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Summary

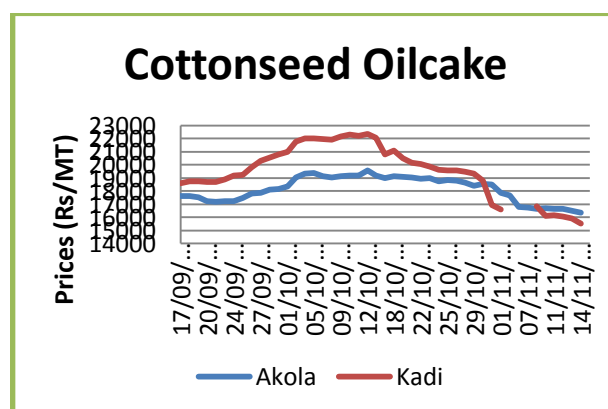
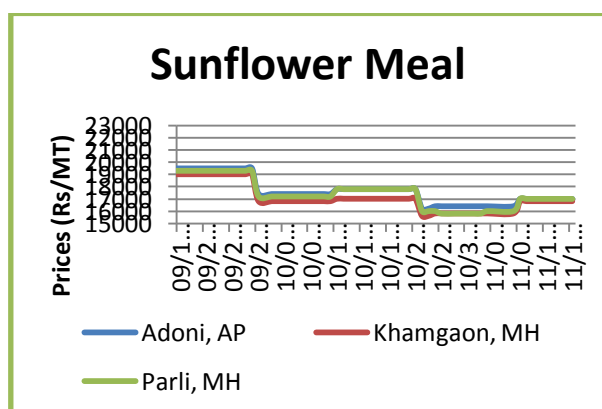
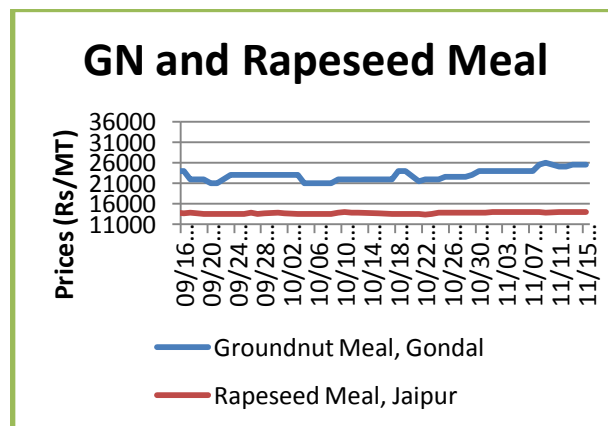
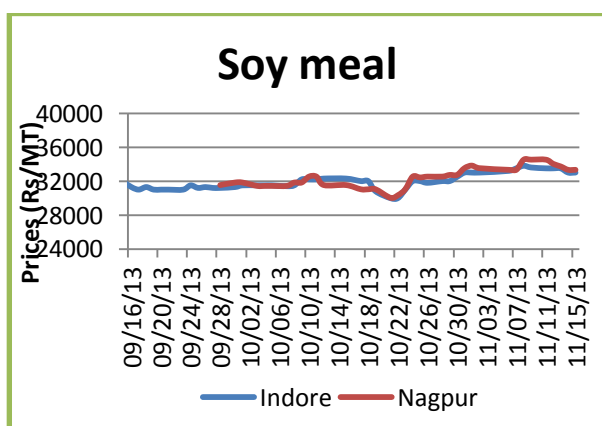
The key feed ingredients prices witnessed mixed sentiments during the week in review.

Soybean prices fell due to flat demand from stockists and oil mills amid higher arrivals in the markets. Moreover, crop quality concerns provided some support to the market restricting sharp fall. Internationally, soybeans on CBOT witnessed a bearish tone on pressure from South American sowing progress and near completion of US soy harvest. Improved South American weather and crop prospects added to a bearish global soybean supply outlook in the medium term.

Soy meal prices witnessed a fall during the week in review in sync with the soybean prices. Further, weakness in the international markets also pressured the domestic meal prices.

Despite the new crop arrival pressure, maize prices could trade steady on quality concern. Procurement by government agencies and continuous domestic feed makers demand could also support to Maize prices. Domestic wheat market is likely to trade steady to slightly firm owing to increased OMSS price by government and increased demand for festive season.

Trend – Raw Material, Feed



Source: AgriWatch

Oilseeds and oil meals prices across major centers of India featured decline during the week. Soybean prices fell due to flat demand from stockists and oil mills amid higher arrivals in the markets. Internationally, soybeans on CBOT witnessed a bearish tone on pressure from South American sowing progress and near completion of US soy harvest.

Domestically, daily arrivals in spot markets of Madhya Pradesh picked up during the week and were higher than the past week. Late rains in major producing areas have kept moisture content high in the crop, which damaged the beans resulting in likely reduction in protein content. However, it is expected that good quality beans will be available in the market in the coming days. Availability of sufficient crushable soybean supplies in the coming days is a concern for the market which will be supportive for the market. However, estimates of higher soybean production in major producing nations of US and South America are building up bearish sentiments for the global markets which will be a factor to watch out in the coming month.

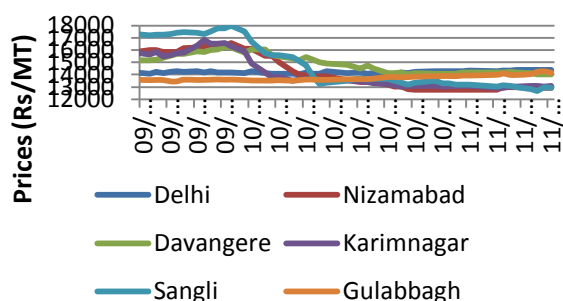
In the US, soybeans on CBOT witnessed decline during the week. Pressure from the harvesting activities in the key producing regions and estimates of better than expected yields pressured the market. Further, better global supply outlook on higher production estimates in South American countries supported the bearish sentiments.

In Brazil, soybean planting continued during the week at a brisk pace. Sowing was 48 percent complete as of November 1, above the 40 percent mark at the same time a year earlier, AgRural analysts reported. In Argentina, recent rainfall has benefitted the crops in some of the producing areas. Weather predictions for the coming days are also favorable.

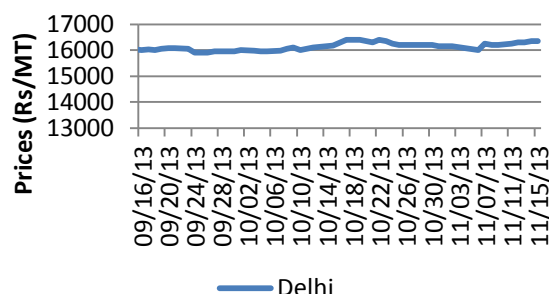
Soy meal prices witnessed a fall during the week in review in sync with the soybean prices. Further, weakness in the international markets also pressured the domestic meal prices. Exports demand is still reported from traders amid restricted availability of high quality beans in the local markets and supply tightness seen in international markets. The decline in domestic soybean markets is reflecting on the domestic meal prices along with the weakness in the soy meal prices on CBOT. Markets are likely to feel further pressure as US soybean harvest nears completion and shipments start from the region.

Rapeseed/mustard seed prices in key spot markets across Rajasthan and Gujarat witnessed decline during the past week. The movement in prices was in conjugation with the soybean prices and weak cues from BMD CPO. Further, increased plantings for rapeseed during the current season also pressured the prices. Rapeseed prices saw some support during the week on demand for oils which led to better RM seed buying from stockists and mills. It is expected that the approaching season end and seasonal demand for oils may lend some support to the market.

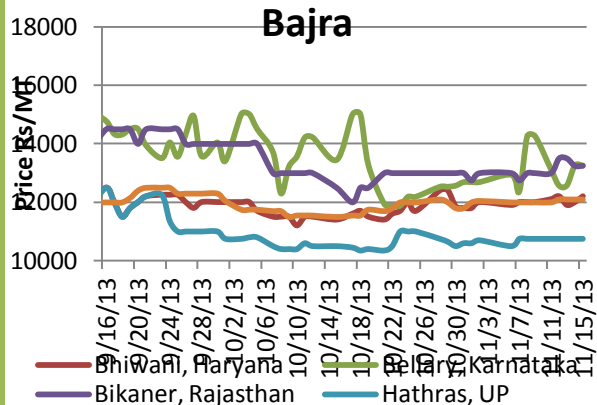
Maize



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 15% moisture. During the week, Poultry feed makers quoted maize down by Rs.19 per quintal in a range of Rs. 1300-1351 per quintal. However, starch feed makers quoted maize up by Rs. 10 per quintal in a range of Rs.1270-1350 per quintal, sourced from Maharashtra.

During the week, in the Khanna market of Punjab, the maize was quoted down by Rs. 20 per quintal to Rs. 1500 per quintal as compared to last week. On daily basis, Arrivals of maize reported around 7-8 motors, contained 14-15% moisture.

In Bihar, market activities were reported dull during last week due to chhat puja. However, Kolkata feed millers demand reported steady in a range of Rs.1500 -1550 per quintal as compared to last week.

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. However, this time, demand is normal.

During the week, hybrid maize traded up by Rs. 10 per quintal to Rs.1450 per quintal as compared to last week, sourced from U.P. Sources revealed that prices could trade firm in the near term due to higher feed makers demand.

In Davengere, maize crop contain 14-15% moisture. However, in koppal, 12-13% moisture reported. Also, 3-4% fungus reported in davengere and koppal markets of maize. Market activities reported dull in davangere region due to Muharram festival.

As per USDA, U.S. accumulated corn export figures reached to 56,01,782 metric tons for the 2013-14 marketing year which is higher by ~29% from the last marketing year during the same period. Exports of 463,800 MT were reported by U.S. to Mexico (134,800 MT), China (121,000 MT), Japan (51,900 MT), Peru (32,200 MT), and Guatemala (28,600 MT) for the period November 01-November 07, 2013.

As per the latest crop progress report released by USDA as on 13th November, 2013, 84% crop of corn has harvested, below 13% from the last year but above 5% from the last 5 year average period. In Iowa, the top U.S. corn state, 88% crop of corn has harvested, up 13 % points in the week and ahead of the state's five-year average of 80%. However, high levels of kernel moisture were a concern in Iowa, Nebraska, Wisconsin and other states, slowing the harvest and prompting producers to dry their grain.

Wheat inflation has increased to 7.88% Y-o-Y basis in October from 5.90% in September. WPI in October has increased to 213.60 from 210.10 in September.

Wheat markets have started firming up at consuming centers and there is a possibility of uptrend to continue in the next week too. Prices of Lok-1 and other superior varieties have increased by Rs 40 to Rs 50/Q as supply from private trades/stockiest is depleting fast in Madhya Pradesh, Rajasthan and dependence on govt.'s stock is expected to increase in the weeks to come.

Comparatively, prices of mill quality move slight up on the back of seasonal factors in the range of Rs 10 to Rs 20/Q in Indore and Kota region. However, uptrend in milling grade is unlikely to continue as supply of milling grade (mostly DL and 173) through OMSS would restrict market.

Stock (Lok-1 and Tukda) with private hands is contracting at this point of time and release of lower quantity of higher grade (300 to 400 T) at different centers in M.P. (Vidhisha, Seohar) is unable to fulfill current market demands.

South Indian millers/exporters buy Lok-1 and Tukda for mixing it in mill quality to upgrade quality and continued demand for higher grade remains supportive to the premium grade market. Mill Quality Wheat traded for Chennai delivery in M.P. quoted today at Rs 1970/Q and Madurai at Rs 2005 /Q Premium grade in South India is being traded at Rs 2050 to Rs 2150 /Q.

Bangladesh has received the lowest bid of USD 314.20/MT CNF for its wheat import tender of 50000 MT of wheat from Indian firm Amira Foods. Other major bidders were Vitol at USD 314.47/MT, Ismail Foods at USD 321.86/MT and Daewoo International at USD 334/MT, CNF.

Traders and market participants believe that wheat production in 2013-14 may near or above of 2011-12 production level of 94.88 million tonnes owing to good soil moisture, strong retreating monsoon and good market price. However final production will depend on weather conditions in January and February.

On 1st November, wheat stock in central pool was 34.09 million tonnes as compared to 40.05 million tonnes on same time last year. Punjab has the highest level of stock at 12.25 million tonnes followed by Haryana at 7.89 million tonnes.

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 variation in the prices of key feed ingredients.

Spreads

Maize Average Weekly spread with Bajra

Week	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13	Nov'13
1	213.0	115.0	113.0	86.0	106.0	71.00	-5.0	2.50	137.00	145.00	232.0	237.5
2	210.0	131.0	82.50	112.5	145.0	33.00	-9.0	29.00	200.00	204.00	275.5	233.0
3	158.0	170.0	93.75	110.0	154.0	-100.0	-38.0	57.00	212.00	197.50	241.25	
4	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		234.0	

*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 slightly firm vs. maize. Sources revealed that both commodities could trade steady to firm tone in the near term amid higher feed makers demand and maize spread with bajra unchanged as compared to last week.

Maize Average Weekly spread with Jowar

Week	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13	Nov'13
1	192.0	205.0	107.0	142.0	265.0	171.0	88.0	175.00	230.00	321.66	364.0	487.5
2	218.0	190.0	80.0	172.5	322.0	133.0	146	175.00	295.00	402.00	366.0	492.0
3	169.0	182.5	147.5	178.0	320.0	-23.0	243	197.00	305.00	390.00	400.0	
4	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		370.0	

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

As the table depicts, maize spread with jowar increased as jowar traded steady with the slightly firm movement in maize prices. We expect that both commodities could follow the trend and continue the positive trend.

Maize Average Weekly spread with Wheat

Week	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13	Nov'13
1	-21	-48.0	-90.8	-59.0	-97	67	-132	-112.5	-107.5	-104.0	-128.0	-132.5
2	0.0	-44.0	-143	-14.0	-220	32	-133	-134.0	-125.0	-122.0	-139.0	-150.0
3	-5.0	4.0	-81.25	-2.50	-179	-140	-87.50	-182.5	-121.0	-152.0	-180.0	
4	-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		-140.0	

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

As the table depicts, maize spread with wheat decreased as wheat traded firm during last week due to increase in OMSS price and fresh demand from millers. We expect that trend could continue in the near term and keep maize spread with wheat slightly down as compared to last week.

Maize Average Weekly spread with Barley

Week	Dec	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13	Nov'13
1	242.0	135.0	71.67	152.0	327.5	290.0	213.0	133.0	165.0	244.0	195.0	237.5
2	268.0	140.0	62.50	189.0	369.0	283.0	185.0	115.0	199.0	220.0	191.0	231.0
3	168.0	174.0	122.5	239.0	383.0	122.5	143.0	140.0	224.0	190.0	178.75	
4	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		190.0	

*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 during last week. We expect that both commodities could trade slightly firm movement in the near term and keep maize spread with barley intact as compared to last week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

Centers	Ex-factory rates (Rs/ton)		
	15.11.2013	08.11.2013	Parity To
Indore (MP)	33000	33800	Gujarat, MP
Kota	33200	34000	Rajasthan, Del, Punjab, Haryana
Akola	32800	34000	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Hingoli	32800	-	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	33800	35000	Andhra, AP, Karnataka ,TN
Dhulia/Jalna	33200	35500	Mumbai, Maharashtra
Nagpur (42/46)	33300	34500	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Karnataka, TN
Sangli	33800	35500	Local and South
Solapur	33800	35000	Local and South
Bundi	33700	34000	-

Soy DOC at Port

Centers	Port Price	
	14.11.2013	08.11.2013
Kandla (FOR) (INR/MT)	35500	36000
Kandla (FAS) (USD/MT)	563	574

International Soy DOC

Argentina FOB \$/MT	15.11.2013	07.11.2013	Change
Soybean Pellets	522	510	12
Soybean Cake Meal	522	510	12
Soybean Meal	530	518	12
Soy Expellers	530	518	12

Sunflower Meal Rates

Centers	Ex-factory rates (Rs/ton)		
	15.11.2013	08.11.2013	Change
Adoni	17000	17000	Unch
Khamgaon	16800	16800	Unch
Parli	17000	17000	Unch
Latur	16800	16800	Unch

Groundnut Meal

Groundnut Meal	15.11.2013	08.11.2013	Change
Basis 45% O&A, Saurashtra	26800	26000	800
Basis 40% O&A, Saurashtra	NA	-	-
GN Cake, Gondal	25500	25500	Unch

Mustard DOC/Meal

Mustard DOC/Meal	15.11.2013	08.11.2013	Change
Jaipur (Plant Delivery)	14000	14000	Unch
Kandla (FOR)	15000	15000	Unch

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	15 Nov, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1440	1440	1400	1400	1400
Davangere	Bilty	1240	1280	-	1550	1400
Naugachia	Bilty	1300	1300	1275	1275	-
Nizamabad	Bilty	1275	1270	1350	1560	1350
Ahmedabad	Feed	1310	1340	1500	1680	1400
	Starch	1310	1340	1420	1525	1400

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	201.97	190.85	215.16	229
Cost and Freight (Thailand)	251.97	245.85	275.16	264

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>15.11.2013</u>	<u>8.11.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1325	1425	-100
		Hybrid	Bangalore	1430	1430	Unch
Jowar	Karnataka	White	Bangalore	1650	1650	Unch
		White	Bellary	1310	1385	-75
Maize	Karnataka	Yellow	Davangere	1200	1250	-50
	Andhra Pradesh	Yellow	Nizamabad	1225	1225	Unch
Rice	Haryana	IR8	Karnal	2250	2250	Unch
		Parmal Raw	Karnal	2600	2500	100
Soy meal	Madhya Pradesh	DOC	Indore	33000	33800	-800
	Maharashtra	DOC	Sangli	33800	35500	-1700
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	17000	17000	Unch
	Maharashtra	Ex-factory	Latur	16800	16800	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	14000	14000	Unch
Groundnut Meal	Gujarat	GN Cake	Gondal	25500	25500	Unch

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