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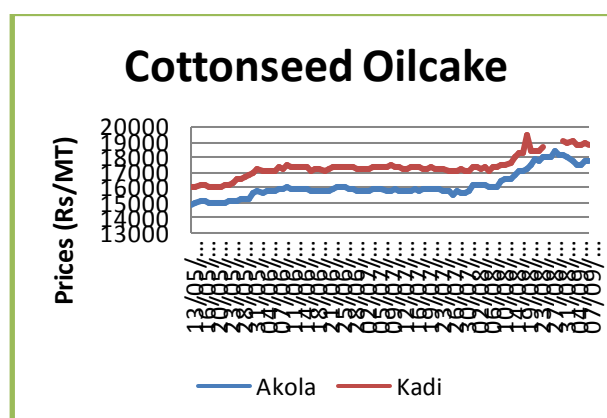
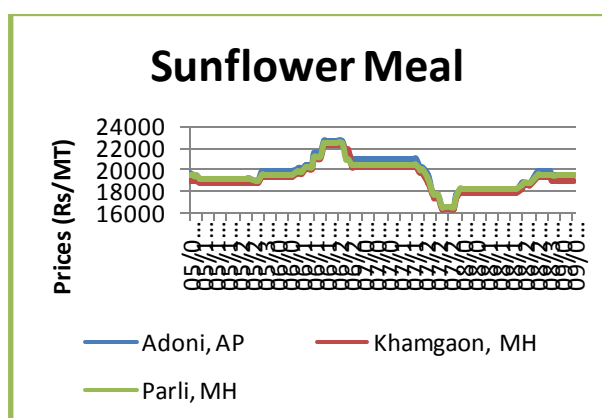
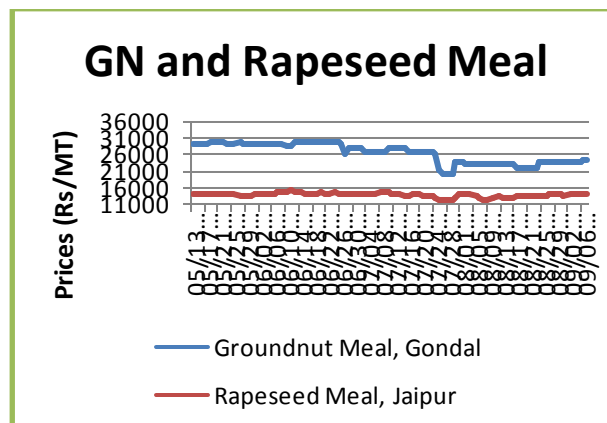
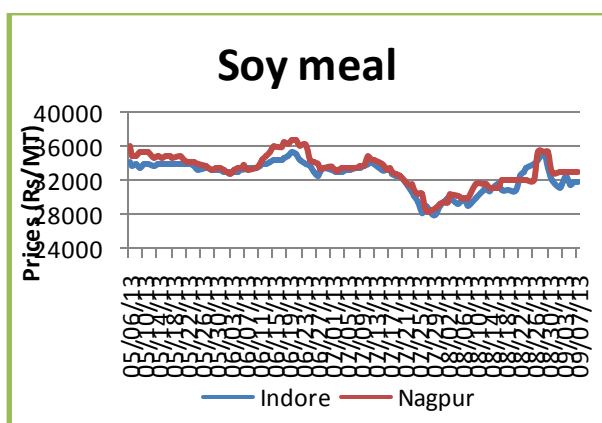
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## Summary

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

Soybean prices across major markets of India featured a weak tone during the week. Market witnessed a range bound movement in the international markets as well. Markets were pressured by better growing conditions in the key producing regions of India, improvement in the Indian rupee and higher spot arrivals. Soy meal prices also depicted a fall in conjugation with the domestic soybean prices during the week. The mild recovery in the Indian rupee and fall in the international oil meals market has pressured the domestic market. Mixed sentiments witnessed in most of the major spot markets of maize during last week. Wheat traded almost steady at previous level and waited for a clear cut clue for directional move, Government's release mechanism in the months ahead would remain the major price driving force for in the weeks ahead.

## Trend – Raw Material, Feed



Source: AgriWatch

Oilseeds and oil meals prices across major markets of India featured a weak tone during the week in review. Market witnessed a range bound movement in the international markets as well. Markets

were pressured by better growing conditions in the key producing regions of India, improvement in the Indian rupee and higher spot arrivals. In the US, CBOT market mostly traded in a sideways tone during the shortened holiday week due to uncertainties over weather and yield estimates.

Reportedly, new crop arrivals have commenced in the mandis of Madhya Pradesh and Maharashtra although the moisture content is high. Arrivals are likely to pick up in the coming days. Prices also fell on account of receding rainfall and improved weather conditions over the growing regions. Also, no rainfall forecasts for the coming week have been released by the IMD, thereby supporting the bearish sentiment. Estimates of higher oilseed acreage and higher soybean production in the current season are likely to weigh on the market in the near term. Arrivals of new crop are likely to improve buying activities in the markets. However, as the harvesting pace picks up we expect the soybean prices to fall.

In the US, as expected by analysts, slight decline in crop condition was reported by USDA, but the crop is still better than last year. Less than expected rainfall over the past weekend led to surge in prices and there are fresh forecasts of drier days ahead. However, the recent increase in prices of soybeans and soy meal are likely to take correction in the near term.

The soybean planting season in Brazil is still some weeks away. However, it seems to be very likely that the area sown under soybeans will expand compared to last year due to the current soybean price levels relative to maize provided the weather remains favorable. South American supplies are depleting and exports are sharply higher compared to last year for the months of August and September.

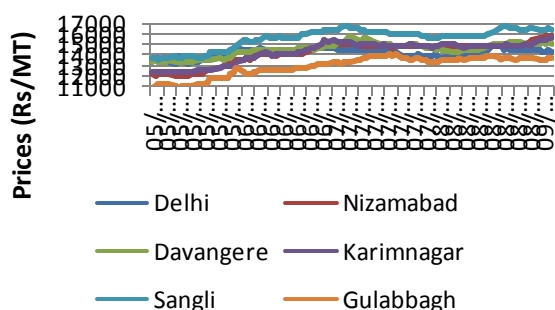
Soybean market is expected to feature a range bound movement in the coming week with a weak bias.

Soy meal prices also depicted a fall in conjugation with the domestic soybean prices during the week in review. The mild recovery in the Indian rupee and fall in the international oil meals market has pressured the domestic market.

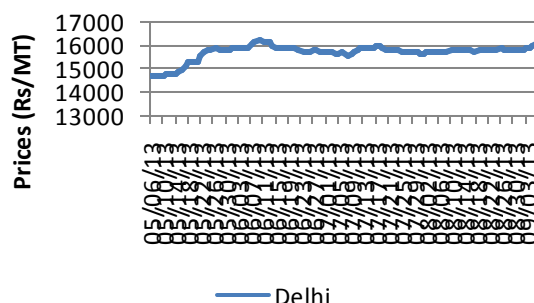
According to the latest release by SOPA, India's soy meal exports during August 2013 were 1.839 lakh tons as compared to 0.100 lakh tons in the same period of previous year and 1.070 lakh tons in July 2013. Iran, with 1.03 lakh tons, was the major exporter for the month of August. On a financial year basis, the export during April 2013 to August 2013 has been 7.023 lakh tons as compared to 8.342 lakh tons in the same period of previous year showing a decrease of approx. 15.81 percent.

Rapeseed/mustard seed markets of Rajasthan and Gujarat featured a steady to slightly weak trend during the week under consideration. Prices were range bound as there are limited supplies expected in the coming days upon the close of the season. However, weak cues from BMD CPO, flat demand from stockists and overall global bearishness restricted any gains.

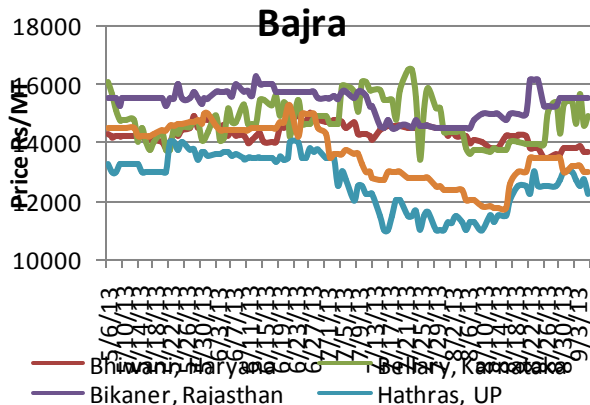
## Maize



## 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. 1600-1700 per quintal. However, starch feed makers demand reported down by Rs. 25 per quintal in a range of Rs.1480-1550 per quintal as compared to last week, sourced from Bihar and U.P.

During the week, on daily basis, around 8 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1150-1325 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 8.05 million hectares as of 29th August, 2013 against 7.19 million hectares sown in 2012-13. Agriwatch forecast above 15.5 million tons maize production for the kharif crop of this season

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

As per trade sources, maize prices could trade firm in the near term due to lower supply in the market. Maize stock could be around 50,000 bags in the Nizamabad market.

During the week, hybrid maize traded slightly lower in a range of Rs.1440-1450 per quintal, sourced from U.P. However, sources revealed that maize could trade higher in the coming days due to increase in demand from poultry feed makers

As per USDA, U.S. corn export figures reached to 17,979,535 metric tons for the 2012-13 marketing year which is lowered by ~52.5% from the last marketing year during the same period. However, corn exports were up by 13% to 371,400 metric tons from the last week and from the prior 4-week average. Out of total weekly exports of 3,71,400 MT for the period of Aug 23 –29, 2013 reported by U.S. to Mexico (174,800 MT), Japan (102,400 MT), Taiwan (33,300 MT), and Cuba (25,000 MT)

As per the latest crop progress report released by USDA, 84% dough condition reported in corn as of 1st September, 2013, below 13% from the last year and 5% from the last 5 year average period. Also, 42% dent reported in corn, below 42% from the last year and 19% from the last 5 year average period. 4% crop of corn has matured, below 34% from the last year. 56% corn crop is in good to excellent condition, below 3% from last week but above 34% as compared to last year.

As per Reuter news, Malaysian feed millers are looking to cover 120,000 tons of corn for arrival in November-December from Indian corn but rest of the market in Asia is pretty much covered for the year with South American cargoes.

Corn prices on CBOT market could decrease as harvest has started in some state of the U.S. Also, expectation of higher output could also weigh on the market

Wheat traded almost steady at previous level and waited for a dear cut due for directional move, Government's release mechanism in the months ahead would remain the major price driving force for in the weeks ahead.

Indian firm LMJ lost the bid for 50,000 MT to Ismail food products for Bangladesh government wheat tenders. LMJ bid was USD 286/MT, CIF which lost to Ismail food product's USD 282.66/MT, CIF. Ukraine is the expected origin of wheat.

As on 1st September, wheat stock in central pool was 38.36 million tonnes which is lower than previous year 46.16 million tonne on the same date. Punjab and Haryana hold the maximum wheat stock at 14.48 million tonnes and 9.34 million tonnes respectively.

As per IBIS data, India exported 1.31 lakh tonnes of wheat in month of August, which is lower than 4.79 lakh tonnes exported in the same month last year. Around 42000 MT was exported to Sudan and 22,685 MT was exported to UAE.

Indian wheat can become competitive in South East Asian countries due to weak rupee. Traders feel that if government reduces OMSS prices than they can compete with Black sea region. South East Asian countries have shifted to Black sea region from India due to cheaper wheat availability.

Traders in Kanpur and Kosi region has revealed that thin trading activities are taking place and panic selling of wheat activities were reported as traders anticipate bearish price sentiments. Wheat is reaching Delhi Rs 1570-1580/Q from Kosi region.

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.

International market is likely to trade steady to weak on increased global output by IGC by 4 million tonnes to 691 million tonnes. Increased demand from China, Iran and Brazil might support prices in near term however in medium term market is expected to remain steady to weak.

## Outlook

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

## Spreads

### Maize Average Weekly spread with Bajra

Week	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13
1	177.0	187.5	213.0	115.0	113.0	86.0	106.0	71.00	-5.0	2.50	137.00	145.00
2	219.0	213.0	210.0	131.0	82.50	112.5	145.0	33.00	-9.0	29.00	200.00	
3	270.0	214.0	158.0	170.0	93.75	110.0	154.0	-100.0	-38.0	57.00	212.00	
4	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			132.00	

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

As the table depicts, In Delhi spot market, maize spread with bajra increased as compared to last week as bajra traded down vs maize. Both commodities traded down as new crop arrivals has started in the market. We expect that maize could trade steady but bajra would follow the bearish trend in the near term and could keep maize spread with bajra in the positive tone.

### Maize Average Weekly spread with Jowar

Week	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13
1	150.0	137.0	192.0	205.0	107.0	142.0	265.0	171.0	88.0	175.00	230.00	321.66
2	180.0	183.0	218.0	190.0	80.0	172.5	322.0	133.0	146	175.00	295.00	
3	177.0	204.0	169.0	182.5	147.5	178.0	320.0	-23.0	243	197.00	305.00	

4	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			372.00	

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

As the table depicts, maize spread with jowar decreased as jowar traded high during last week. We expect that both commodities could trade steady in the near term and keep maize spread with jowar intact as compared to last week.

## Maize Average Weekly spread with Wheat

Week	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13
1	-123	-139	-21	-48.0	-90.8	-59.0	-97	67	-132	-112.5	-107.5	-104.0
2	-188	-170	0.0	-44.0	-143	-14.0	-220	32	-133	-134.0	-125.0	
3	-193	-101	-5.0	4.0	-81.25	-2.50	-179	-140	-87.50	-182.5	-121.0	
4	-127	-27	-8.0	-31.0	-47.5	29.0	76.0	-174	-82.50	-	-75.0	
5				-62.0				-137		105.00	-66.0	

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

As the table depicts, maize spread with wheat decreased as wheat traded higher during last week. We expect that wheat could follow the trend and keep maize spread with wheat slightly down as compared to last week.

## Maize Average Weekly spread with Barley

Week	Oct	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13
1	160.0	213.0	242.0	135.0	71.67	152.0	327.5	290.0	213.0	133.0	165.0	244.0
2	226.0	150.0	268.0	140.0	62.50	189.0	369.0	283.0	185.0	115.0	199.0	
3	206.0	157.0	168.0	174.0	122.5	239.0	383.0	122.5	143.0	140.0	224.0	
4	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			272.0	

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

As the table depicts, In Delhi spot market, maize spread with barley decreased as maize traded down with the steady price movement in barley during last week. We expect that both commodities could trade steady in the near term and keep maize spread with barley unchanged for the next week.

## Annexure

### Oil Meal Prices at Key Spot Markets:

#### Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	6.9.2013	30.8.2013	Parity To
Indore (MP)	31500-31800	33000-33500	Gujarat, MP
Kota	31500	34000-35000	Rajasthan, Del, Punjab, Haryana
Akola	-	-	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	-	-	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	34000	36000	Andhra, AP, Kar, TN
Dhulia/Jalna	32500	34000	Mumbai, Maharashtra
Nagpur (42/46)	-	-	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	33800	34000	Local and South
Solapur	33500	-	Local and South
Bundi	32000	34000	-

#### Soy DOC at Port

Centers	Port Price	
	6.9.2013	30.8.2013
Kandla (FOR) (INR/MT)	33000	34750
Kandla (FAS) (USD/MT)	500	522

#### International Soy DOC

Argentina FOB \$/MT	29.8.2013	22.8.2013	Change
Soybean Pellets	527	-	-
Soybean Cake Meal	527	-	-
Soybean Meal	535	-	-
Soy Expellers	535	-	-

#### Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	6.9.2013	30.8.2013	Change
Adoni	19500	19800	-300



Khamgaon	19000	19300	-300
Parli	19400	19500	-100
Latur	19100	19300	-200

#### Groundnut Meal

Groundnut Meal	6.9.2013	30.8.2013	Change
Basis 45% O&A, Saurashtra	25500	Closed	-
Basis 40% O&A, Saurashtra	22500	Closed	-
GN Cake, Gondal	24500	Closed	-

#### Mustard DOC/Meal

Mustard DOC/Meal	6.9.2013	30.8.2013	Change
Jaipur (Plant Delivery)	14000	13800	+200
Kandla (FOR)	14800	14600	+200

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

Market	Grade	6 Sep, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1440	1472	1380	1450	1380
Davangere	Bilty	1505	1493	1430	1575	1474
Naugachia	Bilty	-	-	1325	1250	1350
Nizamabad	Bilty	1585	1550	1440	1500	-
Ahmedabad	Feed	1650	1650	1550	1625	1500
	Starch	1525	1500	1420	1600	1540

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	225.69	192.7	223.61	270
Cost and Freight (Thailand)	275.69	247.7	283.61	305

#### 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	
<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>6.9.2013</u>	<u>30.8.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1492	1538	-46
		Hybrid	Bangalore	1700	1655	45
Jowar	Karnataka	White	Bangalore	1800	1830	-30
		White	Bellary	1411	1368	43
Maize	Karnataka	Yellow	Davangere	1505	1493	12
	Andhra Pradesh	Yellow	Nizamabad	1550	1500	50
Rice	Haryana	IR8	Karnal	2000	2000	Unch
		Parmal Raw	Karnal	2350	2350	Unch
Soy meal	Madhya Pradesh	DOC	Indore	31500	33000	-1500
	Maharashtra	DOC	Sangli	33800	34000	-200
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	19500	19800	-300
	Maharashtra	Ex-factory	Latur	19100	19300	-200
Mustard	Rajasthan	Plant delivery	Jaipur	14000	13800	200
Groundnut Meal	Gujarat	GN Cake	Gondal	24500	24000	500

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