

***Contents:***

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- ❖ **Summary**
- ❖ **Trend – Raw Material, Feed**
- ❖ **Outlook**
- ❖ **Spreads**
- ❖ **Annexure - Prices**

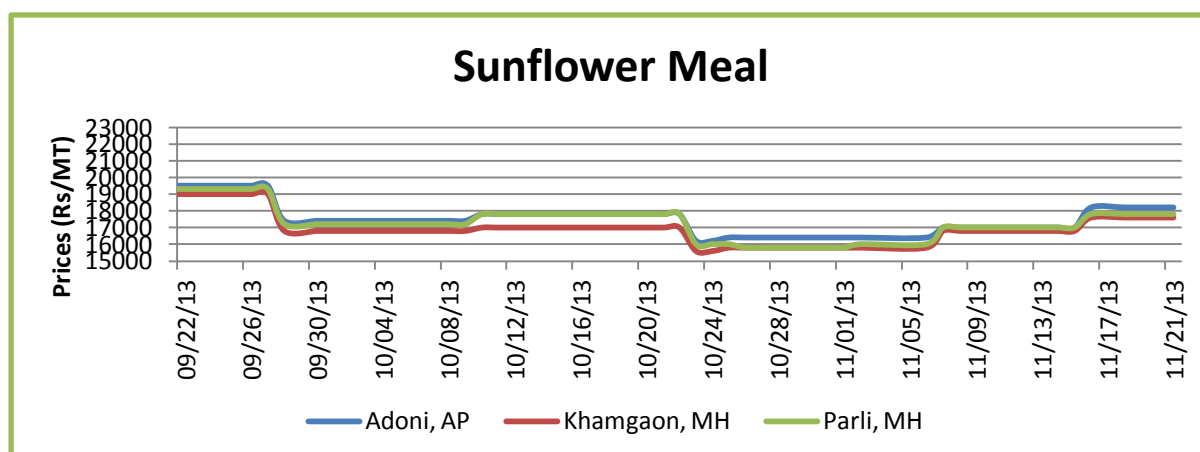
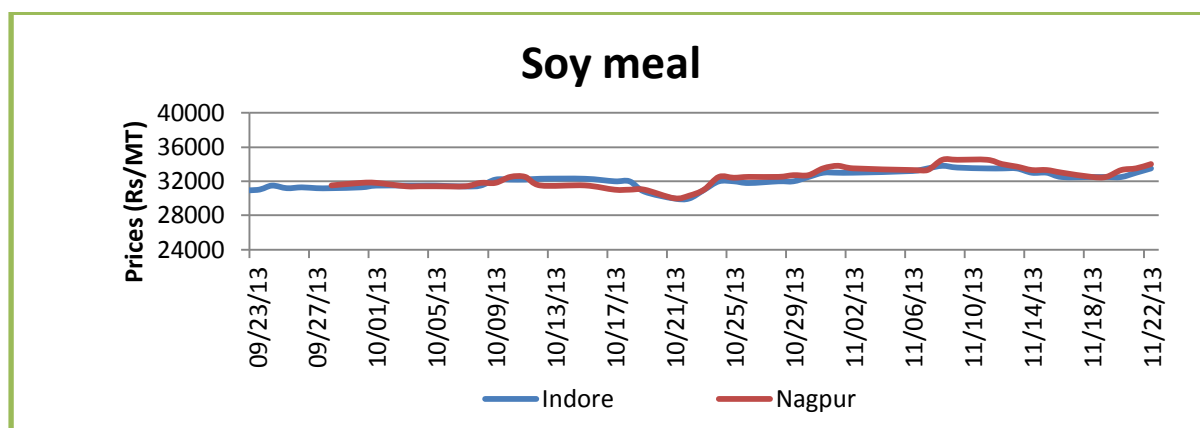
## Summary

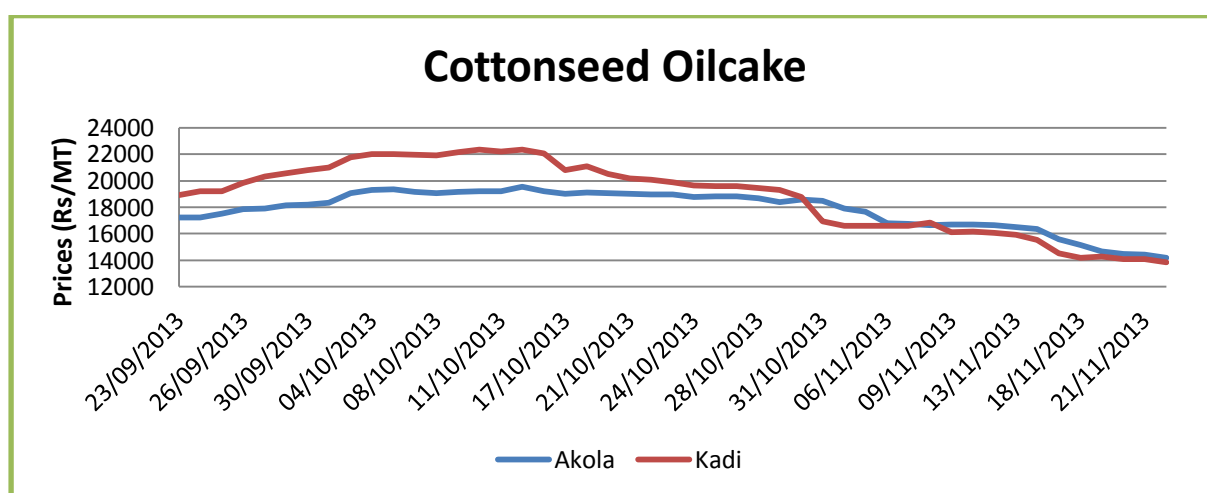
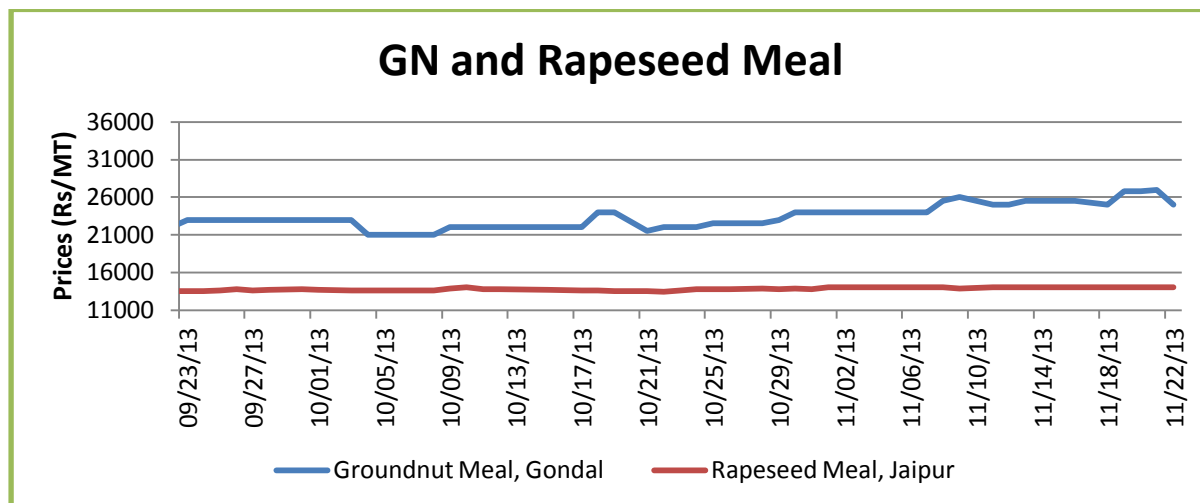
The key feed ingredients prices witnessed overall steady to firm sentiments during the week in review.

Soybean markets across major centers of India witnessed gains during the week. Soybean prices were up on good demand in domestic cash markets from stockists and oil mills amid lower arrivals in the markets. Crop quality concerns continued to provide some support to the market. Internationally, soybeans on CBOT depicted an uptrend during the week driven by strong exports demand for the US soybeans although pressure from the brisk South American sowing progress and near completion of US soy harvest restricted sharp rise. Soy meal prices also depicted an upward movement during the week in review, in conjugation with the domestic soybean prices. Further, firm tone in the international markets also supported the domestic meal prices.

Maize is expected to feature steady to weak tone due to rising supplies from the new season crop amid weak exports, though demand from the poultry industry could support to prices. However, Domestic wheat market is likely to trade steady to firm owing to increased OMSS price by government and fresh demand from millers.

## Trend – Raw Material, Feed





Source: AgriWatch

Domestic oilseeds markets across major centers of India witnessed gains during the week.

Soybean prices were up on good demand in domestic cash markets from stockists and oil mills amid lower arrivals in the markets. Internationally, soybeans on CBOT depicted an uptrend during the week driven by strong exports demand for the US soybeans although pressure from the brisk South American sowing progress and near completion of US soy harvest restricted sharp rise.

The daily arrivals in spot markets of Madhya Pradesh were lower during the past week. Late rains in major producing areas have kept moisture content high in the crop, which damaged the beans. 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 remain a negative force for the global markets and will be a factor to watch out in the coming month.

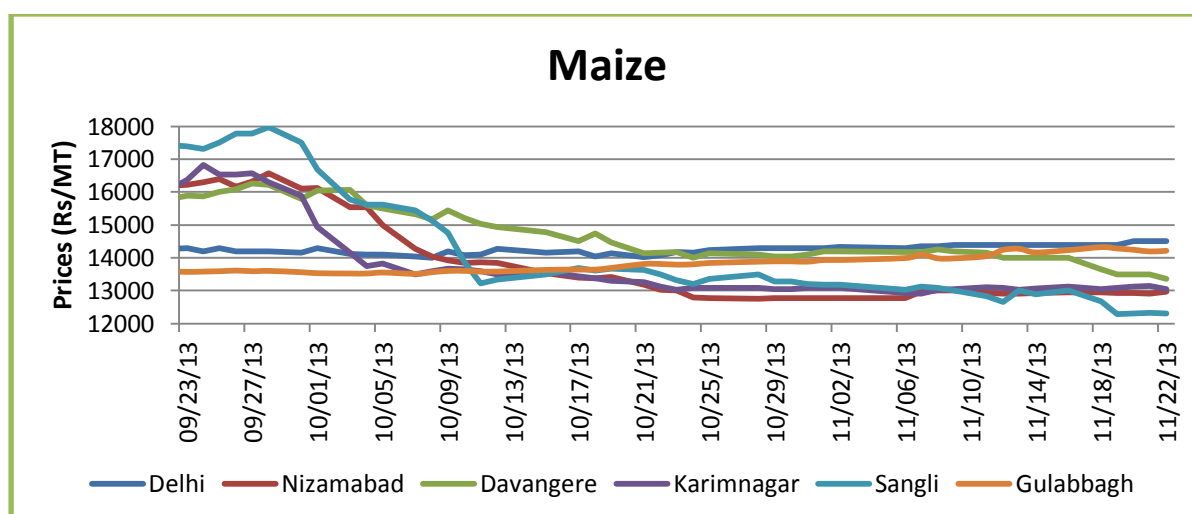
In the US, soybeans on CBOT witnessed a rise during the week. Pressure from the harvesting activities in the key producing regions and estimates of better than expected yields pressured the market. Further, better global supply outlook on higher production estimates in South American countries supported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

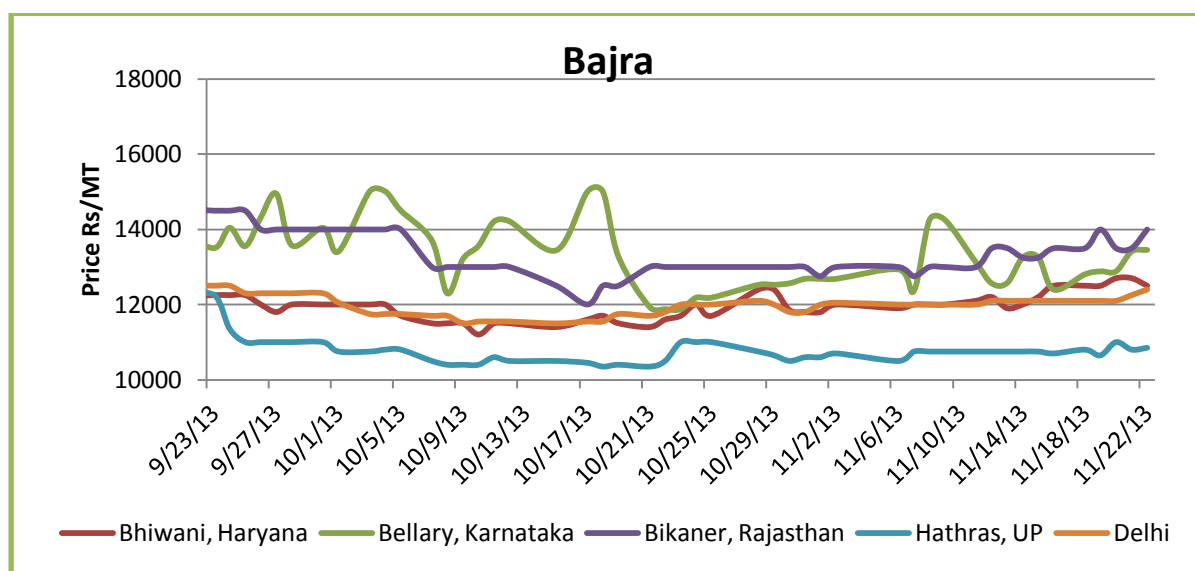
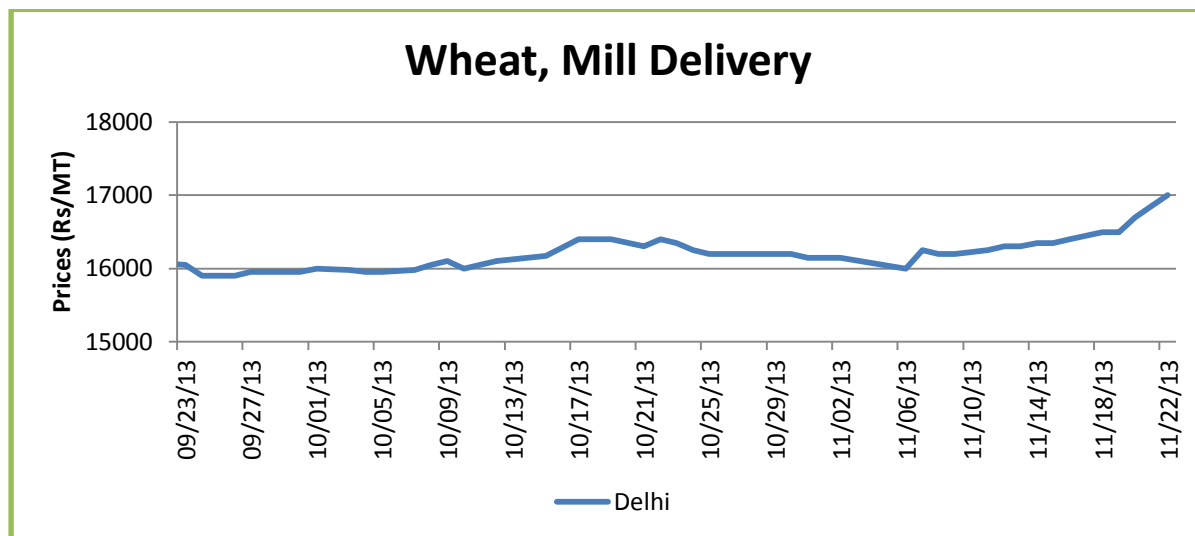
and upward revision in expected Chinese imports is likely to be bullish for the market sentiments. Soybean demand is strong (mainly from China) but world supply fundamentals are bearish.

In Brazil, soybean planting is around 73 percent complete. Good weather conditions and suitable soil moisture in the key producing regions of Brazil are favorable, supporting the crop prospects. Going by current indicators and analysts estimates, a record Brazilian soy crop is on the cards. In Argentina, recent rainfall has benefitted the crops in the producing areas and planting is about 37 percent complete. Buenos Aires Exchange has said that the soybean area may surpass the 20.2 million-hectare forecast for the 2013/14 crop.

Soy meal prices also depicted an upward movement during the week in review, in conjugation with the domestic soybean prices. Further, firm tone in the international markets also supported the domestic meal prices. Steady exports demand is reported amid restricted availability of high quality beans in the local markets. Markets are expected to feel some pressure as US soybean harvest nears completion and shipments start from the region. Higher US soybean projection and higher global oilseeds projections likely to pressure the market but indications of robust demand from China will help build up market sentiment in the coming days.

Rapeseed/mustard seed prices in key spot markets witnessed gains during the past week. The movement in prices was in conjugation with the soybean prices and strength in BMD CPO. However, the sowing progress for rapeseed and other rabi oilseeds during the current season put some pressure on the prices. Traders are expecting that India's rapeseed acreage in the current season could be higher by 4.5 percent to 7 million hectares and output of rapeseed to reach 6.7 million tons from 6.4 million as farmers are likely to take advantage of monsoon-soaked land to grow the rapeseed crop. On the international front, Oil World has estimated that the global production of rapeseed and canola may reach an all-time high 67.7 million tons in the 2013-14 season, including 21.01 million tons from the European Union and 16.5 million tons in Canada. Expected higher crop yields in Canada and EU countries will put prices under pressure.





Source: Agriwatch (Prices: Maize-Industrial/Feed Grade. Wheat-Mill Delivery: Lawrence Road, Delhi)

In India, maize harvest continues and weighs selling pressure in Maharashtra and Karnataka wherein the state governments have started procurement of maize at MSP but due to higher moisture contained and poor quality, procurement of maize is very less in quantity. Due to which farmers are forced to sell their produce at a lower prices. We expect that maize could trade steady to weak tone due to rising supplies in the markets amid weak exports, though demand from the poultry industry could support to prices.

As per Ministry of Agriculture, maize have been sown in 3.125 lakh hectares as of 20th November, 2013-14 against 3.675 lakh hectares sown in 2012-13 for rabi season.

In Ahmadabad region of Gujarat, maize crop contains around 15% moisture. During the week, Poultry feed makers quoted maize down by Rs.51 per quintal in a range of Rs. 1260-1300 per quintal. Starch feed makers also quoted maize down by Rs. 60 per quintal in a range of Rs.1230-1260 per quintal, sourced from Maharashtra.

Meanwhile, in the Khanna market of Punjab, the maize was quoted steady at Rs. 1500 per quintal as compared to last week. On daily basis, arrivals of maize reported around 7 motors, contained 14-15% moisture.

In Bihar, market activities were reported dull due to lower arrivals in the market. However, Kolkata feed millers demand reported down by Rs. 50 per quintal in a range of Rs.1450 -1500 per quintal as compared to last week.

Excessive rains in parts of Andhra Pradesh, one of the leading cultivating states, have raised concerns about the quality of the crop. As per trade sources, in A.P, maize stock could be around 2000 tons.

During the week, hybrid maize traded up by Rs. 10 per quintal to Rs.1460 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.

As per trade sources, in Davengere, maize crop have damaged around 2% and in koppal market, it has damaged around 4%. In Karnataka, peak arrivals could start from 1st week of December.

As per USDA, U.S. accumulated corn export figures reached to 63,58,131 metric tons for the 2013-14 marketing year which is higher by ~34% from the last marketing year during the same period. Exports of 756,300 MT were reported by U.S. to China (339,700 MT), Mexico (210,900 MT), Japan (86,500 MT), Colombia (35,200 MT), and El Salvador (27,200 MT) for the period November 08-November 014, 2013.

As per the latest crop progress report released by USDA as on 19th November, 2013, 91% crop of corn has harvested, below 8% from the last year but above 5% from the last 5 year average period. Wheat has been sown in 127.47 Lakh hectares in 2013-14 as compared to 101.64 lakh hectares at the same time last year. Wheat sowing pace is more than previous year owing to good soil moisture and favourable weather conditions.

Late harvesting of Sugarcane may reduce the yield and area of wheat in Uttar Pradesh. Wheat is sown in 9.6 million hectares in Uttar Pradesh. Weather remains conducive in major wheat growing states.

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.

PEC received the highest bid of \$289.90 for Krishnapatnam, for Kandla it \$284.70 per tonne. For Kakinada it is \$285.75 per T.Quotes received are on the expectation of the trade. It simply signifies that export from India would continue with good pace in the months ahead.

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.

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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.

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 to firm in the coming days due to slightly firm movement 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	223.33
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 trend could continue in the near term and keep maize spread with bajra slightly down 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	471.67
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 decreased as jowar traded firm vs. maize. We expect that jowar could trade steady in the near term and keep maize spread with jowar slightly firm as compared to last week.

### 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	-205.0
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 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	216.67
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)		
	22.11.2013	15.11.2013	Parity To
Indore (MP)	33500	33000	Gujarat, MP
Kota	34000	33200	Rajasthan, Del, Punjab, Haryana
Akola	34000	32800	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Hingoli	33000	32800	Andhra, Chhattisgarh, Orissa, Jharkhand, WB
Nanded/Latur	34000	33800	Andhra, AP, Karnataka ,TN
Dhulia/Jalna	34000	33200	Mumbai, Maharashtra
Nagpur (42/46)	34000	33300	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Karnataka, TN
Sangli	33500	33800	Local and South
Solapur	34000	33800	Local and South
Bundi	33500	33700	-

**Soy DOC at Port**

Centers	Port Price	
	22.11.2013	14.11.2013
Kandla (FOR) (INR/MT)	35750	35500
Kandla (FAS) (USD/MT)	567	563

**International Soy DOC**

Argentina FOB \$/MT	21.11.2013	15.11.2013	Change
Soybean Pellets	504	522	-18
Soybean Cake Meal	504	522	-18
Soybean Meal	512	530	-18
Soy Expellers	512	530	-18

**Sunflower Meal Rates**

Centers	Ex-factory rates (Rs/ton)		
	22.11.2013	15.11.2013	Change
Adoni	18200	17000	1200
Khamgaon	17600	16800	800
Parli	17800	17000	800
Latur	17600	16800	800

**Groundnut Meal**

Groundnut Meal	22.11.2013	15.11.2013	Change
Basis 45% O&A, Saurashtra	25500	26800	-1300
Basis 40% O&A, Saurashtra	24000	NA	-
GN Cake, Gondal	25000	25500	-500

**Mustard DOC/Meal**

Mustard DOC/Meal	22.11.2013	15.11.2013	Change
Jaipur (Plant Delivery)	14000	14000	Unch
Kandla (FOR)	15200	15000	200

**Maize Spot Market Prices (Rs. /Quintal)**

Market	Grade	22 Nov, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1450	1440	1420	1435	1450
Davangere	Bilty	1210	1240	-	1650	1425
Naugachia	Bilty	1300	1300	1250	1325	1350
Nizamabad	Bilty	1275	1275	1300	1600	1400
Ahmedabad	Feed	1270	1310	1400	1700	1500
	Starch	1260	1310	1340	1500	1490

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	201.77	188.1	213.78	229
Cost and Freight (Thailand)	251.77	243.1	273.78	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	
<b>Total</b>	<b>2610835</b>	<b>2937018</b>	<b>4075617</b>	<b>2668918</b>	

**Feed Ingredient Prices at a Glance**

<u>Commodity</u>	<u>State</u>	<u>Variety</u>	<u>Centre</u>	<u>22.11.2013</u>	<u>15.11.2013</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	1345	1325	20
		Hybrid	Bangalore	1400	1430	-30
Jowar	Karnataka	White	Bangalore	1400	1430	-30
		White	Bellary	1345	1325	20
Maize	Karnataka	Yellow	Davangere	1160	1200	-40
	Andhra Pradesh	Yellow	Nizamabad	1225	1225	Unch
Rice	Haryana	IR8	Karnal	2250	2250	Unch
		Parmal Raw	Karnal	2600	2600	Unch
Soy meal	Madhya Pradesh	DOC	Indore	33500	33000	500
	Maharashtra	DOC	Sangli	33500	33800	-300
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	18200	17000	1200
	Maharashtra	Ex-factory	Latur	17600	16800	800
Mustard	Rajasthan	Plant delivery	Jaipur	14000	14000	Unch
Groundnut Meal	Gujarat	GN Cake	Gondal	25000	25500	-500

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