

EXECUTIVE SUMMARY

As per the latest data released by the Ministry of Agriculture, area sown under maize during Rabi season for 2012-13 is estimated at 13.03 lakh hectares, up from last year's figure of 11.71 lakh hectares.

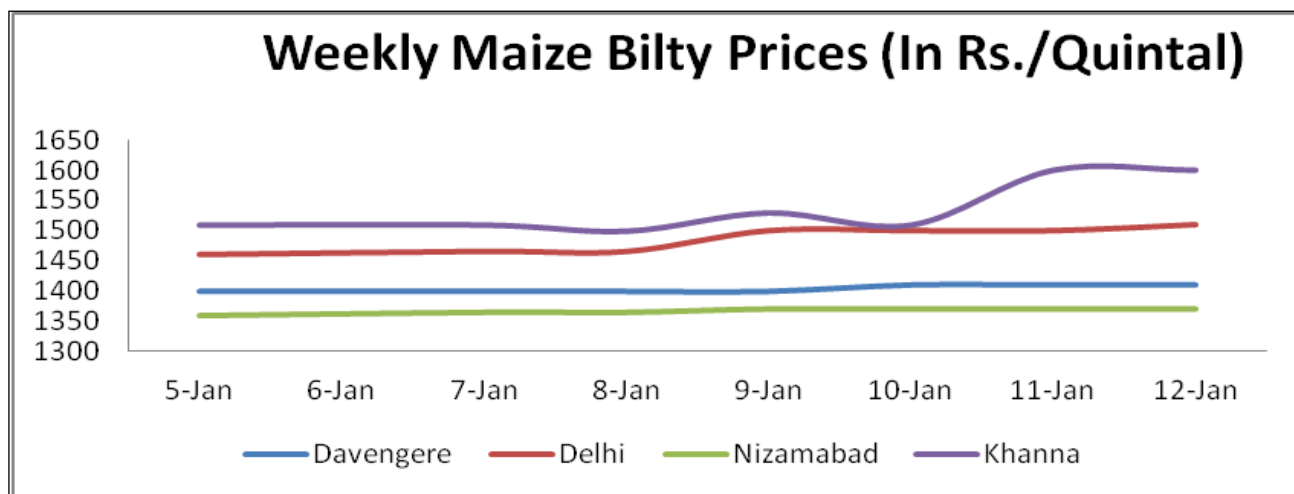
In the Nizamabad region of A.P., demand for maize was reported from local starch industry currently at Rs. 1340 per quintal. Meanwhile, maize is also moving towards Hyderabad at around Rs. 1370 per quintal sourced from Nizamabad region of A.P. Sources revealed that poultry demand may arise in the coming days but prices would trade in a range in the near term.

As per trade sources, maize is moving towards Chennai at Rs. 1485 per quintal (Delivery rate) and Mangalore at Rs. 1470 per quintal (Delivery rate) sourced from Koppal region of Karnataka.

Ahmadabad feed millers of Gujarat region are currently purchasing maize from Maharashtra region in a range of Rs. 1500-1510 per quintal. Sources revealed that demand could decrease in the coming weeks as they have around 3 months stock in quantity.

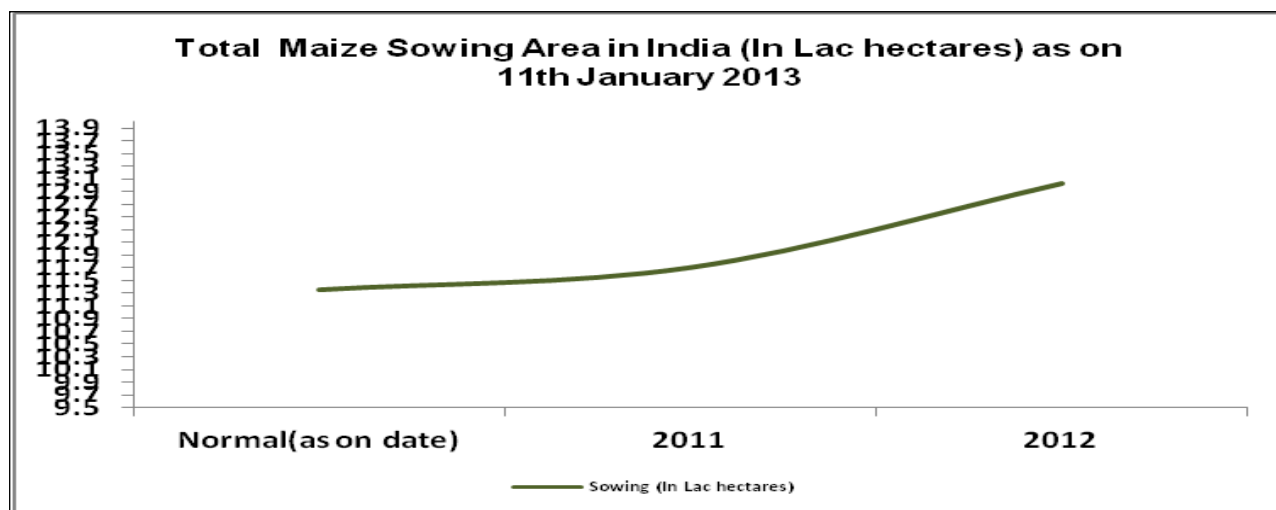
As per NCDEX circular, launch of May 2013 expiry contract of maize has been postponed, was scheduled on January 10, 2013. The revised launch date will be announced in due course.

Maize prices are hovering at around Rs 1323 per quintal on an average on pan India basis, increased by Rs. 22 per quintal from the previous week.



RABI SOWING UPDATE:

India

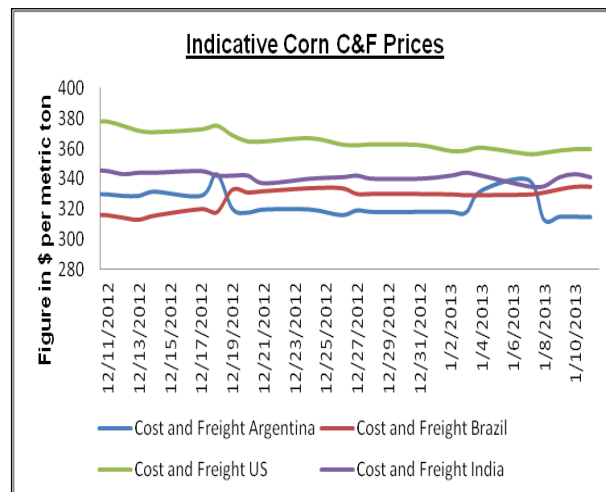
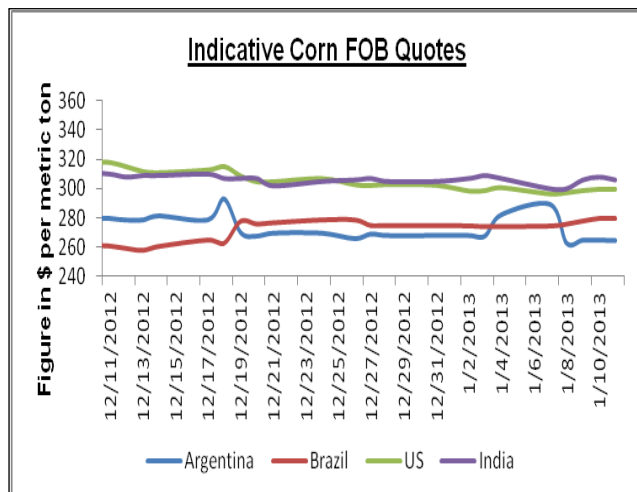


STATE WISE RABI SOWING

State	Normal Area	Area Covered(2012-13)	Area Covered(2011-12)	Absolute Change	Y-O-Y(% Change)
Andhra Pradesh	2.792	3.17	2.6	0.57	21.92%
Arunachal Pradesh	0.05				
Assam	-	0.08	0	0.08	
Bihar	3.277	3.93	3.38	0.55	16.27%
Chhattisgarh	-	0.21	0.11	0.1	90.91%
Guajrat	0.81	1	0.984	0.016	1.63%
Jharkhand	0.121	0.07	0.08	-0.01	-12.50%
Karnataka	1.22	1.14	1.02	0.12	11.76%
Maharashtra	1.184	1.261	1.14	0.121	10.61%
Orissa	0.028	0.08	0.07	0.01	14.29%
Tamil Nadu	0.811	1.177	1.606	-0.429	-26.71%
Uttar Pradesh	0.192	0.37	0.35	0.02	5.71%
West Bengal	0.52	0.3	0.24	0.06	25.00%
Others	0.34	0.24	0.127	0.113	88.98%
All-India	11.345	13.028	11.707	1.321	11.28%

ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$341) decreased by \$1.00 per ton during the week compared to the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (~\$359.9) and getting stiff competition from Brazil C&F (~\$335) and Argentina Maize C&F prices (~\$315).



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 54.53)

	Argentina	Brazil	US	India (Davengere Origin)
FOB	265	280	299.9	306
Incl Cost and Freight (C&F)	315	335	359.9	341

On the export front, in the current marketing year (Oct12-Sep13), total maize exports reported around 0.406 million tons during the October- November month to Malaysia, Indonesia, Bangladesh, Vietnam, Yemen, China, Taiwan, and Singapore through JNPT, Raxaul LCS, Toniarept ICD port, generally in 20' containers. No corn exports were reported during the month of December. However, some corn samples send to Brazil by air.

CURRENT MARKET DYNAMICS:

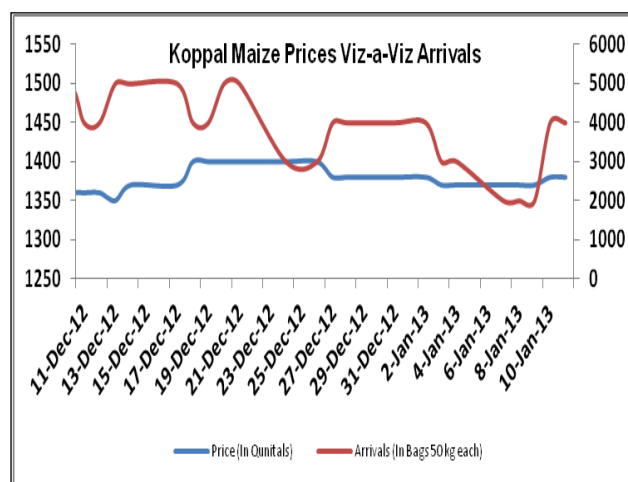
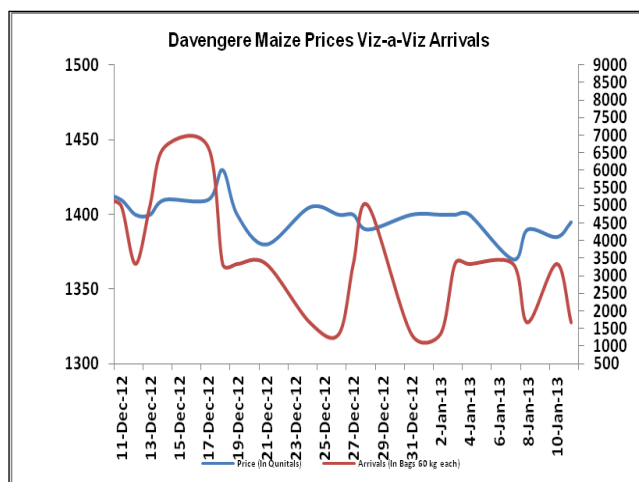
During the week, firm sentiments witnessed in major maize spot markets. Here are the various key spot markets dynamics below:

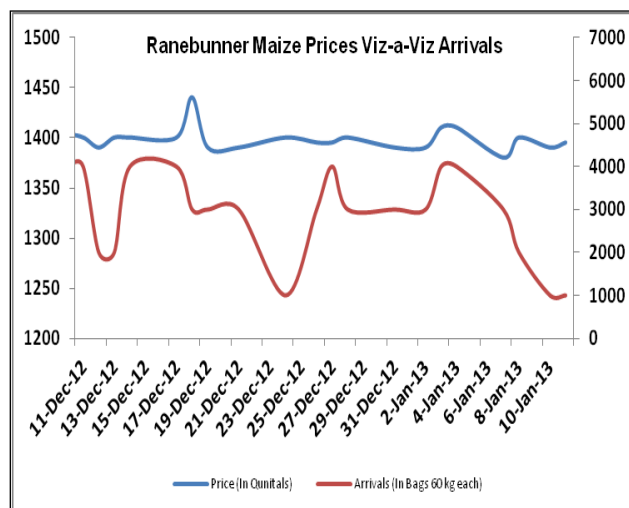
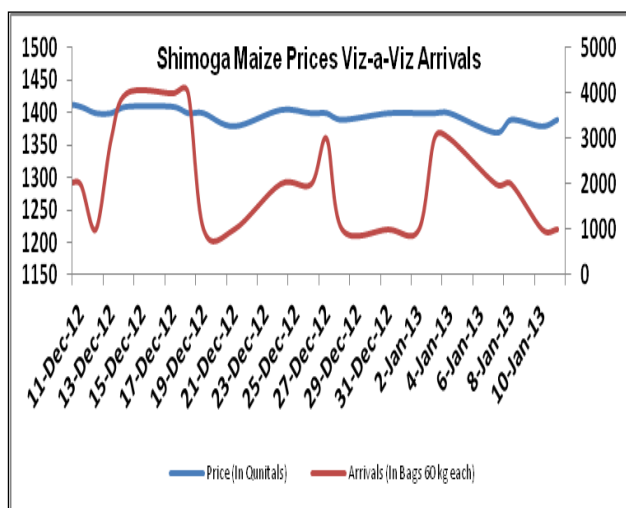
Bihar: Demand for maize from the Kolkata feed millers reported at around Rs. 1600 per quintal sourced from Bihar.

Andhra Pradesh: In the Nizamabad region of A.P., demand for maize was reported from local starch industry currently at Rs. 1340 per quintal. Meanwhile, maize is also moving towards Hyderabad at around Rs. 1370 per quintal sourced from Nizamabad region of A.P. Sources revealed that poultry demand may arise in the coming days but prices would trade in a range in the near term. In the Nizamabad region of A.P., maize stock is reported around 4 lakh bags.

Delhi: In Delhi spot market, maize stock is reported around 1 lakh bag. Sources revealed that maize could trade higher in the coming days as good demand from poultry and hatchery has aroused.

Karnataka: As per trade sources, maize is moving towards Chennai at Rs. 1485 per quintal (Delivery rate) and Mangalore at Rs. 1470 per quintal (Delivery rate) sourced from Koppal region of Karnataka.





BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Delhi	15100 (UP origin)	
Gujarat	15100 (Maharashtra Origion)	
Hyderabad	13700 (A.P. region)	
Chennai		14850 (Karnataka region)
Mangalore		14700 (Karnataka region)
Kolkata	16000 (Bihar region)	

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	11 Jan ,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1500	1480	1525	1400	-
Davangere	Bilty	1395	1400	1410	1400	1190
Naugachia	Bilty	-	-	-	-	-
Nizamabad	Bilty	-	1360	1400	1290	1180
Ahmedabad	Feed	1500	1500	1520	1350	1325
	Starch	1550	1560	1570	1380	1350

DOMESTIC MAIZE OUTLOOK:

We expect maize prices could trade range bound in the near term in the spot market.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 6689988 metric tons for the 2012-13 marketing year which is lowered by ~54% from the last marketing year during the same period, down by 48 percent from the prior week and 64 percent prior 4-week average. Out of total weekly exports of 1,06,800 MT reported by U.S. to Japan (53,600 MT), Mexico (22,000 MT), Guatemala (19,900 MT), and Taiwan (9,200 MT).



Some Other major International Corn Highlights during the week are:

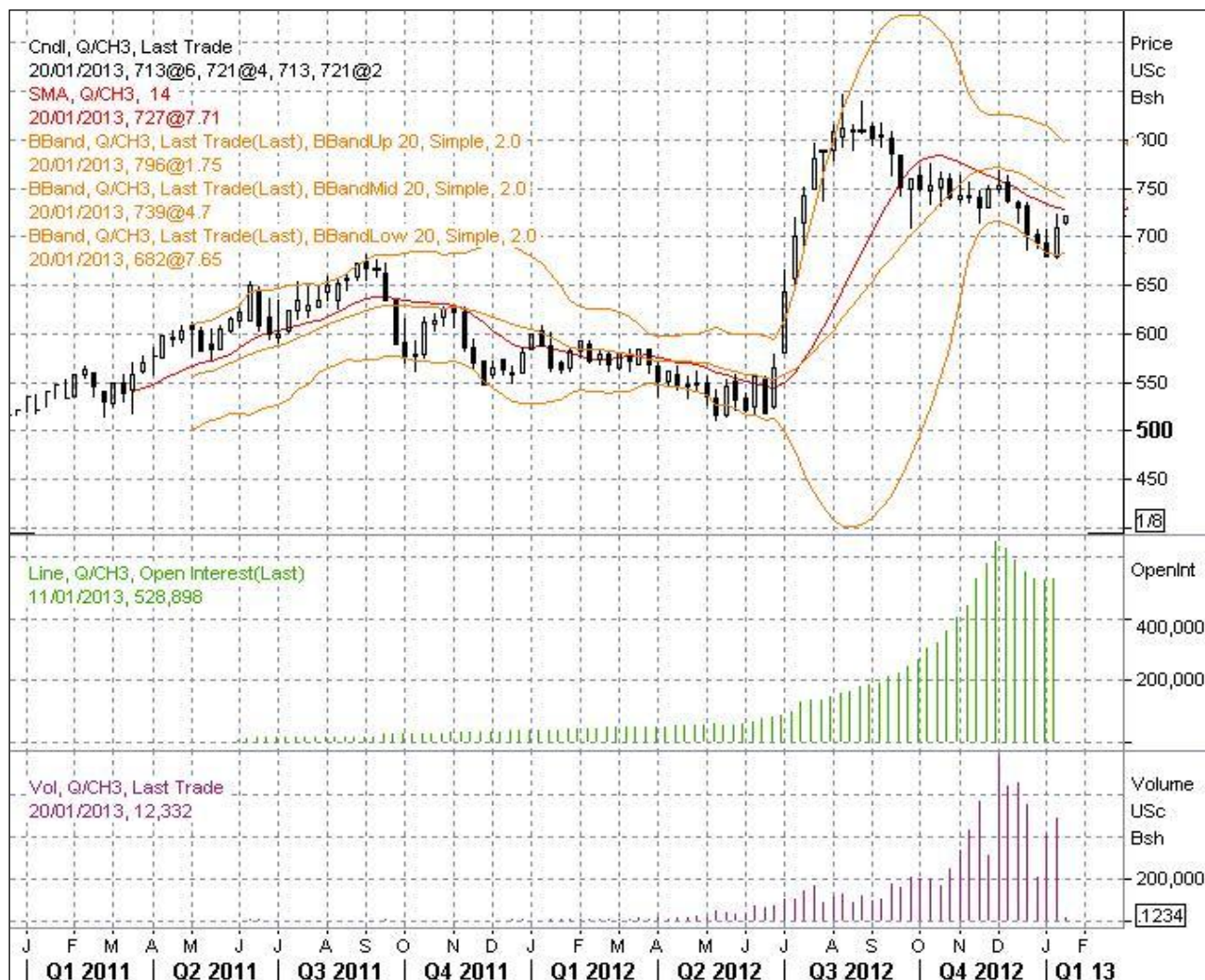
- In the latest WASDE report, the USDA pegged the 2012 U.S. corn crop at 10.780 billion bushels and the 2012-13 U.S. corn ending stocks at 602 million bushels. Harvested area for corn was lowered 346,000 acres, but a 1.1-bushel-per-acre increase in the estimated yield boosts production 55 million bushels. However, increase in use of corn offsetting increase in yield resulted decrease in corn ending stock. Global corn ending stock for 2012/13 is projected lower by 1.6 million tons on lower expected stock in the U.S., Brazil and Argentina.
- As per European traders, The Korea Feed Association purchased 110,000 tons corn likely to be sourced from South America through tender. 55,000 tons corn for position 1 bought from Noble at \$310.60 a ton c&f and another 55,000 tons for position 2 bought from Concordia at \$313.50 a ton c&f for June 10 and June 25 corn arrival.(Source: Reuter)
- Informa has revised its estimate of U.S. 2012 corn production to 10.8 billion bushels from 10.725 billion bushels. It has put the U.S. 2012 corn yield at 123.3 bushels per acre, up from 122.3 bushels per acre previously.
- South Korea's largest feed maker Nonghyup Feed Inc. (NOFI) has purchased 69,000 tons of corn which can be sourced optionally from the U.S. or South America in a tender which closed on Friday. It allowed U.S. to be an option for the supplies after initially excluding U.S. origin from the purchase in the tender announcement.

INTERNATIONAL MAIZE OUTLOOK:

Corn prices could trade firm due to higher demand and lower inventory in the market.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	10/01/2013	03/01/2013	Change
Corn CBOT Prices	Mar-13	275.03	271.29	+3.74
	May-13	274.54	271.98	+2.56
	Jul-13	271.78	270.21	+1.57
	Sep-13	239.01	239.90	-0.89

CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: Mar Contract)

- Candlestick chart pattern reveals that prices could go up in the market.
- Strategy: **Markets participants should buy Corn CBOT at current level and the target would be 728 cents/bushels for next week.**

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(February Contract Weekly Chart)

- Candlestick formation reveals that prices could go up in the market.
- **Strategy:** Buy near 1408 level and target would be 1427 for the near term.

Maize NCDEX (February)

Support & Resistance				
S2	S1	PCP	R1	R2
1360	1385	1410	1427	1444

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