

Contents:

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

Summary

Overall, the key feed ingredients prices witnessed firm tone during the week in review.

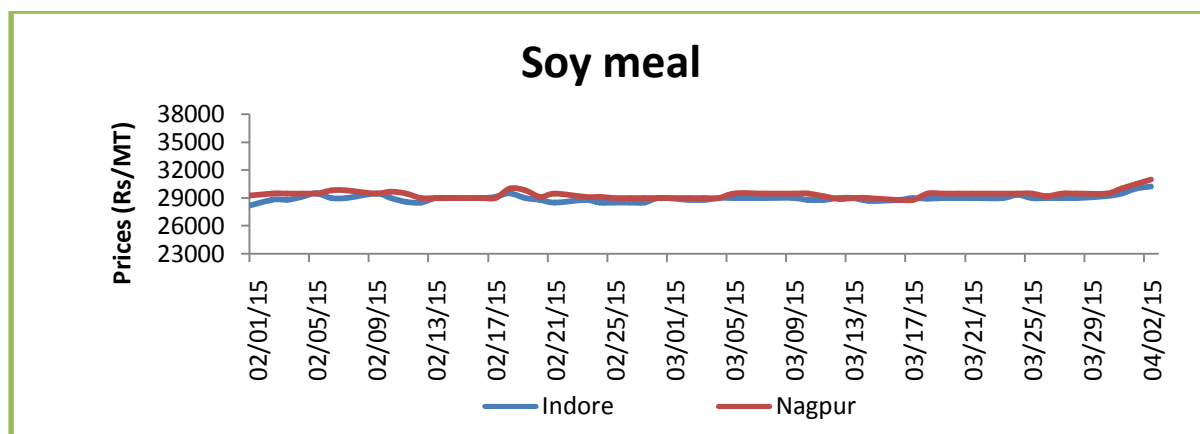
The soybean featured gains third consecutive week on local buying and weak supplies in the physical market. The interested buyers, mainly the solvent extractors were ready to quote slightly higher due to substantial fall in the bean supplies ahead fiscal year-end closing formalities.

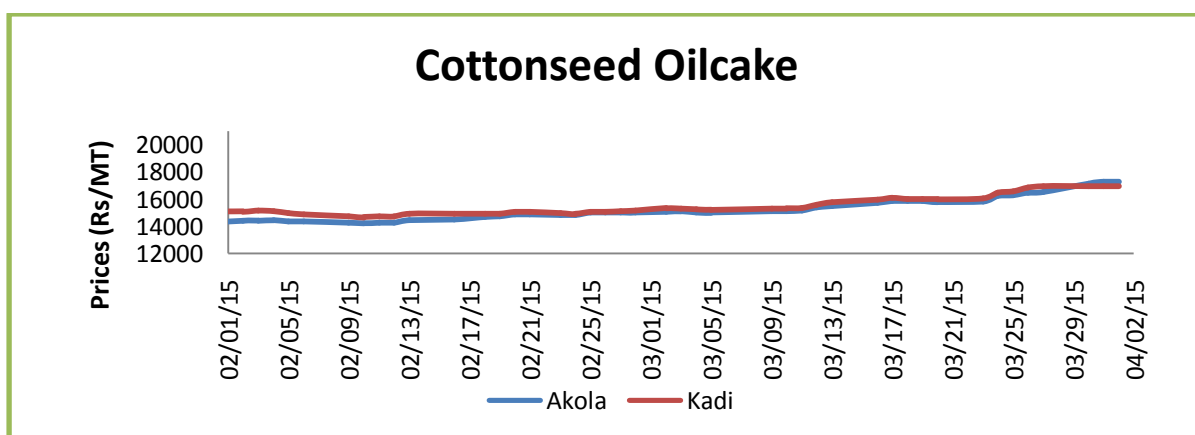
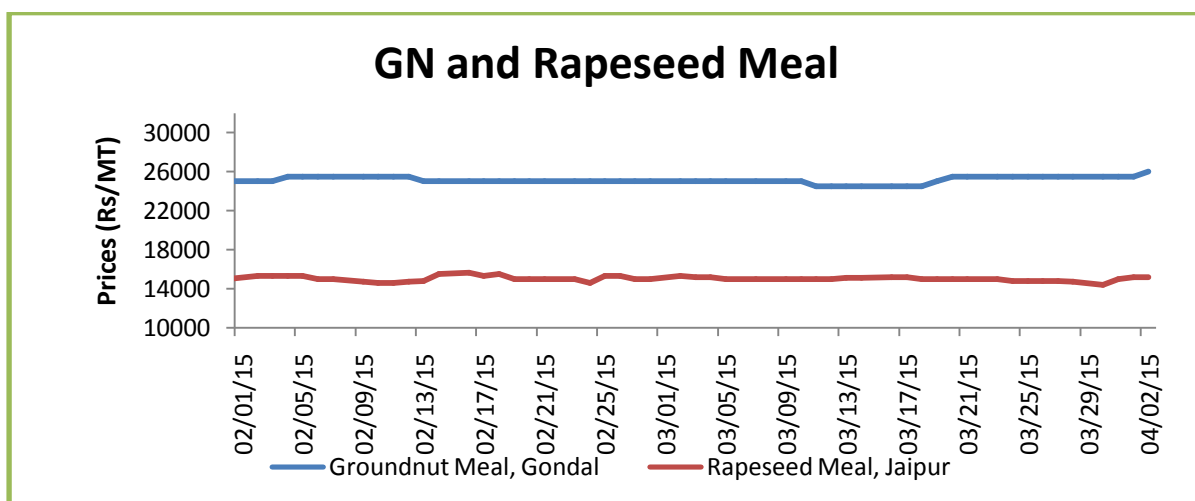
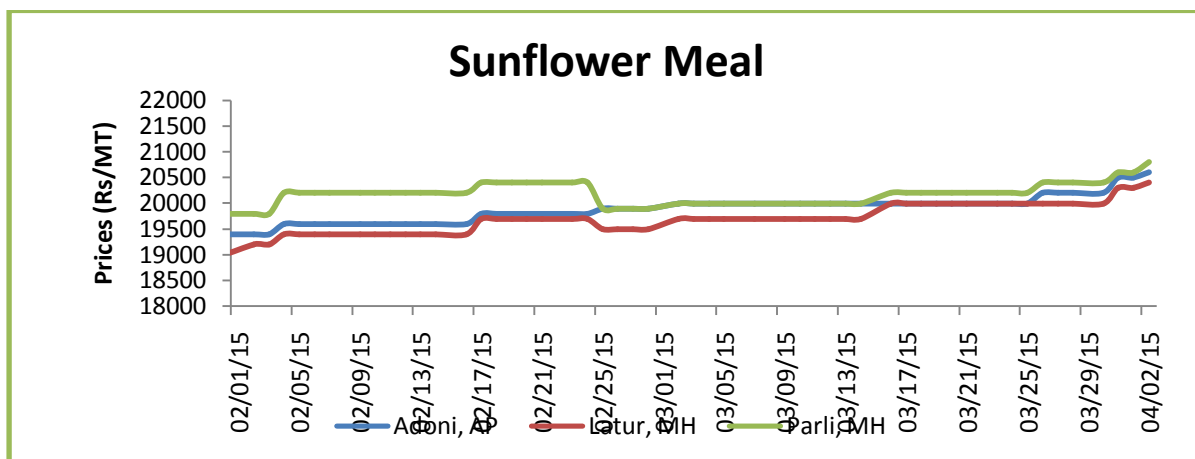
However, need based buying is more prevalent in the market and there are no reports of aggressive buying due to disparity in crush margin and lower than available capacity utilization of the crushing units.

Soy meal edged-up in tandem with soybean with fresh buying activity in the cash market during the week under review.

Overall maize cash market traded mixed during the week under review. Maize prices are likely to trade down in the coming weeks due to arrival pressure. New crop arrivals have just started into the markets which are lower in quantity and are expected to increase after mid April.

Trend – Raw Material, Feed





Source: AgriWatch

Executive Summary

Soybean and meal edged-up on renewed local buying in the cash market while rapeseed-mustard fell on sluggish buying activity. Again, bearish supply scenario and lower crude remained limiting factors. We expect the RM seed to rebound and witness upward movement after the local supplies hit the peak.

Soybean:

- ❖ The soybean featured gains third consecutive week on local buying and weak supplies in the physical market. The interested buyers, mainly the solvent extractors were ready to quote slightly higher due to substantial fall in the bean supplies ahead fiscal year-end closing formalities.
- ❖ However, need based buying is more prevalent in the market and there are no reports of aggressive buying due to disparity in crush margin and lower than available capacity utilization of the crushing units.
- ❖ The domestic oilseeds market is under continued pressure from international benchmark, CBOT, soybean which is at almost 2-year low.
- ❖ Increased edible oil imports and lower soy meal export sales of Indian origin followed by disparity in crushing the beans kept the bean prices under pressure for long.
- ❖ Oil World has revised the global soybean production upwards to 312.8 Mn T for 2014/15. This is up sharply by 31.0 Mn T.
- ❖ The slowing-down of Chinese soybean imports in February and March is marked as temporary and primarily due the South American export delays.
- ❖ China imported 4.26 million tonnes of soybeans in February, down 38.1% from 6.88 million tonnes in January, as reported by the General Administration of Customs of China. China bought 230,000 tonnes of vegetable oils in February, down 48.9% from the previous month.
- ❖ China is estimated to have imported 3.33 million metric tons (tonnes) of soybean delivered to ports in March, this is higher than the previous forecast of 2.93 million tonnes, the Ministry of Commerce (MOC) said in the latest report.
- ❖ The ministry also projected the Chinese soybean purchases would reach 2.74 million tonnes in April.
- ❖ *The domestic soybean prices will continue to remain under global supply pressure, lower crude and India's weak soy meal export sales with disparity on crushing the bean, though mild gains in cash market can't be ruled out with export duty on crude palm oil in effect from April and likely increased buying in the global market.*

Soy meal:

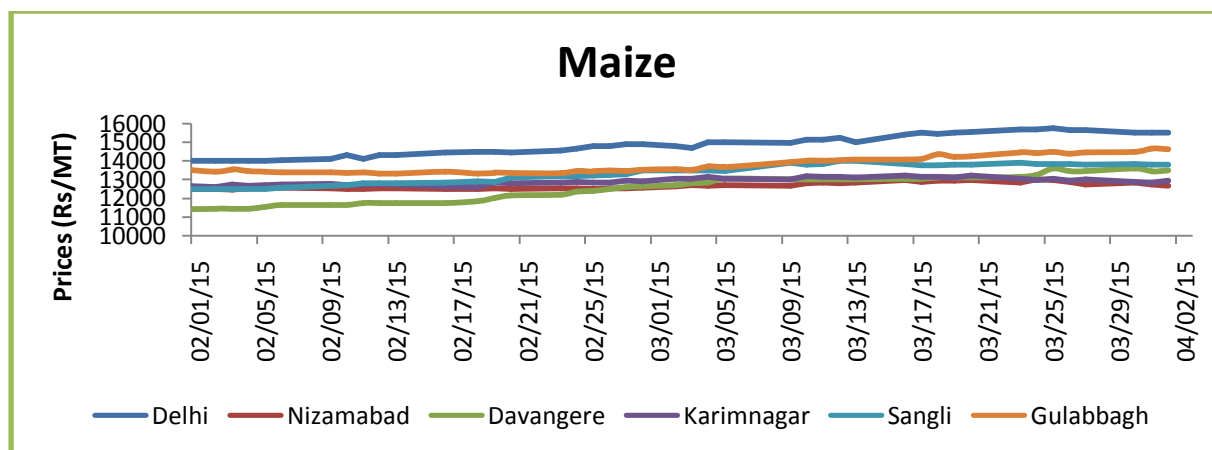
- ❖ Soy meal edged-up in tandem with soybean with fresh buying activity in the cash market during the week under review.
- ❖ In the press release SOPA has welcomes new foreign trade policy 2015-2020. Dr. Davish Jain has specially welcomed the export incentives announced to help exports of oil meals, especially soy meal, which has gravely suffered in the last year because of factors beyond

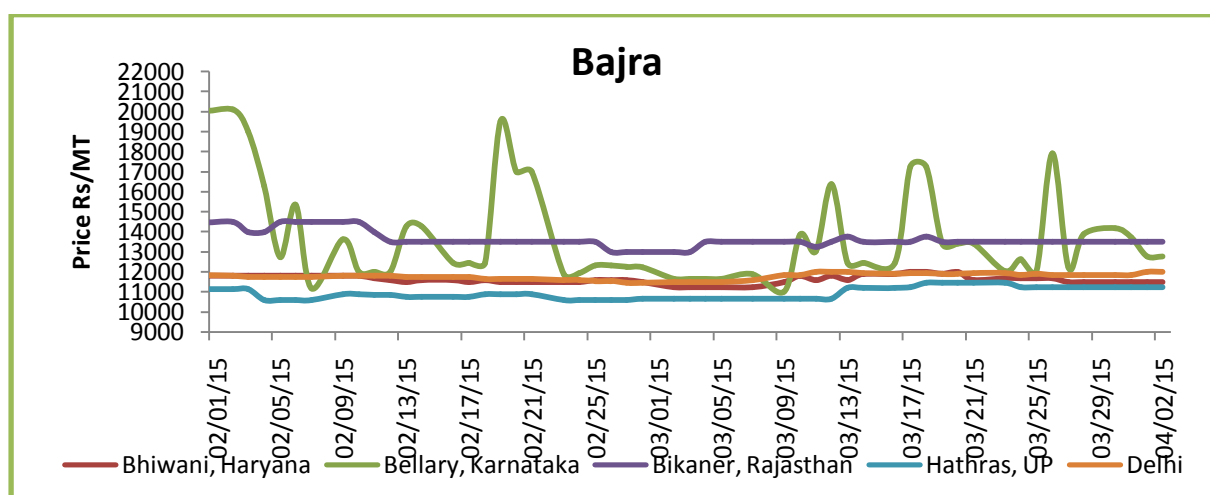
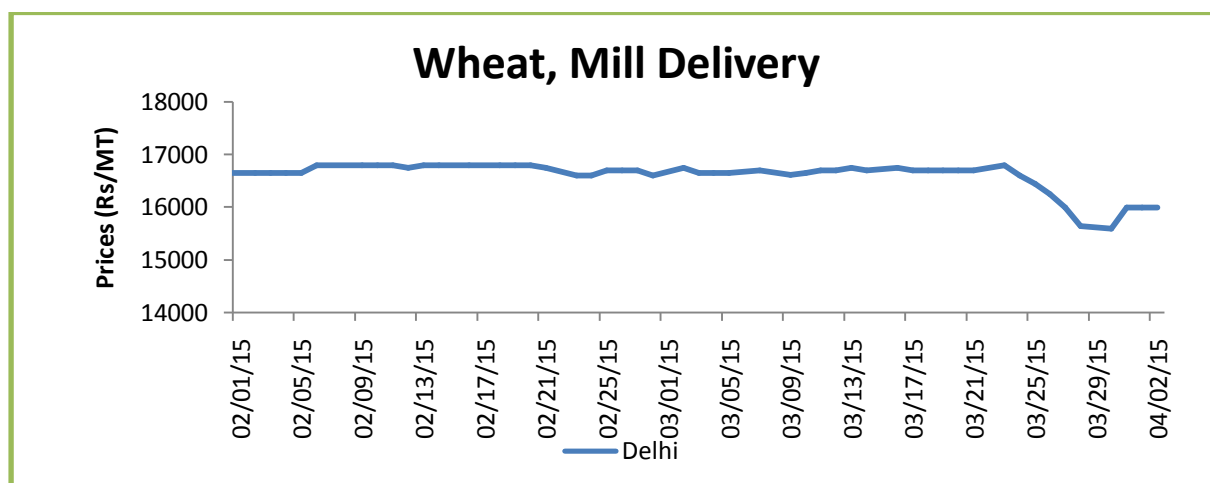
the exporters control. We are confident that soy meal exports will gain the lost ground and contribute significantly to India's foreign trade. We now look forward to working closely with Ministry of Commerce and Industry in our efforts to revitalize India's soy meal exports.

- ❖ Recent purchases in rapeseed-mustard oil cake and soy meal by the poultry units remained supportive for the meal market. The poultry units have shown interest in purchasing rapeseed-mustard oilcake as the prices are competitive with the newly harvested crushings of the mustard seed.
- ❖ *The soy meal prices are likely to feature mild gains in near-term.*

RM Seed:

- ❖ RM seed witnessed losses on lackluster trade activity during the week under review. Both, the buyers and the seller refrained from the physical market in anticipation of further fall in the seed prices fall in supplies and the fiscal year-end closing formalities.
- ❖ Besides, the market remained under new crop supply pressure in recent days, but buying interest among millers/crushers limited the losses.
- ❖ The unseasonal rains in February and March have hit the seed yield and lower the estimated production.
- ❖ The harvesting in Uttar Pradesh is over and it is also complete in most of the parts of Rajasthan, it is progressing in Haryana and Punjab.
- ❖ The all India seed arrivals fell due to fiscal year closing formalities and reported at 9,55,000 bags during the week under review compared to 27,25,000 bags previous week. In Rajasthan the supplies were negligible which were 17,00,000 bags previous week.
- ❖ The seed supplies will once again increase in second week of April. The all India supplies could not reach the previous year's level of 7 lakh bags yet, which were witnessed at the end of March 2014.
- ❖ Malaysian palm oil edged-up with the news of surge in palm oil exports in March.
- ❖ *Increasing seasonal arrivals of the rapeseed-mustard with harvesting in full swing and exemption of export duty by Malaysia and Indonesia on palm oil will pressure the seed price in near-term. However, renewed demand by the solvent extractors and Malaysia's decision on imposing export duty on palm oil may push up the seed price further.*





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

Overall maize cash market traded mixed during the week under review. Maize prices are likely to trade down in the coming weeks due to arrival pressure. New crop arrivals have just started into the markets which are lower in quantity and are expected to increase after mid April.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 30 per quintal to Rs. 1380-1400 per quintal. Starch feed makers also quoted maize down by Rs. 10 per quintal to Rs. 1370-1450 per quintal as compared to last week.

As per IBIS data, exports of corn were reported around 0.019 million tons for the period of 16th Mar to 22nd Mar'15 mainly to Vietnam and Malaysia.

Maize is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1400 per quintal, Rs. 1420 per quintal, Rs. 1380 per quintal, Rs. 1420 per quintal and Rs. 1420 per quintal respectively, sourced from Davangere. As per trade sources, around 8-10% arrival is damaged and fungus affected. Market is likely to trade steady to slightly firm as crop is getting over in the market.

In Delhi, hybrid maize traded steady at Rs 1550 per quintal as compared to last week. Sources revealed that stock of maize could be around 2500 quintal and is likely to trade steady to weak in the near term due to arrival pressure.

Maize market is likely to trade range bound with weak bias on the expectation of new crop arrival pressure.

As per USDA, U.S accumulated corn export figures reached to 22,489,437 metric tons for the 2014-15 marketing year. Exports of 6,83,400 MT were down by 36 percent from the last week and 37 percent from the prior 4-week average; reported by U.S to Mexico (147,400 MT), South Korea (135,200 MT), Japan (126,900 MT), Colombia (122,400 MT), the Dominican Republic (34,100 MT), Taiwan (27,400 MT), and Costa Rica (19,900 MT) for the period March 20- 26, 2015.

As per European traders, The Korea Feed Association purchased 63,000 tons of feed corn of optional origins at \$190.50 a ton c&f for the arrival around Nov. 20. (Source: Reuters)

As per European traders, a group of private Israeli buyers purchased about 85,000 tons of corn, likely to be sourced from the Black Sea region. Some 35,000 tons of corn was purchased at around \$180 a ton c&f for shipment between May 25 and June 15 and remained at about \$182 a ton c&f for shipment between June 20 and July 10. (Source: Reuters)

As per European traders, South Korea's Major Feedmill Group purchased 134,000 tons of optional-origin corn at \$190.90 a ton c&f plus a \$1.25 a ton surcharge for additional port unloading. Around 55,000 to 70,000 tons for the arrival around Oct. 16 and 55,000 to 70,000 tons was sought for arrival around Oct. 28. (Source: Reuters)

USDA forecasted corn planting at 89.199 million acres, down by 1.398 million acres from last year but higher by expectation of 88.731 million acres. Corn stocks as of March 1 were pegged at 7.745 billion bushels, higher by market expectation and last year stock of 7.008 billion bushels.

European traders told that Taiwan's maize industry procurement association purchased 65,000 tons of corn from Japanese trading house Itochu at a premium of 129.45 cents a bushel c&f over the Chicago July corn contract, likely to be sourced from the United States. The tender sought shipment from the U.S. Gulf, Brazil or Argentina for May 4-23 and from the U.S. Pacific North West coast and South Africa for May 19 to June 7. (Source: Reuters)

Outlook

Feed prices are expected to trade steady to firm as feed ingredients prices were firm during last week.

Spreads

Maize Average Weekly spread with Bajra

Week	May'14	Jun'14	July'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15
1	109.0	-0.83	-17.0	27.0	0.00	59.0	144.0	180.0	180.00	252.0	332.0	356.0
2	83.0	-20.0	25.0	20.0	-3.00	62.0	202.0	164.0	227.0	247.0	322.0	
3	28.0	-62.0	30.0	8.0	6.00	93.0	207.0	119.0	237.0	269.0	338.0	
4	20.0	-65.0	42.5	-0.8	63.0	154.0	182.5	139.0	244.0	320.0	361.0	
5	5.0		30.0		60.0				242.0			

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

As the table depicts, in Delhi spot market, maize spread with bajra traded down as bajra traded firm vs. maize. We expect that maize could trade steady in the near term and keep maize spread with bajra slightly down for the next week.

Maize Average Weekly spread with Jowar

Week	May'14	Jun'14	July'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15
1	-604.0	-	-	-785.0	-781.6	-669.0	-532.0	-230.0	-19.0	-72.0	-16.0	50.0
2	-615.0	-940.0	-902.0	-768.0	-773.0	-760.0	-198.0	-253.0	-53.0	-75.0	16.0	
3	-966.0	-	-902.0	-896.0	-873.0	-547.0	-200.0	-207.0	-53.0	-84.0	31.0	
4	-1078.0	-	-727.5	-781.0	-795.0	-792.0	-228.0	-180.0	-50.0	-27.0	48.0	
5		-	-740.0		-770.0				-61.0			

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

As the table depicts, maize spread with jowar traded firm during last week as maize traded firm with the steady price movement in jowar during last week. We expect that both could trade steady in the near term and keep maize spread with jowar steady for next week.

Maize Average Weekly spread with Barley

Week	May'14	Jun'14	July'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15
1	144.0	47.0	-95.0	-128.0	-112.0	-122.5	-166.0	-155.0	-29.0	-174.0	-116.0	340.0
2	85.0	0.0	-88.0	-102.0	-117.0	-100.0	-40.0	-149.0	20.0	-175.0	-84.0	
3	61.0	-68.0	-71.0	-112.0	-109.0	-147.0	-52.0	-137.0	-178.0	-164.0	-27.5	
4	87.0	-80.0	-107.5	-109.0	-105.0	-90.0	-154.0	-110.0	-200.0	-127.0	121.0	
5	78.0		-140.0		-110.0				-211.0			

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

As the table depicts, in Delhi spot market, maize spread with barley traded firm during last week and is expected to be firm in next week as barley could trade down due to new crop arrival pressure.

Maize Average Weekly spread with Wheat

Week	May'14	Jun'14	July'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15
1	-57.5	-182.5	-277.0	-240.0		-309.0	-324.0	-296.0	-212.0	-240.0	-117.0	-43.0
2	-122.5	-222.5	-246.0	-270.0	-269.0	-306.0	-297.5	-297.5	-160.0	-192.5	-97.0	
3	-173.0	-306.0	-302.0		-312.5	-318.0	-307.0	-290.0	-156.0	-176.0	-79.0	
4	-169.0	-301.0	-252.0		-288.0	-302.5	-306.0	-292.0	-138.0	-132.0	-37.0	
5	-173.0		-240.0		-297.5				-154.0			

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

As the table depicts, maize spread with wheat traded down as wheat traded firm vs. maize during last week. We expect that maize could trade steady in the near term and keep maize spread with wheat down for the next week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centres

Centres	Ex-factory rates (Rs/ton)		
	2-Apr-15	27-Mar-15	Parity To
Indore (MP)	30000-30200	29000	Gujarat, MP
Kota	29700-30000	28700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna	31700	29700	Mumbai, Maharashtra
Nagpur (42/46)	31000	29500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	30400	30400	Andhra, AP, Kar, TN
Latur	31500	30300	-
Sangli	31500	30300	Local and South
Sholapur	32000	30800	Local and South
Akola	30600	29200	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	30500	30000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	29700	28500	-

Soy DOC at Port

Centers	Port Price	
	2-Apr-15	27-Mar-15
Kandla (FOR) (INR/MT)	31500	29750
Kandla (FAS) (USD/MT)	507	475

International Soy DOC

Argentina FOB \$/MT	1-Apr-15	26-Mar-15	Change
Soybean Pellets	367	360	7
Soybean Cake Meal	367	360	7
Soybean Meal	375	368	7
Soy Expellers	375	368	7

Sunflower (DOC) Rates

Centers	Ex-factory rates (Rs/ton)		
	2-Apr-15	27-Mar-15	Change
Adoni	20600	20200	400
Khamgaon	NA	NA	-
Parli	20800	20400	400
Latur	20400	20000	400

Groundnut Meal

Groundnut Meal	2-Apr-15	27-Mar-15	Change
Basis 45% O&A, Saurashtra	26000	25000	1000
Basis 40% O&A, Saurashtra	23000	22000	1000
GN Cake, Gondal	26000	25500	500

Mustard DOC/Meal

Mustard DOC/Meal	2-Apr-15	27-Mar-15	Change
Jaipur (Plant Delivery)	15200	14800	400
Kandla (FOR)	15700	15400	300

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	2-Apr-15	Week Ago	Month Ago	1 Year Ago	2 Year Ago
Delhi	Hybrid	1550	1550	1490	1430	1480
Davangere	Loose	1350	1350	1300	1150	1250
Nizamabad	Bilty	NA	NA	NA	1260	1260
Ahmadabad	Feed	1400	1410	1375	1315	1320
	Starch	1440	1460	1425	1350	1370

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	167.81	149.64	174.53	245.30
Cost and Freight	217.81	204.64	234.53	280.30

Soy Meal Exports (In MT):

Month	2011	2012	2013	2014	2015
Jan	574996	474993	620133	364444	103934
Feb	540360	344240	577589	183551	64515
Mar	410537	460464	320265	232176	
Apr	305033	313832	100311	75884	
May	176819	142588	97546	8226	
Jun	117600	180987	213564	2636	
Jul	139547	168341	107038	6682	
Aug	165510	10005	183555	2778	
Sep	225921	6525	173381	868	
Oct	223594	49840	182724	29071	
Nov	397659	517103	503269	110806	
Dec	798041	510698	451314	193832	
Total	4075617	2668918	3512217	1210954	168449

Feed Ingredient Prices at a Glance

Commodity	State	Variety	Centre	2-Apr-15	27-Mar-15	Change
Bajra	Karnataka	Hybrid	Bellary	1279	1277	2
		Hybrid	Bangalore	1550	1550	Unch
Jowar	Karnataka	White	Bangalore	2450	2300	150
		White	Bellary	1428	1716	-288
Maize	Karnataka	Yellow	Davangere	1300	NA	-

	Andhra Pradesh	Yellow	Nizamabad	NA	NA	-
Rice	Haryana	IR8	Karnal	1900	1800	100
		Parmal Raw	Karnal	2250	2200	50
Soy meal	Madhya Pradesh	DOC	Indore	3020	2900	120
	Maharashtra	DOC	Sangli	3150	3030	120
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2060	2020	40
	Maharashtra	Ex-factory	Latur	2040	2000	40
Mustard	Rajasthan	Plant delivery	Jaipur	1520	1480	40
Groundnut Meal	Gujarat	GN Cake	Gondal	2600	2550	50
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	Closed	1697	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	1726	1653	73

Note: Prices Rs./Qtl

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2015 Indian Agribusiness Systems Pvt. Ltd.