearer picture of crop condition. Prices are likely to continue the slight uptrend in the coming days. However, sharp gains were restricted, primarily on government's estimates of higher soybean production this season and strong planting pace.

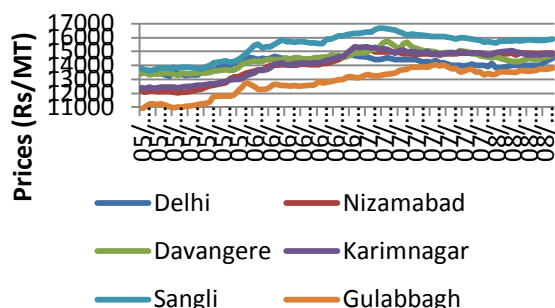
In the latest official planting report, the kharif oilseeds planting was reported higher than previous year, as on 14 August, 2013. Overall, the oilseed planting was reported up by 15.430 per cent at 183.36 lakh ha against 158.91 lakh ha during the same period last year. Internationally, soybean prices on CBOT featured strong gains primarily on bullish WASDE report for August. The WASDE report for August released by USDA was considered bullish for the market. As per the report, U.S. oilseed production for 2013-14 is projected at 96.2 million tons, down 4.7 million from last month mainly due to a lower soybean production forecast. Soybean production for 2013/14 is forecast at 3.255 billion bushels, down 165 million due to lower harvested area and yields.

Soy meal witnessed steady to slightly firm tone in line with the soybean prices during the week in review. Weakening of the Indian rupee and strength in the oilseeds market supported the bullishness. According to the latest release by SOPA, the soy meal export during July 2013 was 1.070 lakh tons as compared to 1.683 lakh tons in the same period previous year, showing a decrease of approx. 36.4%.

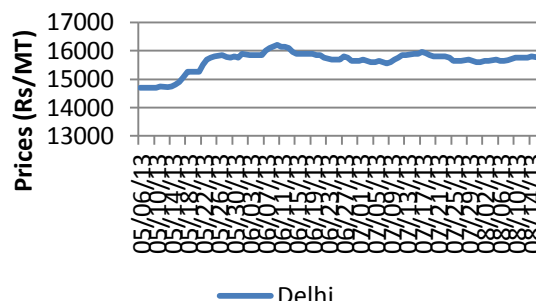
Rapeseed/mustard seed prices in key spot markets of Rajasthan and Gujarat featured strong gains in tandem with soybean prices. As the arrivals season approaches its end, arrivals fell major spot markets of Rajasthan supporting the gains. Also, improved demand for oils due to upcoming festivities continues 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 firm sentiments during the week's trading after the U.S. cut its forecast for the soybean crop, more than analysts expected, spurring a rally in the oilseed that can be crushed to produce an alternative oil. on bullish palm oil export data released for July and expected demand of oil from South East Asian countries. Malaysian palm oil exports for the August 1-15 period rose 17.7 percent from the same period a month ago to 644,589 tons, cargo surveyor Intertek Testing Services reported. Another surveyor, Societe Generale de Surveillance, reported an increase of 18.7 percent for the same period which also led to recovery in prices.

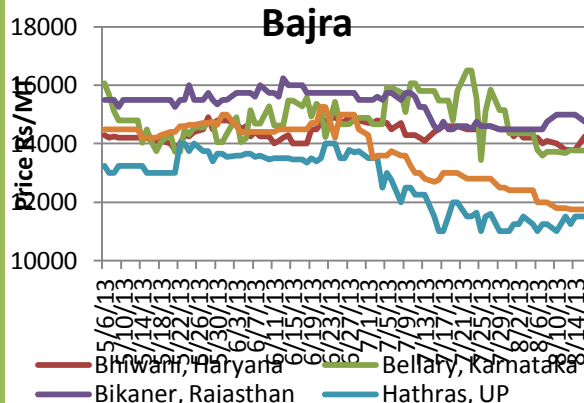
Maize



Wheat, Mill Delivery



Bajra



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

Steady to firm 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. 25 per quintal for corn in a range of Rs. 1500-1625 per quintal. Starch feed makers demand also reported firm by Rs. 100 per quintal in a range of Rs.1430-1550 per quintal as compared to last week. Corn contained around 15-17% moisture, sourced from Bihar and U.P.

During the week, on daily basis, around 6-7 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1285-1300 per quintal, 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 7.906 million hectares as of 14th August, 2013 against 6.944 million hectares sown in 2012-13.

During the week, as per Agriwatch trade sources, Kolkata feed millers demand reported at Rs.1450 per quintal, sourced from Bihar.

During the week, hybrid maize traded firm in a range of Rs.1380-1425 per quintal due to increase in demand from poultry, sourced from U.P.

As per USDA, U.S. corn export figures reached to 17,105,295 metric tons for the 2012-13 marketing year which is lowered by ~53% from the last marketing year during the same period. Corn exports were down by 12% to 377,400 metric tons from the last week but up 7% from the prior 4-week average. Out of total weekly exports of 377,400 for the period of July 2- 8, 2013 reported by U.S. to Japan (212,400 MT), Mexico (93,500 MT), Guatemala (20,200 MT), and Venezuela (20,000 MT).

As per Reuter news, South Korea's Korea Feed Association bought 68,000 tons of corn at \$232.86 a ton c&f from ADM for arrival by Feb. 15, 2014 and FLC purchased 68,000 tons of corn at \$232.80 a ton c&f for arrival by Feb. 10, 2014, can be sourced optionally from the United States or South America. Meanwhile, Taiwan Sugar Corp. purchased 29,000 tons of U.S.-origin corn at the flat price of \$277.13 a ton c&f from ADM for the shipment between Sept.22 to Oct. 6 from the U.S. Gulf Coast or between Oct.7-21 from the U.S. Pacific coast.

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.

Wheat cash market traded almost steady from previous level in clueless market. However, festive demand for wheat products may restrict market to dip further. Supply side remains ample and local demands are being taken care of by private trades.

As export opportunity for India is diminishing fast due to widening price gap, we expect easy supply side to continue in the local market. There seems no wheat export opportunity from India as of now due to higher prices despite of weak rupee. Ukraine and Russia is exporting wheat at USD 240-244/MT, FOB Black sea region, US is selling wheat at USD 260-270/MT.

Wheat inflation has marginally decreased in July to 13.42% year on year basis from 13.83% in May 2013. Though WPI has increased marginally 206.2 in June from 205 in May 2013. Inflation has increased marginally by 0.58% month on month basis.

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.

According to IBIS, India wheat export is estimated at 3.03 lakh tonnes in July month as compared to 5.91 lakh tonnes.

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 steady to firm in the coming days due to increase 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 | 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 | 212.00 |
| 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 as maize traded higher with the steady price movement in Bajra. Maize traded higher due to increase in demand from poultry and cattle feed makers. 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 | 305.00 |
| 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 steady during last week. We expect that both commodities could follow the trend 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 | -121.0 |
| 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 increased as maize traded higher with the steady price movement in wheat. We expect that trend could continue in the near term and keep maize spread with wheat in the positive direction.

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 | 224.0 |
| 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 increased as Barley traded down during last week. We expect that barley could trade steady in the near term and keep maize spread with barley intact in the near term.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

| Centers | Ex-factory rates (Rs/ton) | | |
|----------------|---------------------------|-------------|---|
| | 16.8.2013 | 8.8.2013 | Parity To |
| Indore (MP) | 30500-31500 | 29000 | Gujarat, MP |
| Kota | 30700-31200 | 28700 | Rajasthan, Del, Punjab, Haryana |
| Akola | 31500 | 29500 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Hingoli | - | 31000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Nanded/Latur | 34000 | 32000 | Andhra, AP, Kar, TN |
| Dhulia/Jalna | 33200 | 31500 | Mumbai, Maharashtra |
| Nagpur (42/46) | - | - | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Sangli | - | - | Local and South |
| Solapur | - | - | Local and South |
| Bundi | - | 28700-28800 | - |

Soy DOC at Port

| Centers | Port Price | |
|-----------------------|------------|----------|
| | 16.8.2013 | 8.8.2013 |
| Kandla (FOR) (INR/MT) | 31800 | 30750 |
| Kandla (FAS) (USD/MT) | 514 | 503 |

International Soy DOC

| Argentina FOB \$/MT | 15.8.2013 | 7.8.2013 | Change |
|---------------------|-----------|----------|--------|
| Soybean Pellets | 468 | 437 | +31 |
| Soybean Cake Meal | 468 | 437 | +31 |
| Soybean Meal | 476 | 445 | +31 |
| Soy Expellers | 476 | 445 | +31 |

Sunflower Meal Rates

| Centers | Ex-factory rates (Rs/ton) | | |
|---------|---------------------------|----------|--------|
| | 16.8.2013 | 8.8.2013 | Change |
| Adoni | 18000 | 18000 | Unch |

| | | | |
|----------|-------|-------|------|
| Khamgaon | 17800 | 17800 | Unch |
| Parli | 18200 | 18200 | Unch |
| Latur | 17800 | 17800 | Unch |

Groundnut Meal

| Groundnut Meal | 16.8.2013 | 8.8.2013 | Change |
|---------------------------|-----------|----------|--------|
| Basis 45% O&A, Saurashtra | 23300 | - | - |
| Basis 40% O&A, Saurashtra | 20300 | - | - |
| GN Cake, Gondal | 23000 | - | - |

Mustard DOC/Meal

| Mustard DOC/Meal | 16.8.2013 | 8.8.2013 | Change |
|-------------------------|-----------|----------|--------|
| Jaipur (Plant Delivery) | - | 12500 | - |
| Kandla (FOR) | - | 13500 | - |
| Sri Ganganagar | 643 | 632 | +11 |

Maize Spot Market Prices (Rs. /Quintal)

| Market | Grade | 16 Aug, 2013 | Week Ago | Month Ago | 2 Month Ago | Year Ago |
|-----------|--------|--------------|----------|-----------|-------------|----------|
| Delhi | Hybrid | 1400 | 1400 | 1430 | 1420 | 1300 |
| Davangere | Bilty | 1474 | 1450 | - | - | 1360 |
| Naugachia | Bilty | 1325 | 1300 | 1300 | 1175 | 1175 |
| Nizamabad | Bilty | 1500 | - | 1510 | - | - |
| Ahmedabad | Feed | 1600 | 1600 | 1550 | 1510 | 1450 |
| | Starch | 1520 | 1450 | 1500 | 1550 | 1470 |

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

| | Argentina | Brazil | US | India (Davangere Origin) |
|-----------------------------|-----------|--------|--------|--------------------------|
| FOB | 220.96 | 185.55 | 218.03 | 286 |
| Cost and Freight (Thailand) | 270.96 | 240.55 | 278.03 | 321 |

Soy Meal Exports (In MT):

| Month | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------|--------|--------|--------|--------|--------|
| 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 | 107038 |
| 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>16.8.2013</u> | <u>10.8.2013</u> | <u>Change</u> |
|------------------|----------------|----------------|---------------|------------------|------------------|---------------|
| Bajra | Karnataka | Hybrid | Bellary | 1376 | 1372 | 4 |
| | | Hybrid | Bangalore | 1500 | 1510 | -10 |
| Jowar | Karnataka | White | Bangalore | 1600 | 1600 | Unch |
| | | White | Bellary | 1349 | 1370 | -21 |
| Maize | Karnataka | Yellow | Davangere | 1474 | 1450 | 24 |
| | Andhra Pradesh | Yellow | Nizamabad | 1350 | 1490 | -140 |
| Rice | Haryana | IR8 | Karnal | 2000 | 2300 | -300 |
| | | Parmal Raw | Karnal | 2450 | 2400 | 50 |
| Soy meal | Madhya Pradesh | DOC | Indore | 31500 | 30000 | 1500 |
| | Maharashtra | DOC | Sangli | 32500 | 34500 | -2000 |
| Sunflower Meal | Andhra Pradesh | Ex-factory | Adoni | 18000 | 18000 | Unch |
| | Maharashtra | Ex-factory | Latur | 17800 | 17800 | Unch |
| Mustard | Rajasthan | Plant delivery | Jaipur | 12500 | 12800 | -300 |
| Groundnut Meal | Gujarat | GN Cake | Gondal | 23000 | 23000 | Unch |

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