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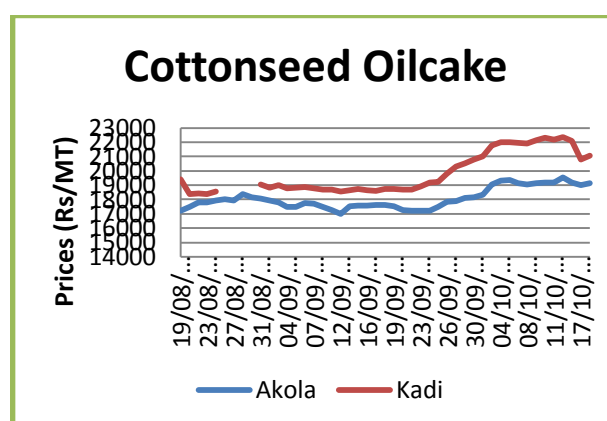
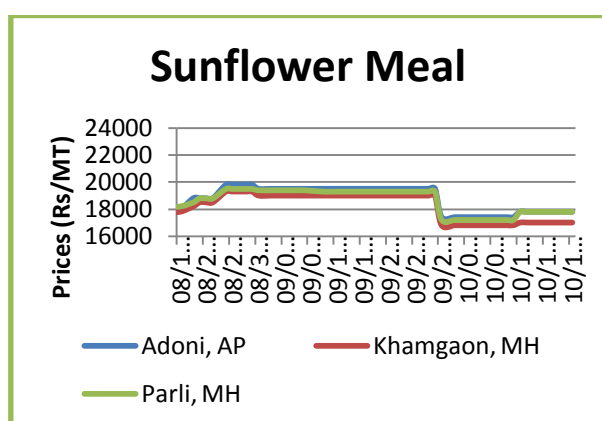
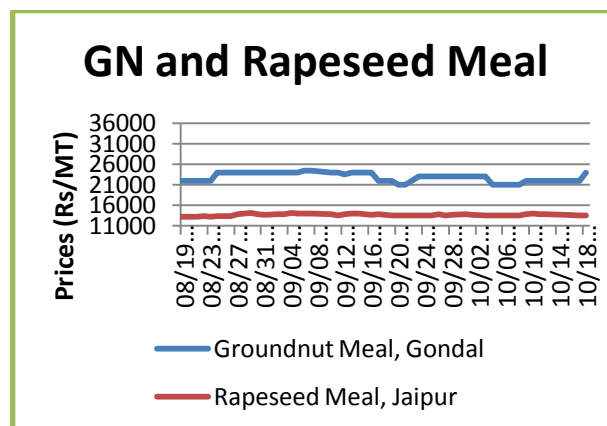
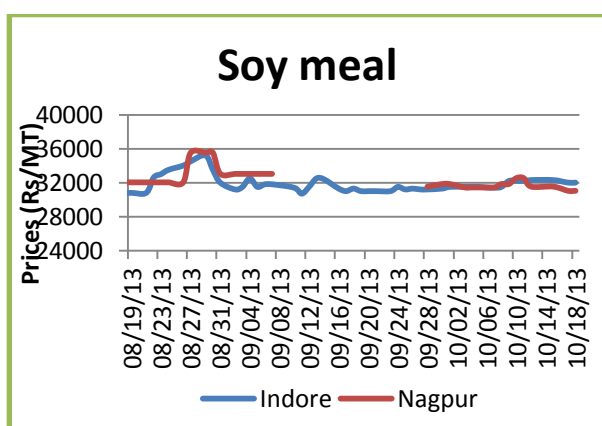
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Summary

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

Domestic soybean prices were range bound owing to need based demand for edible oils in spot markets. While, cautious buying at higher levels limit upside. Soy meal prices witnessed range bound movement during the week owing to need based demand. This was due to steady overseas export demand and supply tightness in international markets. Soy meal on CBOT market declined on harvest pressure from soybeans. However, mixed sentiments witnessed in most of the major spot markets of maize during last week. Domestic wheat market is likely to trade firm in near term owing to seasonal demand and increase in OMSS price.

Trend – Raw Material, Feed



Source: AgriWatch

Oilseeds and oil meals prices across major markets of India continued to witness firm sentiments during the week in review. Domestic soybean prices were range bound owing to need based demand for edible oils in spot markets. While, cautious buying at higher levels limit upside.

Indian government has raised the minimum support price for rapeseed to 3,050 rupees per Qtl, up from 3,000 rupees per Qtl a year earlier and the MSP of safflower has been raised by Rs. 200 per Qtl to Rs. 3000 per Qtl to boost oilseeds production and to reduce the edible oil import burden.

The weather has become clear and soybean supplies are likely to surge in the coming days. Moreover, late rains over key soybean growing regions affect the crop prospects and the seed quality is lower and having high moisture content.

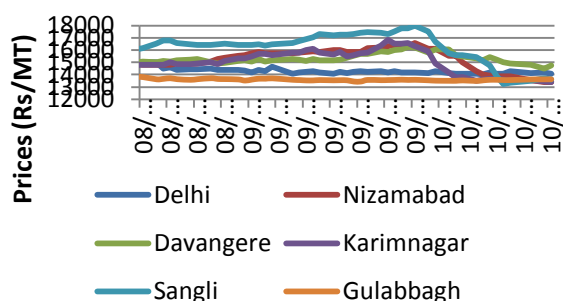
Internationally, soybeans on CBOT declined on pressure from harvesting activities currently underway in the key producing regions. Soybean yield reports from producers are coming in higher than expected. Moreover, USDA has cancelled the October production and supply/demand reports and will prepare for the November 8th update. This is the first time the monthly update has been cancelled since 1866.

Rapeseed/mustard seed prices at key markets witnessed range bound to firm movement during the week under consideration tracking gains in oil complex and better buying from stockists. Moreover, the approaching season end and improved seasonal demand for oils continued to lend strong support to the market.

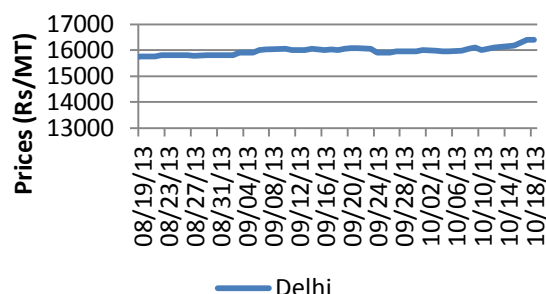
Domestically, higher kharif oilseeds crop prospects on higher acreage will continue to pressurize the markets as domestic stockpiles of oilseeds are set to witness increase compared to previous year. The fourth advance estimate of production released by the government pegs the oilseed production for 2012-13 at 31.01 million tons. RM seed is estimated at 78.20 lakh tons compared to 66.04 lakh tons in 2011-12. On the international front, global rapeseed supplies are estimated by Oil World to reach an all-time high of 70 million tons, up 2.5% from a year earlier.

Soy meal prices witnessed range bound movement during the week owing to need based demand. This was due to steady overseas export demand and supply tightness in international markets. Soy meal on CBOT market declined on harvest pressure from soybeans.

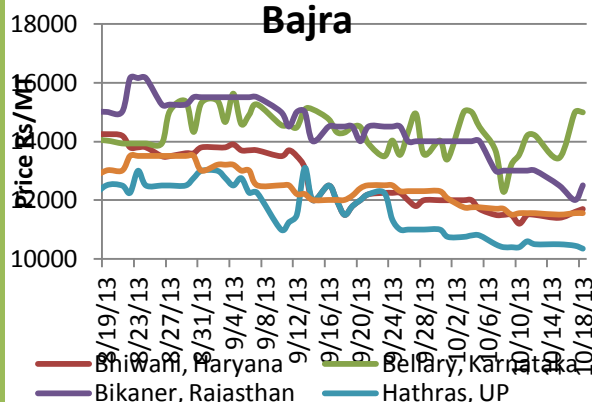
Maize



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 down by Rs. 100 per quintal for corn in a range of Rs. 1400-1500 per quintal. Starch feed makers demand also reported down by Rs. 10 per quintal and quoted in a range of Rs. 1350-1420 per quintal, sourced from Karnataka and U.P.

During the week, in the Khanna market of Punjab, the maize was quoted steady in a range of Rs. 1450-1480 per quintal as compared to last week. On daily basis, Arrivals of maize reported around 6-7 motors.

As per trade sources, maize crop in Jalna contain high moisture level, demanded by starch feed makers at Rs. 1370 per quintal.

In Davengere, maize crop contain 17-20% moisture.

As per news sources, due to cyclone Phailin, some crop damaged reported in the eastern states like Orissa and some parts of A.P.

During the week in review, Kolkata feed millers demand reported up at Rs.1475 per quintal. Naugachia market of maize was closed most of the days on the occasion of dussehra festival.

In A.P., new crop arrivals of maize contain 14-16% moisture. On Daily basis, around 400-500 tons of maize is arriving in the nizamabad market.

During the week, hybrid maize traded down by Rs. 20 per quintal to Rs.1410 per quintal as compared to last week, sourced from U.P. Sources revealed that maize is trading steady in the market as new crop is arriving in the lower quantity.

As per USDA, U.S. accumulated corn export figures reached to 17,15,326 metric tons for the 2013-14 marketing year which is lowered by ~18% from the last marketing year during the same period. Exports of 546,200 MT were reported by U.S. to Japan (163,200 MT), Mexico (158,800 MT), China (115,200 MT), Guatemala (31,600 MT), and Costa Rica (29,000 MT) for the period September 20-26, 2013.

As per Reuter, a group of Israeli private buyers purchased at least 80,000 tons of corn in a combination of prices, some for shipment between Dec. 25, 2013, and Jan. 15, 2014, was bought at the flat price of \$216 a ton c&f. The rest of the corn was bought a premium of 88 cents a bushel c&f over the Chicago March corn contract for shipment between Jan. 20 to Feb. 10, 2014, likely to be sourced from the Black Sea region.

Informa Economics lowered its forecasts for corn planted acreage in the USA in 2014 by 1 million acres to 91.7 Mln. Acres.

As per Reuter, China bought five cargoes of corn, equivalent to about 300,000 tons, this week from the United States for shipment from March to May 2014 at about \$260 per ton, or about 1,900 yuan (\$310) per ton after taxes, due to lower U.S. corn prices. This purchase was in addition of 7 cargoes purchased last week by a private trading company.

As per Reuter, Lanworth lowered world corn production forecast to 952 million tons from its previous forecast of 953 million tons after lowering its outlook for the Brazil' crop by 0.3 million tons to 73.8 million tons for 2013/14.

Domestic wheat market is likely to trade firm in near term owing to seasonal demand and increase in OMSS price.

Wheat MSP has been raised by Rs 50/Q from Rs 1350/Q to Rs 1400/Q for 2014-15 marketing year.

Wheat inflation has fallen to 5.90% in September 2013 from 7.60% in August 2013 though WPI has increased to 210.10 in September from 205.30 in August 2013.

Private traders has sold 30,000 MT of 12% Protein Indian Milling Wheat at USD 285 and 13% protein milling wheat at USD 315/MT, to be delivered by November. This is the first export deal since late august according to the traders.

As of 1st October wheat in Central pool was 36.1 million tonnes as compared to 43.15 million tonnes. North Zone has the highest stock of 26.94 million tonnes. Punjab has the 13.3 million tonnes in its stock followed by Haryana at 8.63 million tonnes.

New OMSS price applicable from 1st Oct. 2013 for M.P has been revised up from Rs 1414 to Rs 1635 per qtl. Despite hefty increase of 15.62 percent in reserve price traders may opt for buying wheat from FCI stock through tender. Wheat for M.P gets premium over other varieties and local traders will start taking part in auction after mid Oct.FCI has allocated two lakh tonnes of wheat to gauge the market temperament.

Wheat in local market is available at around Rs 1550/Q .However, traders' interest to buy wheat from government stock at higher price is taking ground now as stock in private hands is shrinking and traders will start getting parity in Malwa region at this price. They can deliver it in south India in between Rs 1850-1900/Q. Lower freight from Malwa region to south Indian destination would make off take viable from Malwa region given the current market scenario and seasonal factors. We expect wheat market to move slightly up from current level as new reserve prices for various states would lend support to cash wheat market to some extent in the weeks ahead.

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	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13
1	187.5	213.0	115.0	113.0	86.0	106.0	71.00	-5.0	2.50	137.00	145.00	232.0
2	213.0	210.0	131.0	82.50	112.5	145.0	33.00	-9.0	29.00	200.00	204.00	275.5
3	214.0	158.0	170.0	93.75	110.0	154.0	-100.0	-38.0	57.00	212.00	197.50	241.25
4	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 maize traded down due to new crop arrivals in the market. Despite the lower crop arrivals of both commodities, maize could trade steady with the steady demand. However, bajra could trade firm with the support of poultry feed makers demand and keep maize spread with bajra in the negative tone.

Maize Average Weekly spread with Jowar

Week	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13
1	137.0	192.0	205.0	107.0	142.0	265.0	171.0	88.0	175.00	230.00	321.66	364.0
2	183.0	218.0	190.0	80.0	172.5	322.0	133.0	146	175.00	295.00	402.00	366.0
3	204.0	169.0	182.5	147.5	178.0	320.0	-23.0	243	197.00	305.00	390.00	400.0
4	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 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 intact as compared to last week.

Maize Average Weekly spread with Wheat

Week	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13
1	-139	-21	-48.0	-90.8	-59.0	-97	67	-132	-112.5	-107.5	-104.0	-128.0
2	-170	0.0	-44.0	-143	-14.0	-220	32	-133	-134.0	-125.0	-122.0	-139.0
3	-101	-5.0	4.0	-81.25	-2.50	-179	-140	-87.50	-182.5	-121.0	-152.0	-180.0
4	-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 decreased as maize traded down as wheat traded firm under Open market sales schemes. We expect that trend could continue in the near term and keep maize spread with wheat towards southward zone.

Maize Average Weekly spread with Barley

Week	Nov	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13
1	213.0	242.0	135.0	71.67	152.0	327.5	290.0	213.0	133.0	165.0	244.0	195.0
2	150.0	268.0	140.0	62.50	189.0	369.0	283.0	185.0	115.0	199.0	220.0	191.0
3	157.0	168.0	174.0	122.5	239.0	383.0	122.5	143.0	140.0	224.0	190.0	178.75
4	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 decreased as maize traded down vs. 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 near term.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	18.10.2013	11.10.2013	Parity To
Indore (MP)	31000	31800-32200	Gujarat, MP
Kota	31000	31500	Rajasthan, Del, Punjab, Haryana
Akola	31500	-	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Hingoli	31300	-	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	31500	-	Andhra, AP, Karnataka ,TN
Dhulia/Jalna	32000	33500	Mumbai, Maharashtra
Nagpur (42/46)	31200	32500	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Karnataka, TN
Sangli	31800	-	Local and South
Solapur	32000	32500	Local and South
Bundi	31200	31000	-

Soy DOC at Port

Centers	Port Price	
	18.10.2013	11.10.2013
Kandla (FOR) (INR/MT)	33000	34300
Kandla (FAS) (USD/MT)	539	561

International Soy DOC

Argentina FOB \$/MT	17.10.2013	10.10.2013	Change
Soybean Pellets	536	541	-5
Soybean Cake Meal	536	541	-5

Soybean Meal	544	549	-5
Soy Expellers	544	549	-5

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	18.10.2013	11.10.2013	Change
Adoni	17800	17800	Unch
Khamgaon	17000	17000	Unch
Parli	17800	17800	Unch
Latur	17000	17000	Unch

Groundnut Meal

Groundnut Meal	18.10.2013	11.10.2013	Change
Basis 45% O&A, Saurashtra	23000	23145	-145
Basis 40% O&A, Saurashtra	20000	20140	-140
GN Cake, Gondal	24000	22000	+2000

Mustard DOC/Meal

Mustard DOC/Meal	18.10.2013	11.10.2013	Change
Jaipur (Plant Delivery)	13600	13800	-200
Kandla (FOR)	14600	14800	-200

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	18 Oct, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1400	1420	1400	1425	1365
Davangere	Bilty	-	-	1600	1500	1410
Naugachia	Bilty	1300	1275	1250	1325	-
Nizamabad	Bilty	1350	1400	1580	1500	1325
Ahmedabad	Feed	1460	1500	1625	1625	1430
	Starch	1400	1410	1500	1550	1425

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	209.25	185.65	213.25	255
Cost and Freight (Thailand)	259.25	240.65	273.25	290

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>18.10.2013</u>	<u>11.10.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1500	1421	79
		Hybrid	Bangalore	1400	1400	Unch
Jowar	Karnataka	White	Bangalore	1650	1650	Unch
		White	Bellary	1420	1456	-36
Maize	Karnataka	Yellow	Davangere	1475	1503	-28
	Andhra Pradesh	Yellow	Nizamabad	1300	1350	-50
Rice	Haryana	IR8	Karnal	2300	2200	100
		Parmal Raw	Karnal	2450	2450	Unch
Soy meal	Madhya Pradesh	DOC	Indore	31000	31800	-800
	Maharashtra	DOC	Sangli	31800	33000	-1200
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	17800	17800	Unch
	Maharashtra	Ex-factory	Latur	17000	17000	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	13600	13800	-200
Groundnut Meal	Gujarat	GN Cake	Gondal	24000	22000	2000

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