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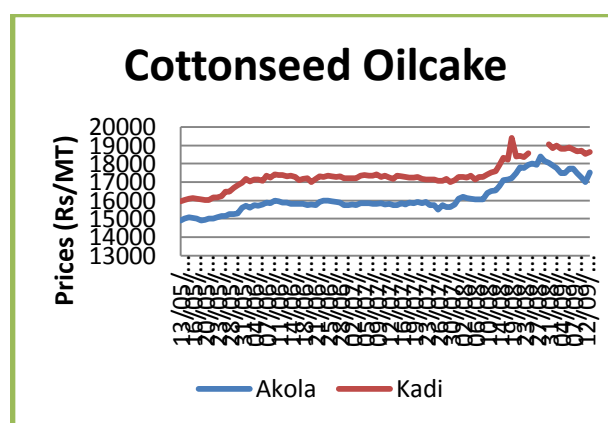
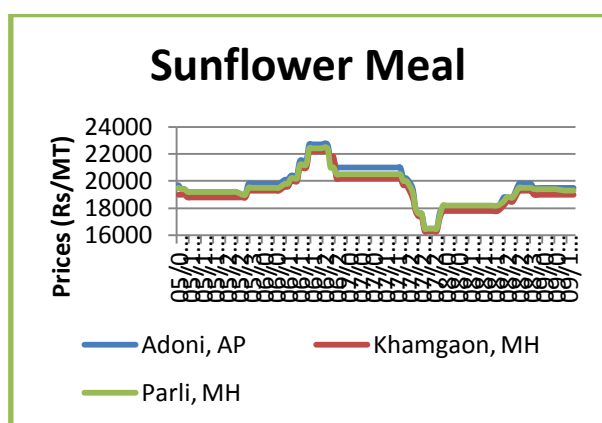
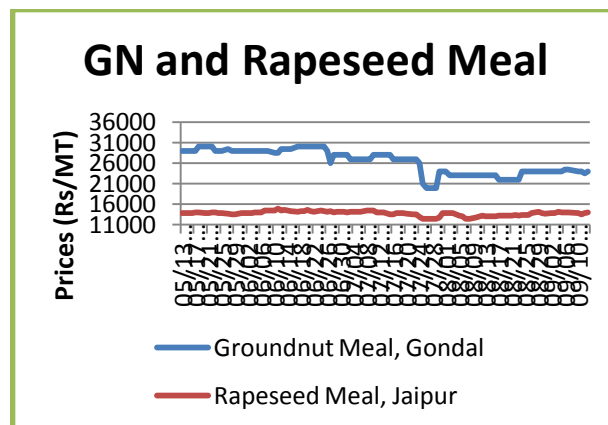
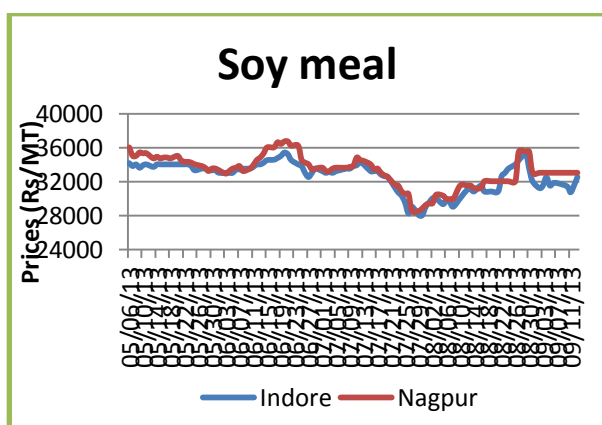
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Summary

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

Soybean prices extended losses during the week after depicting strong gains during the month of August. Reportedly, new crop arrivals have commenced in the mandis of Madhya Pradesh and Maharashtra. Soy meal prices depicted a slight recovery in prices during the past week, in contrast to the domestic soybean prices during the week in review on good overseas export demand and steady international markets. Soy meal prices witnessed pressure on higher supplies of beans in the local markets and appreciation in the Indian rupee during the week. Mixed sentiments witnessed in most of the major spot markets of maize during last week

Trend – Raw Material, Feed



Source: AgriWatch

Oilseed prices across major markets of India featured a weak tone during the week in review. Soy meal prices, on the other hand, featured a slightly firm tone during the week.

Soybean prices extended losses during the week after depicting strong gains during the month of August. Reportedly, new crop arrivals have commenced in the mandis of Madhya Pradesh and Maharashtra. In Madhya Pradesh arrivals have started in Indore mandi as well but moisture level of the crop is seen on the higher side at 18-20 percent. Arrivals are likely to pick up in the coming days putting pressure on the market. Reportedly, key areas of Madhya Pradesh are receiving good sunlight which is essential for the crop during this stage. Also, no rainfall forecasts for the coming week support the current 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.

Internationally, as per the latest WASDE report for September 2013, US oilseed production for 2013-14 is projected at 93.2 million tons, down 3 million tons from last month due to lower soybean, cottonseed, and peanut production. Soybean production is projected at 3.149 billion bushels, down 106 million due to lower yield prospects. The soybean yield is forecast at 41.2 bushels per acre, down 1.4 from last month. Soybean exports are reduced 15 million bushels to 1.37 billion, but ending stocks remain unchanged at 125 million bushels.

As per USDA, global soybean production is projected almost unchanged at a record 281.7 million tons as larger crop forecasts for Brazil and Paraguay mostly offset reductions for the United States, Canada, China, and Russia. Soybean production for Brazil is forecast at a record 88 million tons, up 3 million on increased area.

In Brazil, little rain is expected in the top soybean-growing state of Mato Grosso, just before the official start of the planting season. Brazilian farmers have reportedly purchased enough fertilizer and seeds to plant an area large enough to surpass last season's record 81.5 million tons of soybeans, if the weather cooperates. However, lower than average rains could cause the early forecasts to be revised downward.

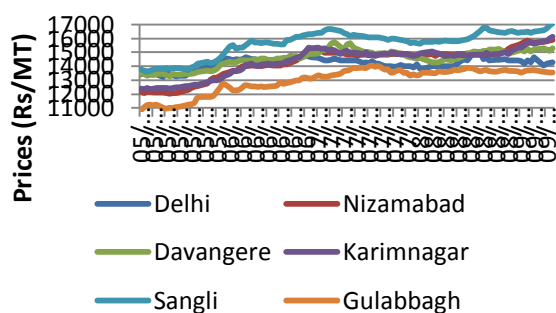
Rapeseed/mustard seed markets of Rajasthan and Gujarat featured a steady to slightly weak trend during the week under consideration. Prices felt slight pressure as arrivals in the domestic markets surged leading to higher inventory of rapeseed. However, the approaching season end and seasonal demand for oils led to some support in the market. Further, weak cues from BMD CPO and overall global bearishness restricted any upward movement.

Internationally, global supplies of rapeseed are widely believed to rise which will put pressure on the rapeseed prices in the coming weeks. Rapeseed production forecasts are also raised for China and Ukraine. The Canadian canola crop is expected to reach a record 15.0 million tons as per Oil World. Global rapeseed production has been reported up in the latest WASDE report released by USDA during the past week.

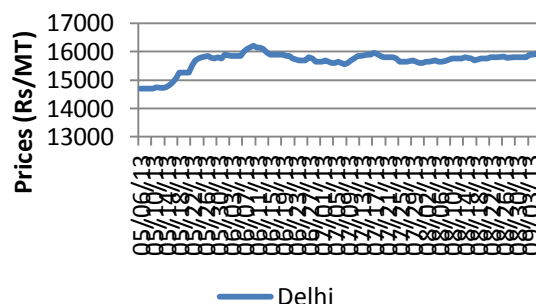
Soy meal prices depicted a slight recovery in prices during the past week, in contrast to the domestic soybean prices during the week in review on good overseas export demand and steady international markets. Soy meal prices witnessed pressure on higher supplies of beans in the local markets and appreciation in the Indian rupee during the week. However, steady tone in the meal prices on CBOT and a bullish WASDE report for the month supported the market. The pressure is likely to persist in

the coming days on soybean new crop arrival pressure in the domestic market and mostly favorable weather prospects in the coming week.

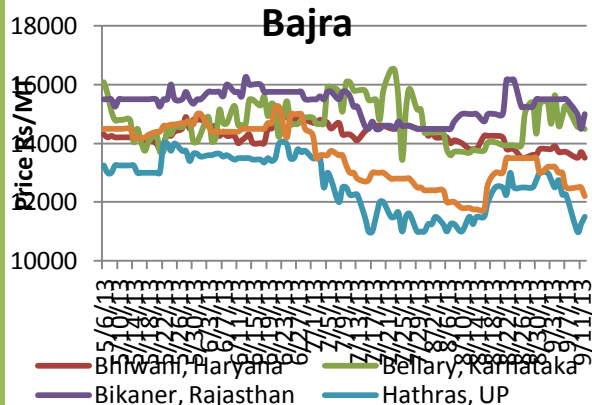
Maize



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. 1520-1700 per quintal. However, starch feed makers demand reported down by Rs. 25 per quintal in a range of Rs.1480-1525 per quintal as compared to last week, sourced from Bihar and U.P.

During the week, on daily basis, around 9 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1300-1350 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 8.19 million hectares as of

12th September, 2013 against 7.4 million hectares sown in 2012-13. Agriwatch forecast above 15.5 million tons maize production for the kharif crop of this season.

As per IBIS data, During the month of Aug'13, 0.216 million tons corn exports reported to Malaysia, Taiwan, Nepal, UAE and Bangladesh mainly through Tondiarpet JNPT, Raxul LCS, Chennai Sea, and Kolkata port.

During the week, Kolkata feed millers demand reported steady at Rs.1500 per quintal.

As per trade sources, maize crop could be damaged around 10-15% due to rain and new crop arrivals are expected after 10-15 days in the market. . Maize stock could be around 30,000 bags in the Nizamabad market and 6-7 lakh bags in the A.P. market.

During the week, hybrid maize traded steady in a range of Rs.1400-1450 per quintal, sourced from U.P. Sources revealed that maize could trade steady till the new crop arrives in the higher quantities as higher domestic demand is supporting the maize prices

As per USDA, U.S. accumulated corn export figures reached to 18,044,211 metric tons for the 2012-13 marketing year which is lowered by ~52.4% from the last marketing year during the same period. Exports of 64,700 MT were reported for August 31. The primary destinations were Japan (46,500 MT) and Mexico (11,100 MT). Exports for September 1-5 of 171,200 MT were primarily for Japan (77,700 MT), Mexico (54,800 MT), Guatemala (12,200 MT), and Venezuela (10,000 MT).

As per Reuter news, Argentina's government on Wednesday has approved an additional 3 million tons of 2012/13 corn exports, bringing the season's total exportable surplus to 20.5 million tons.

As per Reuter news, Conab increased its corn production forecast to 81.3 million tons in its final report on the 2012/13 crops, up from 80.3 million tons.

As per Reuter news, China's big private feed mills are increasingly turning to alternative cheap-sorghum from the United States after using up their annual import allocations for preferred animal feed grain corn.

As per Reuter News, The U.S. Grains Council said that Taiwan has signed a letter of intent on Tuesday to buy 5 million tons of U.S. corn over the next two years and 500,000 tons of distillers dried grains.

Indian government is trying to sell 20 lakh tonnes of wheat from its central pool stock through PSU's but the USD 300/MT floor price remains intact which may hinder the success of tender as Russia, Ukraine and Romania are offering wheat at USD 55-60/MT less than Indian price. According to traders local millers are buying wheat at Rs 1400-1425/Q in Khanna region. Wheat is reaching Pune at Rs 1800-1825/Q, delivered basis from Kanpur region. Traders in Rajkot are sourcing wheat from Kota region at Rs 1800-1850/Q, delivered basis.

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 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.

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.

International market is likely to trade steady to weak on increased global output by USDA by 3 million tonnes to 708.89 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	204.00
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 but due to proper demand and limited new crop arrivals, we expect that both commodities could trade steady and could keep maize spread with bajra intact.

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	402.00
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 increased as jowar traded down vs. maize during last week. We expect that both commodities could trade steady in the near term and keep maize spread with jowar unchanged 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	-122.0
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 slightly higher during last week. We expect that both commodities could trade steady in the near term and keep maize spread with wheat intact for the coming 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	220.0
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 barley traded slightly up 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)		
	13.9.2013	06.9.2013	Parity To
Indore (MP)	31500-32500	31500-31800	Gujarat, MP
Kota	31500	31500	Rajasthan, Del, Punjab, Haryana
Akola	-	-	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	-	-	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	34200	34000	Andhra, AP, Kar, TN
Dhulia/Jalna	33000	32500	Mumbai, Maharashtra
Nagpur (42/46)	-	-	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Sangli	34000	33800	Local and South
Solapur	33300	33500	Local and South
Bundi	30500	32000	-

Soy DOC at Port

Centers	Port Price	
	13.9.2013	6.9.2013
Kandla (FOR) (INR/MT)	33200	33000
Kandla (FAS) (USD/MT)	521	500

International Soy DOC

Argentina FOB \$/MT	12.9.2013	5.9.2013	Change
Soybean Pellets	537	527	+10
Soybean Cake Meal	537	527	+10
Soybean Meal	545	535	+10
Soy Expellers	545	535	+10

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	13.9.2013	6.9.2013	Change
Adoni	19500	19500	Unch
Khamgaon	19000	19000	Unch
Parli	19300	19400	-100
Latur	19000	19100	Unch

Groundnut Meal

Groundnut Meal	13.9.2013	6.9.2013	Change
Basis 45% O&A, Saurashtra	24300	25500	-1200
Basis 40% O&A, Saurashtra	21500	22500	-1000
GN Cake, Gondal	24000	24500	-500

Mustard DOC/Meal

Mustard DOC/Meal	13.9.2013	6.9.2013	Change
Jaipur (Plant Delivery)	14000	14000	Unch
Kandla (FOR)	15000	14800	+200

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	13 Sep, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1450	1440	1400	1430	1330
Davangere	Bilty	1530	1505	1449	1523	1500
Naugachia	Bilty	-	-	1300	1275	1300
Nizamabad	Bilty	1600	1585	1470	-	-
Ahmedabad	Feed	1700	1650	1600	1600	1480
	Starch	1525	1525	1500	1575	1490

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	214.17	189.55	223.73	266
Cost and Freight (Thailand)	264.17	244.55	283.73	301

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	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>13.9.2013</u>	<u>6.9.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1510	1492	18
		Hybrid	Bangalore	1700	1700	Unch
Jowar	Karnataka	White	Bangalore	1800	1800	Unch
		White	Bellary	1389	1411	-22
Maize	Karnataka	Yellow	Davangere	1530	1505	25
	Andhra Pradesh	Yellow	Nizamabad	1600	1550	50
Rice	Haryana	IR8	Karnal	2000	2000	Unch
		Parmal Raw	Karnal	2350	2350	Unch
Soy meal	Madhya Pradesh	DOC	Indore	31500	31500	Unch
	Maharashtra	DOC	Sangli	34000	33800	200
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	19500	19500	Unch
	Maharashtra	Ex-factory	Latur	19000	19100	-100
Mustard	Rajasthan	Plant delivery	Jaipur	14000	14000	Unch
Groundnut Meal	Gujarat	GN Cake	Gondal	24000	24500	-500

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