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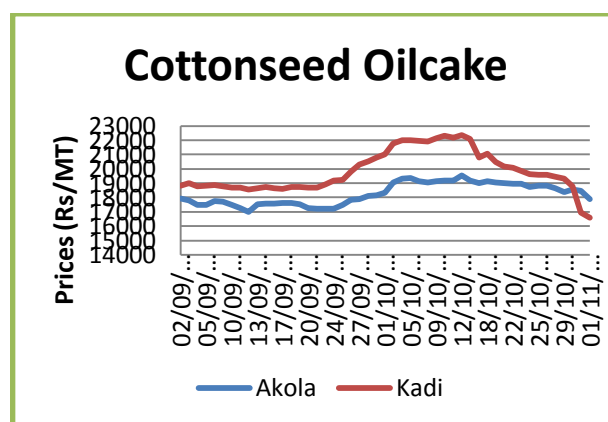
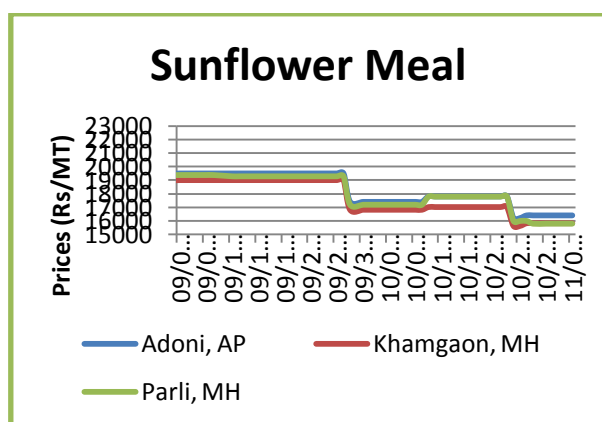
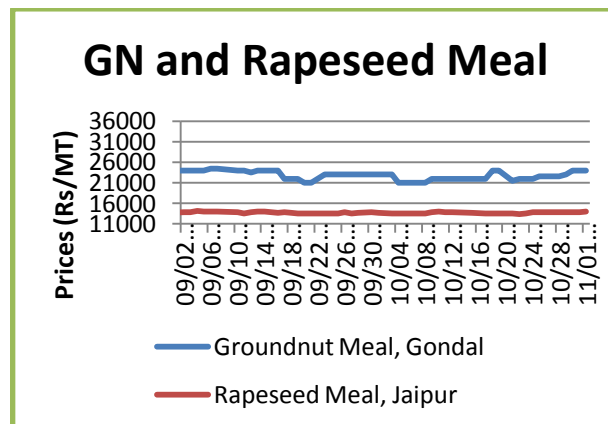
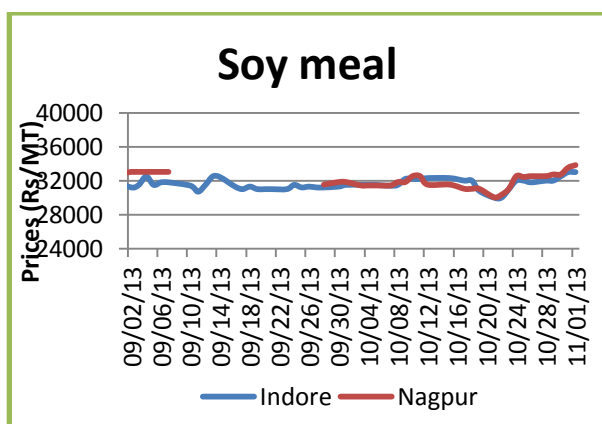
Summary

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

Soybean prices surged due to good demand from stockists and oil mills ahead of festivities. Moreover, crop yield concerns and high crop moisture provided support to the market. Internationally, soybeans on CBOT depicted weak sentiments due to the ongoing harvesting activities amid supportive weather conditions.

Soy meal prices featured a firm tone during the week in conjugation with the soybean prices. However, weakness in the international markets restricted sharp gains. 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 markets across major centers of India featured a firm trend during the week under review. Soybean prices were up on good demand from stockists and oil mills ahead of festivities. Moreover, crop yield concerns and high crop moisture provided support to the market. Internationally, soybeans on CBOT depicted a weak trend as harvest activities near completion amid supportive weather conditions.

Crop moisture was witnessed on the higher side and quality of seed is reported lower compared to last year. The average daily arrivals in spot markets of Madhya Pradesh have so far been weaker than past year. Yield losses are reported in the states of Madhya Pradesh and Rajasthan due to excess rainfall during the growing phase of the crop. Late rains in major producing areas have kept moisture content high in the crop, which would damage the beans badly and reduce protein content. It is expected that good quality beans will be available in the market by mid-November.

Mostly, the week saw festive demand due to Diwali and other festivities. Improvement in seasonal buying activities in the spot markets due to the festive season supported the prices. Availability of sufficient crushable soybean supplies in the coming days is a concern for the market and may remain supportive for the market.

Internationally, estimates of higher soybean production in major producing nations of US and South America are building up bearish sentiments for the global markets. Mostly dry and warm weather in the past week allowed farmers to speed up harvesting of sunflower seed in the Black Sea region, reducing the delay caused by excessively moist conditions observed in September. Favorable weather facilitated rapid harvesting of sunflower seed in Ukraine and Russia and less crop damage than feared.

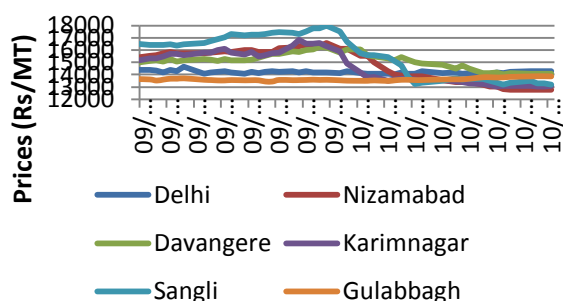
On the domestic supply front, as per the latest official planting report (as on 17 October, 2013), oilseeds planting is up by 10.10 per cent at 194.94 lakh ha against 177.11 lakh ha last year.

Soy meal prices featured a firm tone during the week in conjugation with the soybean prices. However, appreciation in the value of the Indian rupee and weakness in the international markets restricted sharp gains.

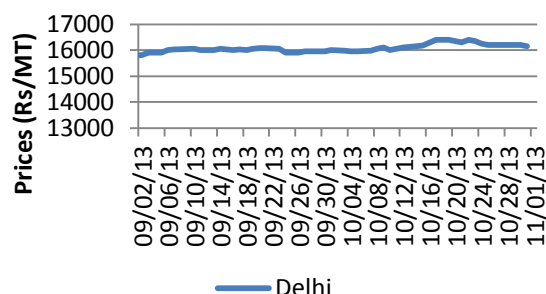
Rapeseed/mustard seed prices in key spot markets across Rajasthan and Gujarat witnessed a firm trend during the week. The movement in prices was in conjugation with the soybean prices with strong cues from BMD CPO.

Rapeseed prices saw support on improved demand for oils which led to better RM seed buying from stockists and oil mills. It is expected that the approaching season end and seasonal demand for oils will continue to lend support to the market.

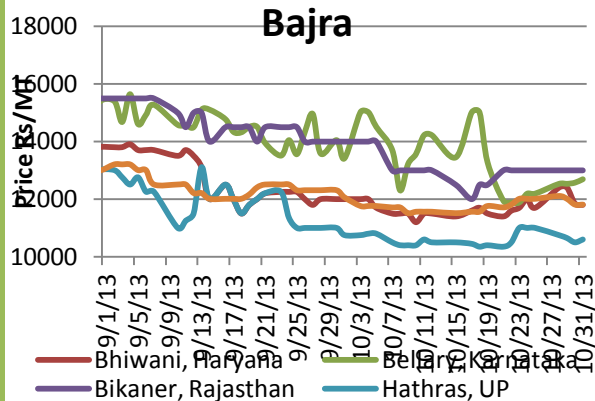
Maize



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, maize crop contains around 14-22% moisture. During the week, Poultry feed makers quoted maize down by Rs. 100 per quintal in a range of Rs. 1300-1320 per quintal. Starch feed makers also quoted maize down by Rs. 80 per quintal in a range of Rs. 1250-1300 per quintal, sourced from Maharashtra.

During the week, in the Khanna market of Punjab, the maize was quoted steady at Rs. 1450 per quintal as compared to last week. On daily basis, Arrivals of maize reported around 6 motors, contained 14-15% moisture. As per trade sources, maize stock could be around 150 motors in the market.

In Maharashtra, new crop arrivals have started but contain high moisture level. Sources revealed that quality maize crop arrivals are expected in the mid of November.

During the week in review, Kolkata feed millers demand reported steady at Rs.1500 per quintal. We expect that Bihar market could trade under pressure as maize sowing has started in the Bihar for the rabi season. Also, carry forward stock that could be around 20% of produced, also weigh on the market sentiments.

Sources revealed that maize could trade higher on the concern over lower crop quality arrivals in A.P. as crop has damaged around 30% due to higher rainfall. Jadcherla market in Mahbubnagar district of A.P. is getting huge buying order from across the Tamil Nadu and supporting the prices of maize. Around 50 rakes of maize have been booked for future shipments.

During the week, hybrid maize traded up by Rs. 5 per quintal to Rs.1435 per quintal as compared to last week, sourced from U.P. Sources revealed that prices could trade steady to firm in the near term amid higher feed makers demand.

As per USDA, U.S. accumulated corn export figures reached to 44,27,744 metric tons for the 2013-14 marketing year which is higher by ~19% from the last marketing year during the same period. Exports of 20,94,386 MT were reported by U.S. to Mexico (708,300 MT), China (677,900 MT), Japan (255,600 MT), Colombia (123,300 MT), and Saudi Arabia (68,200 MT) for the period October 18- October 24, 2013.

As per the latest IGC report, the 2013-14 world corn production is forecasted at record 948 million tons, up by 5 million tons from the previous month forecast and higher by 85 million tons from the last year. Amid generally strong demand for animal feed, maize consumption is expected to rise by ~6%, and trade is also set to expand by ~6% y/y to a new record. Carryover stocks are seen recovering to a 13-year high at 152 million tons

As per Reuter, an official think-tank said that China is likely to import 5 million tons of corn in 2013, higher by 2 million tons as compared to 2012/13 marketing year. As per China National Grain and Oils Information Center, about 100,000 tons of U.S. corn is set to arrive at Chinese ports in October, followed by 800,000 tons in November.

As per the latest crop progress report released by USDA as on 28th October, 2013, 98% crop of corn has matured, below 2% from the last year but higher by 1% from the last 5 year average period. 59% crop of corn has harvested, below 32% from the last year. 62% corn crop is in good to excellent condition, higher by 2% from the previous week.

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

Wheat export floor price (as of now USD 300/T) has been revised down to USD 260 per tonne as per market reports. It will help to increase almost halted export. Govt.'s warehouses are bulging with massive wheat stock (35.18 million T as on 16.10.2013 against the required norms of 14 million tonne till 1st of October).It includes 11 million T buffer norms and 3 million T strategic reserves.

Wheat stock in central pool warehouses was registered at 35.18 million T as on 16.10.2013, higher than actual requirement of 14 million tonne on 1st Oct.'2013. The highest accumulated stock is in Punjab (12.82 million T) followed by Haryana (8.28 million Tonne) and Madhya Pradesh (5.65 million tonne) as on 16.10.2013.

Haryana government has set state wheat production target at 127.48 lakh tonnes for 2013-14 from 25 lakh hectares. Last year Haryana produced 113.42 lakh tonnes of wheat due to adverse weather condition in January and February.

Punjab government has set the wheat production target at 163 lakh tonnes for 2013-14 from 34.7 lakh hectares as compared to 165.91 lakh tonnes from 35.12 lakh hectares in 2012-13.

Bumper wheat production is expected in 2013-14 owing to good and extended monsoon, providing sufficient soil moisture for wheat plantation which is likely to begin by early November. Farmers and Traders expect wheat production may remain well above government target of 92.5 million tonnes if weather remains favorable in Jan-Feb 2014.

According to the traders, in wheat tender issued by government under OMSS scheme bid of Rs 1640/Q were received against the reserve price of Rs 1637/Q in M.P. Almost 1600 Quintal were purchased by traders against 50000 Quintals of allocated quantity.

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

International 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	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	230.0
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 firm vs. maize. Sources revealed that both commodities could trade firm in the near term due to higher feed makers demand amid lower crop quality arrivals. Considering the above mentioned facts, we expect that maize spread with bajra could follow the previous week trend.

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	368.0
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 firm vs. maize during last week. We expect that maize could trade firm with the steady price movement in jowar and keep maize spread with jowar up 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	-157.0
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 firm with the steady price movement in wheat. We expect that wheat could trade steady to slightly firm owing to increased OMSS price by government and increased demand for festive season and keep maize spread with wheat unchanged as compared to last week.

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	158.0
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 firm vs. maize during last week. We expect that barley could trade steady in the near term and keep maize spread with barley slightly firm for the next week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	01.11.2013	25.10.2013	Parity To
Indore (MP)	33000	32000	Gujarat, MP
Kota	33400	32400	Rajasthan, Del, Punjab, Haryana
Akola	33500	32000	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Hingoli	32500	32000	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	33800	32000	Andhra, AP, Karnataka ,TN
Dhulia/Jalna	34500	32400	Mumbai, Maharashtra
Nagpur (42/46)	33800	32500	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Karnataka, TN
Sangli	34000	33000	Local and South
Solapur	33000	33000	Local and South
Bundi	33500	32400	-

Soy DOC at Port

Centers	Port Price	
	01.11.2011	25.10. 2013
Kandla (FOR) (INR/MT)	35925	34500
Kandla (FAS) (USD/MT)	580	560

International Soy DOC

Argentina FOB \$/MT	31.10.2013	24.10.2013	Change
Soybean Pellets	515	545	-30
Soybean Cake Meal	515	545	-30

Soybean Meal	523	553	-30
Soy Expellers	523	553	-30

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	01.11.2013	25.10.2013	Change
Adoni	16400	16400	Unch
Khamgaon	15800	15800	Unch
Parli	16000	16000	Unch
Latur	15800	15800	Unch

Groundnut Meal

Groundnut Meal	01.11.2013	25.10.2013	Change
Basis 45% O&A, Saurashtra	25000	22500	+2500
Basis 40% O&A, Saurashtra	22500	20500	+2000
GN Cake, Gondal	24000	23500	+500

Mustard DOC/Meal

Mustard DOC/Meal	01.11.2013	25.10.2013	Change
Jaipur (Plant Delivery)	14000	13800	+200
Kandla (FOR)	15000	14700	+300

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	31 Oct, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1425	1425	1425	1450	1380
Davangere	Bilty	1370	-	-	-	1350
Naugachia	Bilty	-	1300	1300	1300	-
Nizamabad	Bilty	-	1250	1550	1575	1270
Ahmedabad	Feed	1320	1300	1600	1670	1310
	Starch	1250	1280	1500	1525	1380

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	201.8	189.9	224.92	231
Cost and Freight (Thailand)	251.8	244.9	284.92	266

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>31.10.2013</u>	<u>25.10.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1268	1218	50
		Hybrid	Bangalore	1430	1430	Unch
Jowar	Karnataka	White	Bangalore	1800	1800	Unch
		White	Bellary	1260	1230	30
Maize	Karnataka	Yellow	Davangere	1370	1310	60
	Andhra Pradesh	Yellow	Nizamabad	1250	1225	25
Rice	Haryana	IR8	Karnal	2200	2200	Unch
		Parmal Raw	Karnal	2500	2500	Unch
Soy meal	Madhya Pradesh	DOC	Indore	33000	32000	1000
	Maharashtra	DOC	Sangli	33300	33000	300
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	16400	16400	Unch
	Maharashtra	Ex-factory	Latur	15800	15800	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	13800	13800	Unch
Groundnut Meal	Gujarat	GN Cake	Gondal	24000	22500	1500

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