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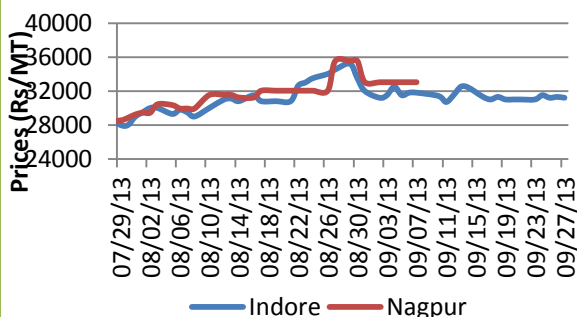
Summary

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

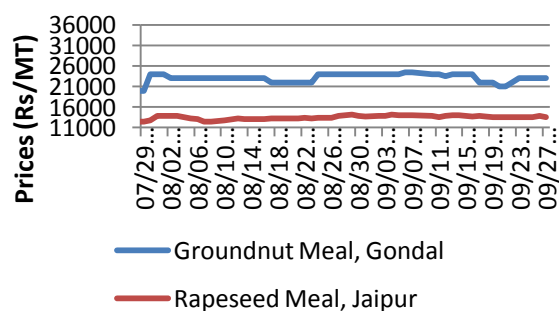
Soybean prices across major markets of India increased during the week. Soybean was mostly steady to slightly firm in the international soybean markets as well. Soybean prices were up as rainfall during the past days over key regions of central India affected the harvest activities resulting in less than expected new crop spot arrivals. Further, improved buying activities in the spot markets due to expected demand in the upcoming festive season and supportive international markets also buoyed the prices. Soy meal prices witnessed a rise during the past week, in tandem with the domestic soybean prices during the week on steady overseas export demand and rise in international markets. Mixed sentiments witnessed in most of the major spot markets of maize during last week. Cash wheat market reeled under pressure during the week on the back of better prospect of supply side in the months ahead despite seasonal factors.

Trend – Raw Material, Feed

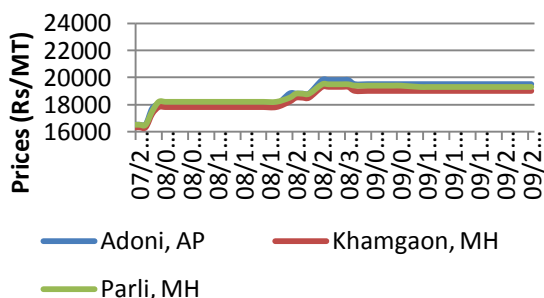
Soy meal



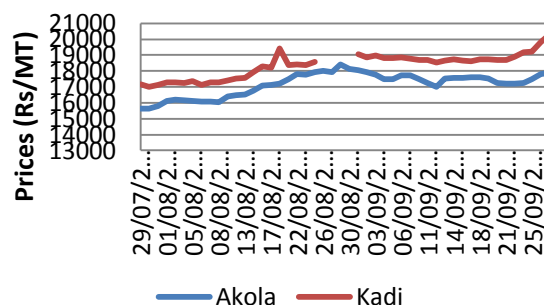
GN and Rapeseed Meal



Sunflower Meal



Cottonseed Oilcake



Source: AgriWatch

Oilseeds and oil meals prices across major markets of India increased during the week in review. Soybean prices were up as rainfall during the past days over key regions of central India affected the harvest activities resulting in less than expected new crop spot arrivals. Further, improved buying activities in the spot markets due to expected demand in the upcoming festive season and supportive international markets also buoyed the prices. Soybean was mostly steady to slightly firm in the international soybean markets as well.

On the supply front, SOPA estimates the production of soybean at 129.83 lakh tons this season compared with 126.77 lakh tons in the previous year. As per the latest official planting report (as on 26 September, 2013), oilseeds planting is up by 11.00 per cent at 193.96 lakh ha against 174.74 lakh ha during the same period last year. Of the major kharif oilseeds crops, soybean planting stood up by around 14.20 per cent at 122.17 lakh ha compared to 106.94 lakh hectares during the same period last year.

Internationally, soybeans on CBOT featured a steady to firm tone during this week after witnessing decline in the past week, on higher global supply outlook, approaching harvesting season; however tight soybean stock situation and delayed harvest capped any decline in the market. Late soybean planting and cool weather in July moved maturity dates back in many regions and gave the market a little concern about early frost, but the heat in August and recent near perfect weather has helped to mitigate much of the risk associated with frost.

In the US, it is being estimated that the stock position may reach a 9 year low and the second lowest since 1977. However, tight US beginning stocks are not currently being seen as a major issue as the harvest will be in full swing soon and a record high world production forecasts this season.

Soybean planting in Brazil has been delayed because of the dry weather and less soil moisture in the key soybean producing regions. Argentina has remained dry during the past week causing delay in corn sowing that may push farmers toward planting soybeans. Reportedly, farmers are stock-piling more soybeans on their farms, selling only 70 percent so far this season versus about 85 percent at this point last year.

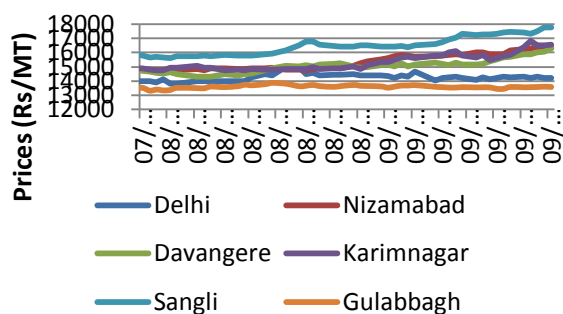
Oil World reports that the world production prospects for sunflower seed have deteriorated during the past few days with downward revisions for Spain and Argentina. Further, there are concerns of sunflower seed crop losses in Ukraine and Russia if wet conditions continue and if the delayed harvesting do not catch up before wintry conditions arrive.

Rapeseed/mustard seed prices at key markets mostly witnessed a steady trend during the week and featured an overall increase. Prices felt slight pressure on new crop oilseeds arrivals in the domestic markets and sufficient stocks of rapeseed reported in the markets. However, the approaching season end and seasonal demand for oils continued to lend strong support to the market. Further, positive cues from BMD CPO, which featured a rise after two weeks of decline, and overall global steady trend restricted any downward movement in prices.

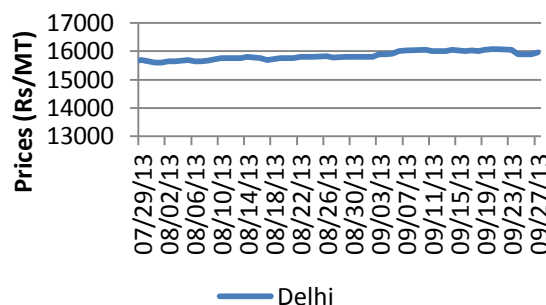
Soy meal prices witnessed a rise during the past week, in tandem with the domestic soybean prices during the week in review on steady overseas export demand and rise in international markets. Also,

the modest recovery in soybean markets supported the domestic market. Strength in the meal prices on CBOT also provided support to the market. However, slight pressure is likely to be seen in the coming days on soybean new crop arrival pressure in the domestic as well as US markets.

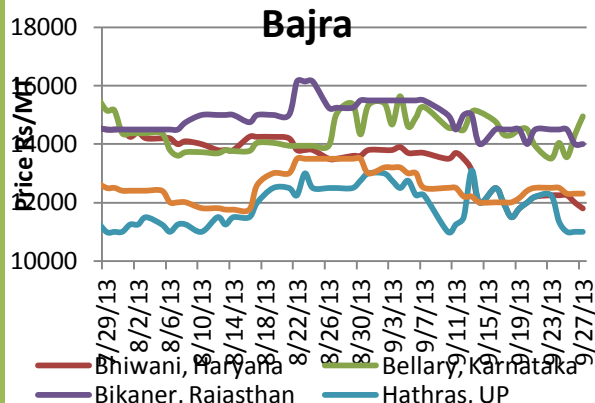
Maize



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 up by Rs. 50 per quintal for corn in a range of Rs. 1650-1750 per quintal. Starch feed makers demand also reported up by Rs. 25 per quintal and quoted around 1450-1525 per quintal, sourced from Bihar and U.P.

During the week, in the Khanna market of Punjab, the maize was quoted down by Rs. 50 per quintals as compared to last week. Around 8 motors reported on daily basis. Sources revealed that maize stock could be around 150-200 motors in the market.

As per first advance estimate released by ministry of Agriculture on 24th September, 2013, maize production is estimated at 17.78 million tons during kharif for 2013-14.

During the week in review, Kolkata feed millers demand reported steady at Rs.1500 per quintal. As per trade sources, maize stock could be around 40% of produced in the Bihar. Starch feed makers are demanding higher quantity of damaged quality. Further, traders are waiting for demand from Bangladesh as this is the huge buyer of that quality.

In A.P., new crop arrivals of maize have started in the market which contains 18% moisture.

During the week, hybrid maize traded slightly weak tone in a range of Rs.1410-1435 per quintal, sourced from U.P. Sources revealed that prices could go down in the near term as supply increase in the market.

As per USDA, U.S. accumulated corn export figures reached to 11,69,100 metric tons for the 2013-14 marketing year which is lowered by ~29.9% from the last marketing year during the same period. Exports of 479,100 MT were reported by U.S. to Mexico (189,600 MT), China (118,600 MT), Japan (63,600 MT), Venezuela (36,500 MT), and Guatemala (17,700 MT) for the period September 13-19, 2013.

As per Reuter news, The Taiwan Sugar Corp has bought 23,000 tons of U.S.-origin corn at a flat price of \$274.11 per ton, including cost and freight for the shipment in the first half of November from the U.S. Gulf Coast or in the last half of November from the U.S. Pacific Northwest.

As per Reuter news, Crop forecaster Lanworth raised its outlook for 2013/14 world corn production by 7 million tons to 949 million tons on the expectation for big planting of crop in South America. Lanworth sees Argentine corn production at 28.2 million tons and Brazil corn production at 75.9 million tons for the 2013/14 crop year.

As per the latest crop progress report released by USDA, 91% dent reported in corn, below 8% from the last year and 2% from the last 5 year average period. 40% crop of corn has matured, below 46% from the last year. Also, 7% crop of corn has harvested, below 30% from the last year and 9% from the last 5 year avg. period. 55% corn crop is in good to excellent condition, above 31% as compared to last year.

Cash wheat market reeled under pressure during the week on the back of better prospect of supply side in the months ahead despite seasonal factors. Stock allocation from central pool through OMSS for various consuming states will continue to rein market. Short supply through private channel is likely to be compensated by govt.'s stock and allocations.

Stocks in private hand are ample for the short term requirements. However, it will start decreasing from mid October and tight supply may occur at October end. It would enhance off take from central pool stock. In a latest development Madhya Pradesh government has exempted state-owned cooperative agencies from purchase tax on wheat purchase.

In a recent development govt has allocated one lakh T of wheat for distribution from the beginning of Oct. for Gujarat at Rs 1566 per qtl. It is expected to control fluctuations in market. Govt. is trying to ensure ample supply throughout the lean season.

Rake loading for south Indian market continues from Rajasthan at Rs 1885 to Rs 1895 per qtl. on delivered basis. Under emerging scenario and govt's continuous efforts wheat price may dip Rs 30 to Rs 40 per qtl more from current level. Festive demand for wheat products is likely to increase. However, higher supply would not allow cash market to get firmer.

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.

International wheat market is likely to trade steady to slightly firm on increased demand from China, Iran and Brazil, 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	197.50
4	264.0	238.0	147.0	153.0	102.0	110.0	86.0	-104.0	-49.0	120.00	124.00	190.00
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 decreased as compared to last week as bajra traded up vs. maize. However, both commodities traded high during last week. We expect that both commodities could trade down in the coming weeks due to new crop arrival pressure and keep maize spread with bajra intact as compared to last week.

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	390.00
4	140.0	142.0	172.0	153.0	170.0	244.0	205.0	0.83	229	250.00	334.00	327.00
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 vs. maize during last week. We expect that jowar could trade steady in the near term and keep maize spread with jowar towards southward zone.

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	-152.0
4	-127	-27	-8.0	-31.0	-47.5	29.0	76.0	-174	-82.50	-	-75.0	-135.0
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 increased as maize traded high with the steady price movement in wheat prices. We expect that wheat could follow the steady tone and keep maize spread with wheat down 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	190.0
4	226.0	215.0	172.0	139.0	167.0	294.0	314.0	151.0	147.5	185.0	270.0	197.0
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 increased as maize traded high vs. barley during last week. We expect that barley could trade steady in the near term and keep maize spread with barley down for the next week.

Annexure

Oil Meal Prices at Key Spot Markets:
Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	27.9.2013	20.9.2013	Parity To
Indore (MP)	30700-31200	30500-31000	Gujarat, MP
Kota	30800-31000	30200-30500	Rajasthan, Del, Punjab, Haryana
Akola	-	-	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Hingoli	-	-	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	31900	-	Andhra, AP, Karnataka ,TN
Dhulia/Jalna	33000	-	Mumbai, Maharashtra
Nagpur (42/46)	-	-	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Karnataka, TN
Sangli	31300	-	Local and South
Solapur	32000	32500	Local and South
Bundi	30800	30000	-

Soy DOC at Port

Centers	Port Price	
	27.9.2013	20.9.2013
Kandla (FOR) (INR/MT)	32500	32375
Kandla (FAS) (USD/MT)	526	520

International Soy DOC

Argentina FOB \$/MT	19.9.2013	12.9.2013	Change
Soybean Pellets	512	510	+2
Soybean Cake Meal	512	510	+2
Soybean Meal	520	518	+2
Soy Expellers	520	518	+2

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	27.9.2013	20.9.2013	Change
Adoni	19500	19500	Unch
Khamgaon	19000	19000	Unch
Parli	19300	19300	Unch
Latur	19000	19000	Unch

Groundnut Meal

Groundnut Meal	27.9.2013	20.9.2013	Change
Basis 45% O&A, Saurashtra	22500	23000	-500
Basis 40% O&A, Saurashtra	20500	20800	-300
GN Cake, Gondal	23000	21000	+2000

Mustard DOC/Meal

Mustard DOC/Meal	27.9.2013	20.9.2013	Change
Jaipur (Plant Delivery)	13600	13500	+100
Kandla (FOR)	14600	14500	+100

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	27 Sep, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1420	1440	1472	1400	1280
Davangere	Bilty	1700	1650	-	-	1350
Naugachia	Bilty	1300	1275	1325	1325	1275
Nizamabad	Bilty	1550	1600	1500	1475	1430
Ahmedabad	Feed	1725	1700	1650	1500	1450
	Starch	1500	1490	1520	1430	1425

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	NA	182.35	222.05	281
Cost and Freight (Thailand)	NA	237	282.05	316

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>27.9.2013</u>	<u>20.9.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1495	1450	45
		Hybrid	Bangalore	1700	1700	Unch
Jowar	Karnataka	White	Bangalore	1800	1800	Unch
		White	Bellary	1367	1386	-19
Maize	Karnataka	Yellow	Davangere	1650	1600	50
	Andhra Pradesh	Yellow	Nizamabad	1500	1550	-50
Rice	Haryana	IR8	Karnal	2200	2000	200
		Parmal Raw	Karnal	2300	2350	-50
Soy meal	Madhya Pradesh	DOC	Indore	30700	30500	200
	Maharashtra	DOC	Sangli	31300	32700	-1400
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	19500	19500	Unch
	Maharashtra	Ex-factory	Latur	19000	19000	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	13600	13500	100
Groundnut Meal	Gujarat	GN Cake	Gondal	23000	21000	2000

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