

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.

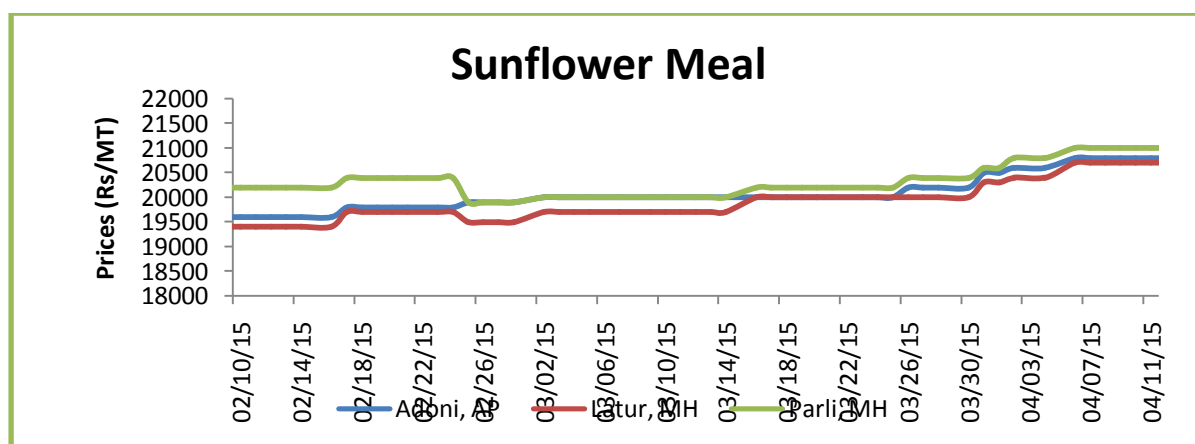
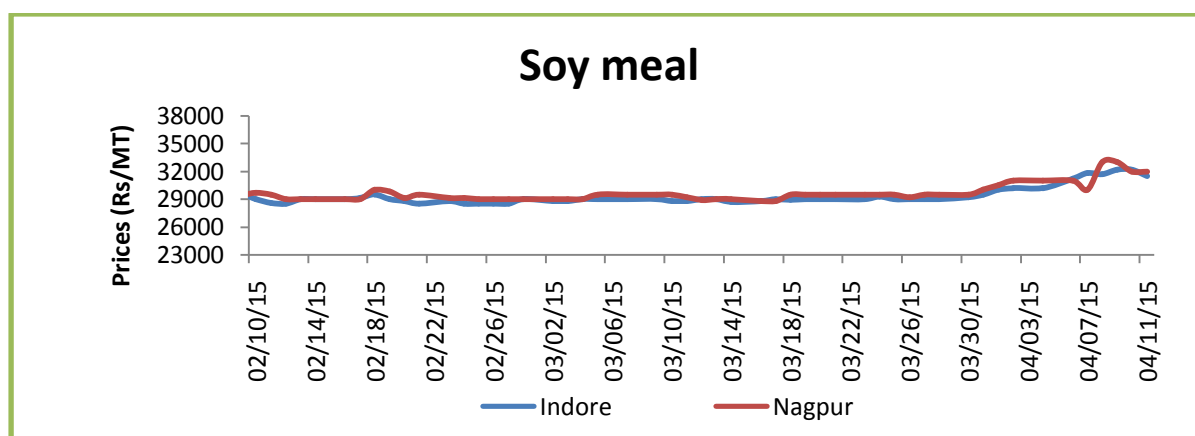
The soybean extended gains on buying support in the cash market during the week under review. The soybean off-takes were mainly by local solvent extractors. However, there was absence of the international giants in markets across the major cash markets.

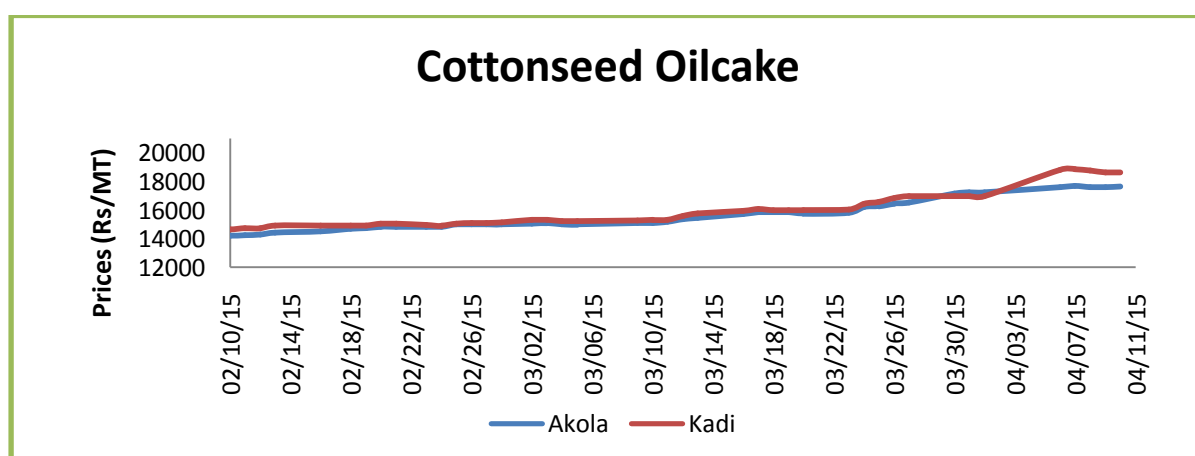
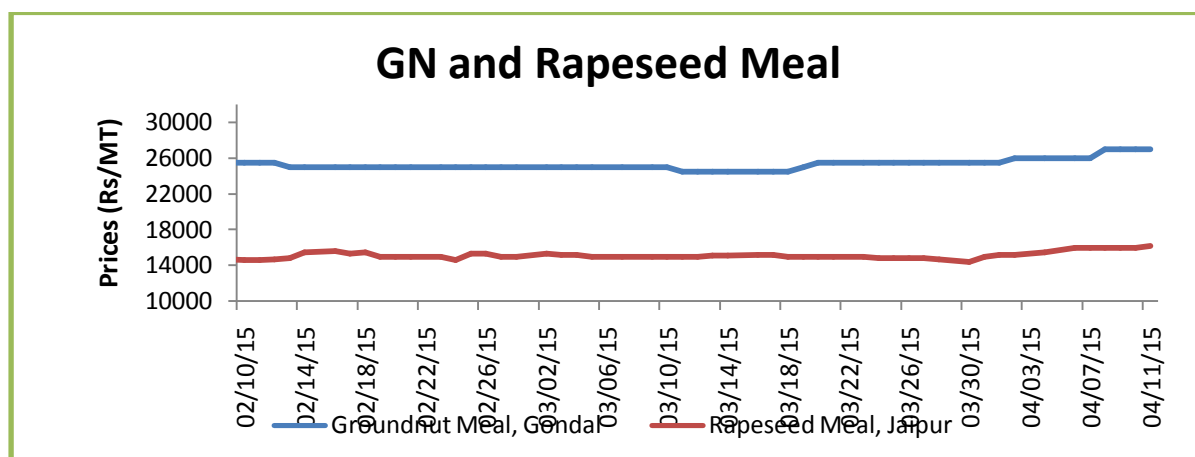
Besides, the soybean market was reeling under multiple bearish global factors including record world soy production and steep fall in the crude mineral oil. The international benchmark fell six month low.

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

Overall maize cash market traded steady to slightly firm except Davangere during the week under review. Maize prices are likely to trade down in the coming weeks due to arrival pressure.

Trend – Raw Material, Feed





Source: AgriWatch

Executive Summary

Soybean, meal and rapeseed-mustard posted gains on improved buying in the local cash market during the week under review. Crushers/solvent extractors and stockists are covering their stocks in rapeseed-mustard for near and medium-term. But, record global soybean production and lower crude continues to weigh on the oil and fats market.

Soybean:

- ❖ The soybean extended gains on buying support in the cash market during the week under review. The soybean off-takes were mainly by local solvent extractors. However, there was absence of the international giants in markets across the major cash markets.
- ❖ Besides, the soybean market was reeling under multiple bearish global factors including record world soy production and steep fall in the crude mineral oil. The international benchmark fell six month low.
- ❖ 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.
- ❖ Most of the traders will divert their trade activities towards wheat in near-term with the commencement of wheat harvesting in major wheat growing states. Hence, several stockists

and solvent extractors have showed buying interest in soybean before the availability fall in coming days.

- ❖ However, need based buying in soybean is witnessed in the cash market.
- ❖ As discussed, the global soy scenario continues to be bearish; CBOT soybean futures declined to a near six-month low on during the week with increased world soybean stocks and slow down in export demand for soy of US origin.
- ❖ Besides, rumours that China has asked Brazilian exports to slow down the supplies due to recent fall in crush market.
- ❖ *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.*

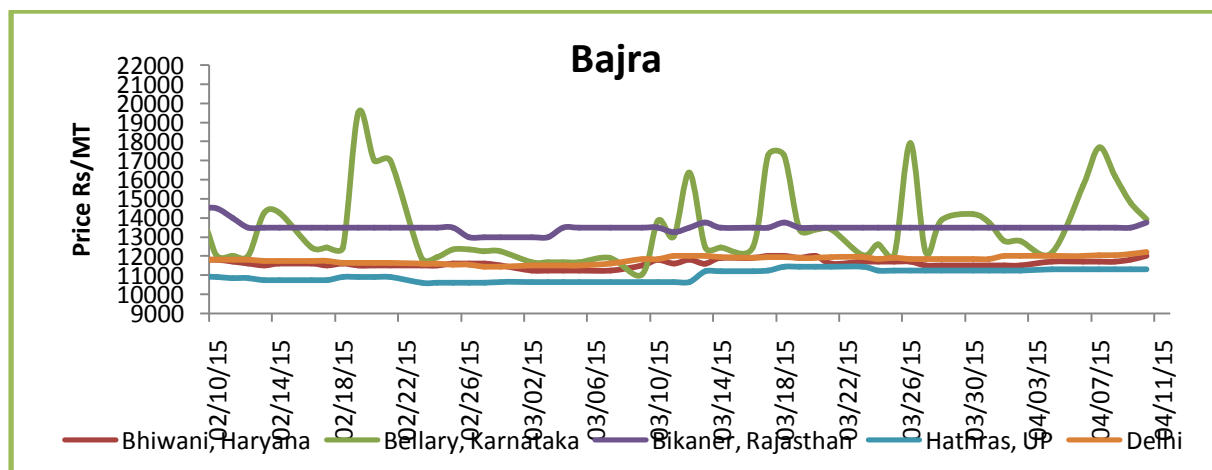
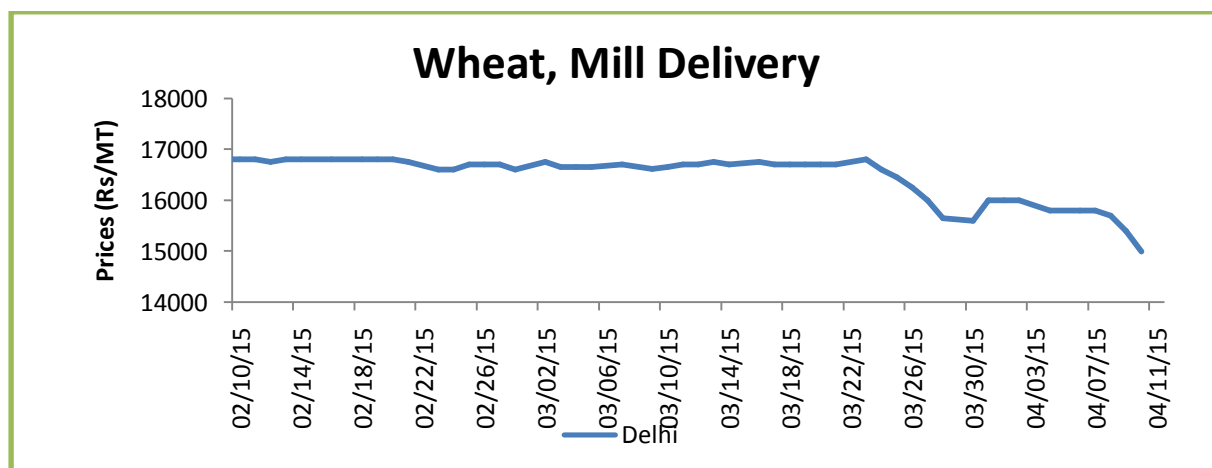
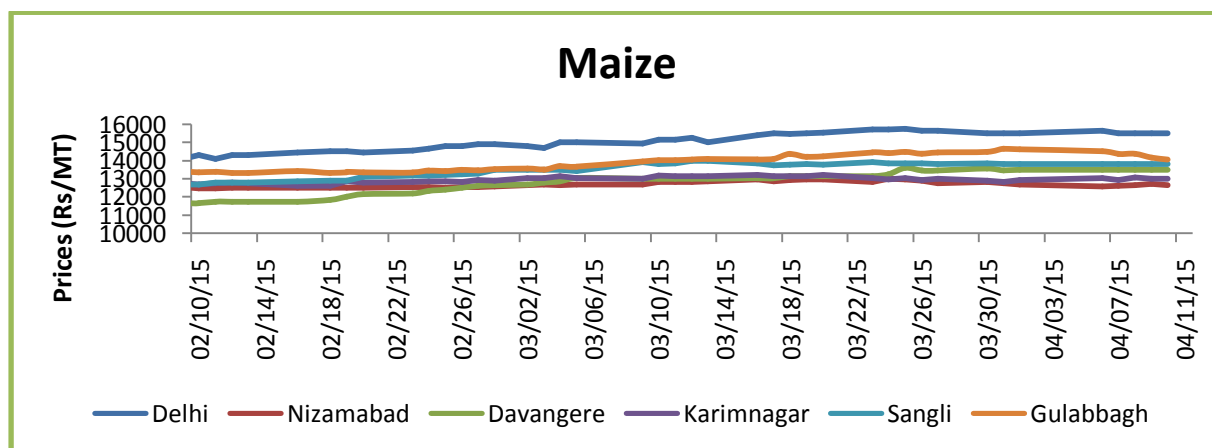
Soy meal:

- ❖ Soy meal improved on buying support in sync with edged-up in tandem with soybean with fresh buying activity in the local cash market during the week under review.
- ❖ As discussed, the poultry unit owners are mainly covering their stocks in rapeseed-mustard oil cake and soy meal followed by rise in seasonal supply at lower prices, remained supportive for the oil meal market.
- ❖ However, India's soy meal exports continued to remain weak and it was recorded 80% lower y-o-y in the month of March'15
- ❖ India's near and medium-term fundamentals remain bearish for domestic soy meal mainly due to weak international prices with higher global soy supply scenario and lower crude. The competitive S. American soy meal price compared to India's, remained negative factor for domestic meal.
- ❖ Exports of soy meal during March, 2015 was 46,670 tons as compared to 2,32,176 tons in March, 2014 showing a decrease by 80% over the same period last year..
- ❖ *The soy meal prices are likely to feature further gains in near-term.*

RM Seed:

- ❖ RM seed rebound primarily on buying support in the local physical markets and better Malaysian palm oil exports data during the week under review.
- ❖ The millers and the stockists were the major buyers who are covering their stocks for future. The medium and long-term outlook for rapeseed-mustard remains stronger owing to the lower seed production this season. Fall in planted area under seed this season and unprecedented rains in February and March which negatively hit the potential yield potential.
- ❖ Agriwatch has pegged India's rapeseed-mustard 2015/16 production at 5.9 million tonnes, down by 24% at 7.7 million tonne last season.
- ❖ 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 increased and reported at 27,50,000 bags during the week under review compared to 9,55,000 bags previous week. In Rajasthan the supplies were reported up at 15,90,000 bags compared to 17,00,000 bags previous week.
- ❖ Increasing seasonal arrivals of the rapeseed-mustard will weigh on the seed prices 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 steady to slightly firm except Davangere during the week under review. Maize prices are likely to trade down in the coming weeks due to arrival pressure.

In Ahmadabad region of Gujarat, **poultry feed makers quoted maize firm by Rs. 50 per quintal to Rs. 1400-1450 per quintal. Starch feed makers also quoted maize firm by Rs. 50 per quintal to Rs. 1370-1500 per quintal** as compared to last week.

In A.P., traders are expecting that crop quality could be affected with the recent rainfall. New maize is trading at Rs. 1240 per quintal in the Nizamabad market.

As per IBIS data, exports of corn were reported around 0.05 million tons for the month of Mar'15 mainly to Vietnam, Malaysia and Singapore.

Maize is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1400 per quintal, Rs. 1420 per quintal, Rs. 1380 per quintal, Rs. 1400 per quintal and Rs. 1400 per quintal respectively, sourced from Davangere. Market is likely to trade range bound in the near term. One rake is likely to load for Sahyadri starch, Neemuch at Rs. 1350 per quintal, sourced from Davangere.

In Delhi, hybrid maize traded firm by Rs. 40 per quintal to Rs 1590 per quintal as compared to last week. Sources revealed that stock of maize could be around 2500 quintal and is likely to trade weak as arrivals from Bihar has started into the market.

As per USDA, U.S accumulated corn export figures reached to 23,660,586 metric tons for the 2014-15 marketing year. Exports of 11,71,100 MT were up by 71 percent from the last week and 30 percent from the prior 4-week average; reported by U.S to Mexico (289,600 MT), Japan (265,400 MT), South Korea (243,300 MT), Taiwan (137,000 MT), Iran (72,600 MT), Colombia (71,600 MT), and Costa Rica (44,100 MT) for the period March 27- April 02, 2015.

As per European traders, **South Korea's largest feedmaker Nonghyup Feed Inc. purchased about 194,000 tons of optional-origin yellow corn for November arrival.** The corn was purchased in three consignments, one consignment of 60,000 tons was purchased at \$191.90 a ton c&f plus a \$1.50 a ton surcharge for additional port unloading for Nov. 5 arrival. Another 65,000 tons was purchased at \$191.40 a ton c&f plus a \$1.50 a ton surcharge for additional port unloading for Nov. 15 arrivals. Another 69,000 tons was purchased at \$191.60 a ton c&f plus a \$1.50 a ton surcharge for additional port unloading for Nov. 25 arrivals. (Source: Reuters)

Cash wheat markets stayed steady to slightly firm due to inclement weather conditions in Rajasthan, Madhya Pradesh, Punjab, Haryana and Uttar Pradesh during the week under review. Harvesting activities in these states have been hampered once again and rains have affected normal pace of arrivals in various markets. This week market may trade firmer as quality arriving in the markets is below normal expectation having higher moisture in the grains.

Wheat arrivals have increased in major markets of Rajasthan and major buyers like ITC, LD traders are active and offer Rs 1511 per qtl for mill quality having moisture level upto 12 percent while the

Tukri is being brought at Rs1560 per qtl. Both these companies are buying around 2000 to 2500 per toone per day from various markets in Rajasthan. Govt procurement would start from Monday.

Lackluster wheat is being delivered to Bangalore at 1650 oer qtl while colored is being offered at Rs1690 to Rs 1700 per qtl. Light quality having moisture level up to 12 to 13 perecnt is being offered at Rs 1350 per qtl. while fine varieties are being offered at Rs1450 to Rs 1475 per qtl. in Baran.

With improvement of weather arrival of better quality is expected to increase and private trade may offer Rs 1460 to Rs1485 per qtl for fine varieties from next week. Quality wheat price would continue to rule between Rs 1450 to Rs 1550 per qtl even in the peak arrival season.

Wheat arrivals in Bulandshahar in Uttar Pradesh have increased from 1000 qtl. to 2000 qtl this week, having moisture content of 18 percent and 14 percent, fetching price of Rs 1350 andrs 1400 per qtl respectively. Local millers are buying wheat at this price to meet their immediate requirement. Out of 2000 qtl arrival, old crop contribution is only50 tonne and millers pay Rs 1550 for the old crop.

Big companies like ITC,DFM are not active in the western Uttar Pradesh markets and are waiting for lower moisture level. They may start buying by the end of this month when moisture level is believed to come down to 11/12 percent.

According to IBIS, export of Indian wheat in the last week of March (23-29 March) was around 2876 MT at an average FoB price of \$299.58/tonne. The major export destination of Indian wheat was Taiwan from Pipavav port which accounted 1249 MT at an average FOB price of \$259.39/Tn .Other major countries were Malaysia and UAE.

Traders expect only 92 million tonne wheat crop this year against govt.'s estimate of around 96 million tonne. As arrivals in various markets have been delayed by a couple of weeks, wheat(old crop) may rule steady to slightly firm till the first week of April. However, with opening up of the weather pressure may build up and price would come down near MSP for quality crop.

Global wheat market is likely to trade steady to slightly firm due to weather concern in US and Australia. Unusually high levels of wheat winter kill have been reported across western Nebraska, northwest Kansas, and northeastern Colorado. According to the Nebraska Wheat Board, producers in the southern Panhandle region received winterkill damage to roughly 40 to 50 percent of their crop, and overall crop conditions are fair to poor. Besides, Australian quotes have increased too and tight supply side from Argentina, Canada may support market in the short term.Uptrend may be restricted by Black sea region crop.

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	352.0
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 weak 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	63.0
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 maize spread with jowar could be down 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	390.0
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	167.5
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 firm as wheat traded down during last week. We expect that wheat could trade steady 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)		
	10-Apr-15	2-Apr-15	Parity To
Indore (MP)	32000-32200	30000-30200	Gujarat, MP
Kota	31500	29700-30000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna	32500	31700	Mumbai, Maharashtra
Nagpur (42/46)	31500-32000	31000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33400	30400	Andhra, AP, Kar, TN
Latur	32900	31500	-
Sangli	33400	31500	Local and South
Sholapur	33100	32000	Local and South
Akola	31700	30600	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	33000	30500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	31200-31300	29700	-

Soy DOC at Port

Centers	Port Price	
	10-Apr-15	2-Apr-15
Kandla (FOR) (INR/MT)	32500	31500
Kandla (FAS) (USD/MT)	521	507

International Soy DOC

Argentina FOB \$/MT	9-Apr-15	1-Apr-15	Change
Soybean Pellets	351	367	-16
Soybean Cake Meal	351	367	-16
Soybean Meal	359	375	-16
Soy Expellers	359	375	-16

Sunflower (DOC) Rates

Centers	Ex-factory rates (Rs/ton)		
	10-Apr-15	2-Apr-15	Change
Adoni	20800	20600	200
Khamgaon	NA	NA	-
Parli	21000	20800	200
Latur	20700	20400	300

Groundnut Meal

Groundnut Meal	10-Apr-15	2-Apr-15	Change
Basis 45% O&A, Saurashtra	27000	26000	1000
Basis 40% O&A, Saurashtra	24000	23000	1000
GN Cake, Gondal	27000	26000	1000

Mustard DOC/Meal

Mustard DOC/Meal	10-Apr-15	2-Apr-15	Change
Jaipur (Plant Delivery)	16000	15200	800
Kandla (FOR)	16700	15700	1000

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	10-Apr-15	Week Ago	Month Ago	1 Year Ago	2 Year Ago
Delhi	Hybrid	1590	1550	1515	1470	1600
Davangere	Loose	1300	1350	1300	1350	1360
Nizamabad	Bilty	1270	NA	NA	1260	1260
Ahmadabad	Feed	1440	1400	1390	1302	1430
	Starch	1480	1440	1440	1350	1490

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

	Argentina	Brazil	US	India (Bihar Origin)
FOB	169.69	150.6	175.2	237.15
Cost and Freight	219.69	205.6	235.2	272.15

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	10-Apr-15	2-Apr-15	Change
Bajra	Karnataka	Hybrid	Bellary	1393	1279	114
		Hybrid	Bangalore	1650	1550	100
Jowar	Karnataka	White	Bangalore	2000	2450	-450
		White	Bellary	1383	1428	-45
Maize	Karnataka	Yellow	Davangere	1250	1300	-50

	Andhra Pradesh	Yellow	Nizamabad	1240	NA	-
Rice	Haryana	IR8	Karnal	1950	1900	50
		Parmal Raw	Karnal	2400	2250	150
Soy meal	Madhya Pradesh	DOC	Indore	3220	3020	200
	Maharashtra	DOC	Sangli	3340	3150	190
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2080	2060	20
	Maharashtra	Ex-factory	Latur	2070	2040	30
Mustard	Rajasthan	Plant delivery	Jaipur	1600	1520	80
Groundnut Meal	Gujarat	GN Cake	Gondal	2700	2600	100
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	1862	Closed	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	1764	1726	38

Note: Prices Rs./Qtl

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