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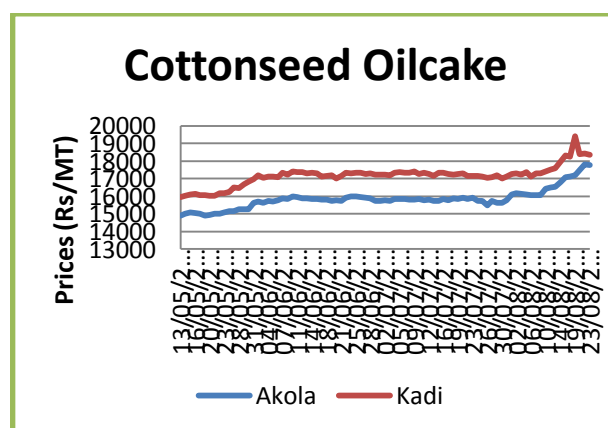
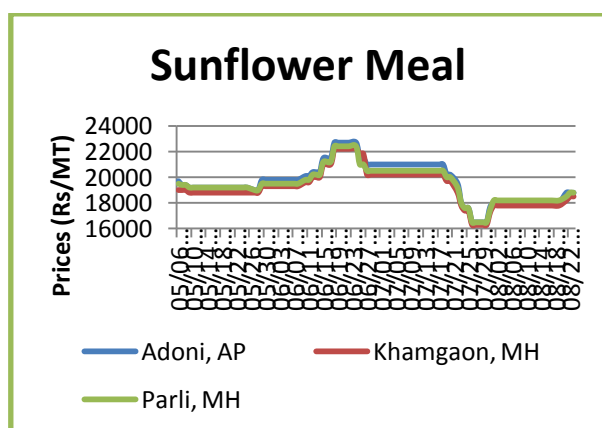
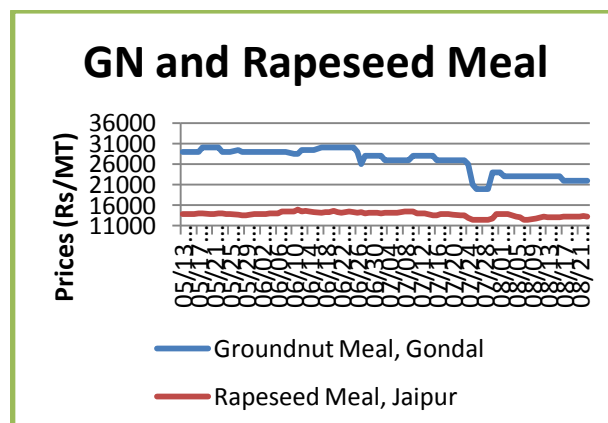
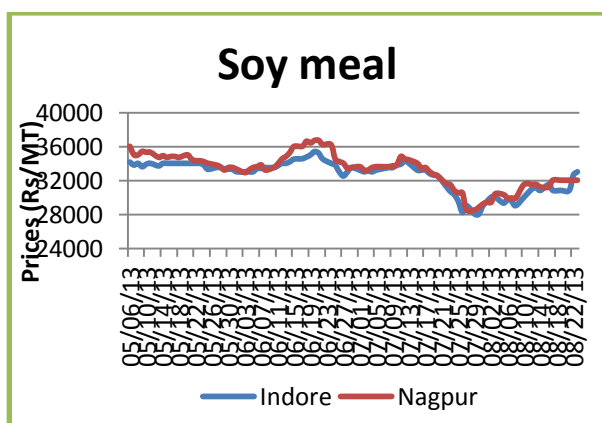
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Summary

The key feed ingredients prices witnessed steady to firm sentiments during the week in review.

Soybean prices extended gains during the week as rainfall over regions of Madhya Pradesh, the largest producer of soybean, continues to raise fears of crop damage which have helped push domestic soybean prices. Soy meal witnessed a surge in prices in accordance with the domestic soybean prices. Weakening of the Indian rupee and gains in the domestic and international oilseeds market has led to this firm sentiment in the prices. Overall steady to firm sentiments witnessed in most of the major spot markets of maize during last week. Wheat cash market traded slightly firm as medium and bulk buyers are buying at this point of time. They are fulfilling their immediate requirements on easy supply side outlook.

Trend – Raw Material, Feed



Source: AgriWatch

Domestic oilseeds and oil meals markets across major centers of India witnessed a firm tone during the week. Bullish cues from global oils and oilseeds markets, depreciation of the Indian rupee and

crop concerns ruled the market sentiments. Estimates of a much higher oilseed acreage and likely higher kharif production in the current season continue to weigh on the market.

Soybean prices extended gains during the week as rainfall over regions of Madhya Pradesh, the largest producer of soybean, continues to raise fears of crop damage which have helped push domestic soybean prices. As per sources, there are preliminary reports of yield loss in regions of western Rajasthan and some parts of eastern Madhya Pradesh. In addition, a weak rupee, which helps the exports, also provided some support. Soybean arrivals in the key markets of Rajasthan and Madhya Pradesh also got affected due to rainfall during the week.

As per the India Meteorological Department (IMD), the country has received 14% above normal rainfall at 702 mm since June 1 till August 18 and western Madhya Pradesh, Vidarbha and West Rajasthan are amongst the highest rainfall receiving regions during this period. There are forecasts of rainfall in the coming days which are increasing fears of crop getting affected. Prices are likely to continue the uptrend in the coming days.

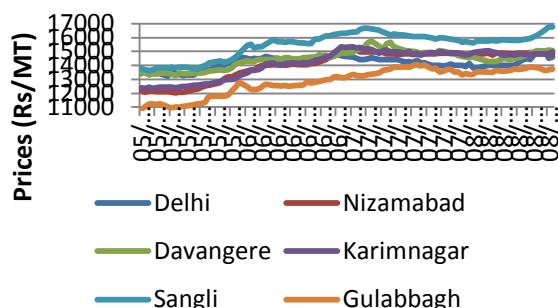
In the latest official planting report (on 22 August, 2013), the kharif oilseeds planting was reported up by 15.20 per cent at 186.60 lakh ha against 162.02 lakh ha during the same period last year. Soybean planting stood up by around 14.70 per cent at 121.81 lakh ha compared to 106.43 lakh hectares last year.

Soybean prices on the CBOT exchange also gained on concerns of late season planting, cool weather, and dry forecast going forward. This has raised fears over the potential for damage to the crop from an early, or even timely, frost. This again is providing some support to the prices in addition to the export demand which remains strong for the new crop year. Demand from China continues to look strong and good sales for new crop continued to be reported by the USDA.

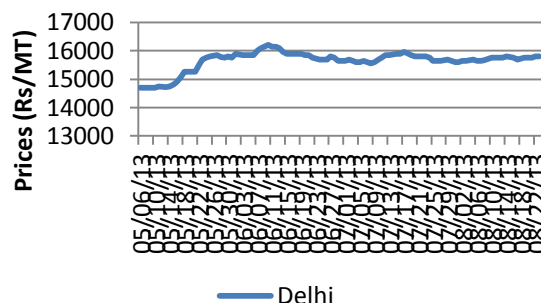
Rapeseed/mustard seed prices in spot markets of Rajasthan and Gujarat were higher during the week, in tandem with soybean prices, as the arrival season approaches its close and supportive cues from BMD CPO. Besides, improved demand was seen for oils due to upcoming festivities which also provided support to the domestic market. Gains were however capped due to the higher oilseeds acreage during the ongoing season and expectations of higher kharif production.

Soy meal witnessed a surge in prices in accordance with the domestic soybean prices during the week in review. Weakening of the Indian rupee and gains in the domestic and international oilseeds market has led to this firm sentiment in the prices. Prices continued to feature a firm tone on good demand being reported from traders amid limited supplies in the local markets. Besides, strength in the meal prices on CBOT also uplifted the domestic market. The trend is likely to persist in the coming days due to good soy meal exports buying enquiries and steady demand from domestic feed industry.

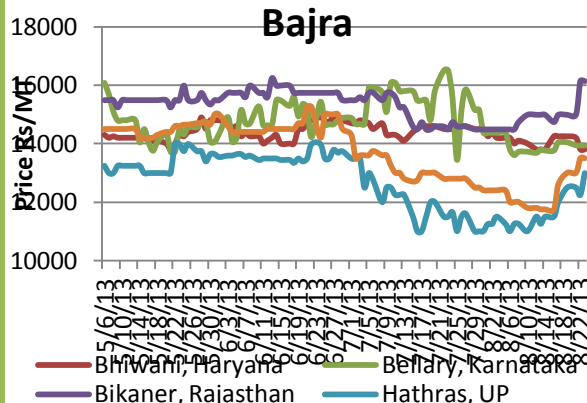
Maize



Wheat, Mill Delivery



Bajra



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

Overall 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. 125 per quintal for corn in a range of Rs. 1550-1750 per quintal. Starch feed makers demand also reported firm by Rs. 50 per quintal in a range of Rs.1500-1600 per quintal as compared to last week. sourced from Bihar and U.P.

During the week, on daily basis, around 6 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1250-1300 per quintal, sourced from Bihar.

As per sowing report by Ministry of agriculture, maize sowing has crossed the normal sowing area for the full season by 8.58 lakh hectares to 80.06 lakh hectares as of 23rd Aug, 2013.

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 trade sources, maize stock could be around 60,000 bags in the Nizamabad market. Maize crop conditions are good in the A.P.

During the week, hybrid maize traded firm in a range of Rs.1430-1470 per quintal due to increase in demand from poultry, sourced from U.P. Sources revealed that maize could trade higher in the coming days due to higher demand.

As per USDA, U.S. corn export figures reached to 17,278,820 metric tons for the 2012-13 marketing year which is lowered by ~54% from the last marketing year during the same period. Corn exports were down by 54% to 173,500 metric tons from the last week and 50% from the prior 4-week average. Out of total weekly exports of 173,500 for the period of Aug 9-15, 2013 reported by U.S. to Mexico (103,600 MT), Japan (28,600 MT), Panama (15,400 MT), and Honduras (13,500 MT)

As per Reuter news, Japan is likely to buy 2.2 million tons feed corn from the U.S for October-December shipment.

As per Reuter news, Pro Farmer projected record U.S. 2013 corn production at 13.46 billion bushels, based on a yield of 154.1 bushels per acre, below the U.S. Agriculture Department's latest forecast of a 13.763 billion bushel crop with a yield of 154.4 bushels per acre.

Corn prices increased on CBOT market due to poor rains and high temperature in the U.S. crop belt. Weather conditions will be the major factor to determine the further market movement

Wheat cash market traded slightly firm as medium and bulk buyers are buying at this point of time. They are fulfilling their immediate requirements on easy supply side outlook. Some further improvement on price front is expected at the end of September when stock in private hands starts declining and buyers turn towards govt.'s stock.

On 16th August, 2013 wheat stock in central pool was 39.43 million tonnes.

Wheat from Bihar through private channel is being loaded to Kolkata at Rs 1560/1580 per qtl. Millers in West Bengal are sourcing wheat from Bihar due to cheaper and ample availability. Traders in M.P has revealed that wheat demand is coming from local market and Maharashtra, traders are selling wheat at Rs 1700-1720/Q, delivered basis to millers in Maharashtra, whereas south Indian millers are buying wheat from U.P, Rajasthan majorly at Rs 1800-1825/Q, delivered basis.

According to wheat scientist Ronnie Coffman, Indian does not face Ug99 rust disease risk at present. Ug99 is black wheat stem rust fungus which can destroy 70% wheat yield.

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.

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

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 | 124.00 |
| 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 decreased as compared to last week as bajra traded higher vs maize. Both commodities traded firm due to increase in demand from poultry feed makers. We expect that trend would continue in the near term and could 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 | 334.00 |
| 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 maize traded higher vs jowar during last week. We expect that jowar could trade steady in the near term 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 | -75.0 |
| 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 towards northward 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 | 270.0 |
| 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 steady during last week. We expect that both commodities could follow the trend 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) |
|---------|---------------------------|
|---------|---------------------------|

| | 23.8.2013 | 16.8.2013 | Parity To |
|----------------|-------------|-------------|---|
| Indore (MP) | 32500-33000 | 30500-31500 | Gujarat, MP |
| Kota | 32800-33000 | 30700-31200 | Rajasthan, Del, Punjab, Haryana |
| Akola | 32000 | 31500 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Hingoli | - | - | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Nanded/Latur | 34600 | 34000 | Andhra, AP, Kar, TN |
| Dhulia/Jalna | 34000 | 33200 | Mumbai, Maharashtra |
| Nagpur (42/46) | - | - | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Sangli | - | - | Local and South |
| Solapur | - | - | Local and South |
| Bundi | 33000 | - | - |

Soy DOC at Port

| Centers | Port Price | |
|-----------------------|------------|-----------|
| | 23.8.2013 | 16.8.2013 |
| Kandla (FOR) (INR/MT) | 33600 | 31800 |
| Kandla (FAS) (USD/MT) | 519 | 514 |

International Soy DOC

| Argentina FOB \$/MT | 22.8.2013 | 15.8.2013 | Change |
|---------------------|-----------|-----------|--------|
| Soybean Pellets | 475 | 468 | +7 |
| Soybean Cake Meal | 475 | 468 | +7 |
| Soybean Meal | 483 | 476 | +7 |
| Soy Expellers | 483 | 476 | +7 |

Sunflower Meal Rates

| Centers | Ex-factory rates (Rs/ton) | | |
|----------|---------------------------|-----------|--------|
| | 23.8.2013 | 16.8.2013 | Change |
| Adoni | 18800 | 18000 | +800 |
| Khamgaon | 18500 | 17800 | +700 |
| Parli | 18800 | 18200 | +600 |
| Latur | 18500 | 17800 | +700 |

Groundnut Meal

| Groundnut Meal | 23.8.2013 | 16.8.2013 | Change |
|----------------|-----------|-----------|--------|
|----------------|-----------|-----------|--------|

| | | | |
|---------------------------|---|-------|---|
| Basis 45% O&A, Saurashtra | - | 23300 | - |
| Basis 40% O&A, Saurashtra | - | 20300 | - |
| GN Cake, Gondal | - | 23000 | - |

Mustard DOC/Meal

| Mustard DOC/Meal | 23.8.2013 | 16.8.2013 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant Delivery) | 13200 | - | - |
| Kandla (FOR) | 14100 | - | - |

Maize Spot Market Prices (Rs. /Quintal)

| Market | Grade | 23 Aug, 2013 | Week Ago | Month Ago | 2 Month Ago | Year Ago |
|-----------|--------|--------------|----------|-----------|-------------|----------|
| Delhi | Hybrid | 1460 | 1400 | 1425 | 1415 | 1300 |
| Davangere | Bilty | 1505 | 1474 | 1490 | 1473 | 1478 |
| Naugachia | Bilty | 1325 | 1325 | 1325 | 1200 | - |
| Nizamabad | Bilty | 1500 | 1500 | 1500 | 1425 | - |
| Ahmedabad | Feed | 1700 | 1600 | 1530 | 1550 | 1500 |
| | Starch | 1550 | 1520 | 1480 | 1550 | 1470 |

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

| | Argentina | Brazil | US | India (Bihar Origin) |
|-----------------------------|-----------|--------|--------|----------------------|
| FOB | 222.64 | 188 | 230.19 | 275 |
| Cost and Freight (Thailand) | 272.64 | 243 | 290.19 | 310 |

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>23.8.2013</u> | <u>16.8.2013</u> | <u>Change</u> |
|------------------|----------------|----------------|---------------|------------------|------------------|---------------|
| Bajra | Karnataka | Hybrid | Bellary | 1393 | 1376 | 17 |
| | | Hybrid | Bangalore | 1650 | 1500 | 150 |
| Jowar | Karnataka | White | Bangalore | 1830 | 1600 | 230 |
| | | White | Bellary | 1372 | 1349 | 23 |
| Maize | Karnataka | Yellow | Davangere | 1505 | 1474 | 31 |
| | Andhra Pradesh | Yellow | Nizamabad | 1450 | 1350 | 100 |
| Rice | Haryana | IR8 | Karnal | 2000 | 2000 | Unch |
| | | Parmal Raw | Karnal | 2350 | 2450 | -100 |
| Soy meal | Madhya Pradesh | DOC | Indore | 32500 | 31500 | 1000 |
| | Maharashtra | DOC | Sangli | - | 32500 | - |
| Sunflower Meal | Andhra Pradesh | Ex-factory | Adoni | 18800 | 18000 | 800 |
| | Maharashtra | Ex-factory | Latur | 18500 | 17800 | 700 |
| Mustard | Rajasthan | Plant delivery | Jaipur | 13200 | 12500 | 700 |
| Groundnut Meal | Gujarat | GN Cake | Gondal | 22000 | 23000 | -1000 |

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