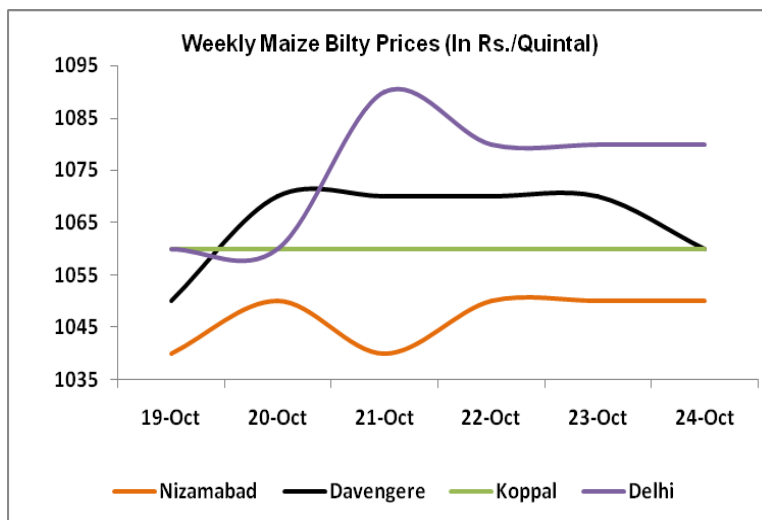


Domestic Market Recap

Maize prices surged in various maize markets during the week ended 24th October 2011. Weak arrival and improved export demand of corn support the market sentiments.

On the Export front: It is reported that the South East Asian buyer have covered close to 0.5 Million MT from corn for shipments between November to January 2012. Out of this 150000 MT committed in containers and 350000 MT in break bulk.

The prices in containers reported to be around USD 248 FOB for destinations like Malaysia, however shippers are now struggling to load cargoes as prices have moved up due to lack of dry cargo as well as prices moving upwards.



In break bulk market business reported for Vietnam at USD 270 CFR Ho Chi Min city bought by Bunge.

The prices in containers reported to be between USD 248 Fob for destinations like Malaysia which absorb poor quality cargo to USD 285 FOB for buyers in Indonesia and Vietnam which have started seeking better quality these days.

It is reported that Thailand market is affected by floods and Indian corn will continue to remain in demand due to the low prices offered by India as well as the lower transit time from India to South East Asia.

Current Market Dynamics:

Maize prices has increased in benchmark market Nizamabad during the week ended 21th October 2011. Less arrivals and improved export demand led the corn prices upwards. Arrivals are hovering around 10000 quintals in Nizamabad this week. Meanwhile, recent rains over Karnataka and Telangana region of AP also supports the prices.

Demand from Poultry as well as Starch Industries remains good as reported. Majors buyers are:

Buyer	Rates
VHL Hubli	Rs.10500 PMT Dlv
Suguna Hubli	Rs.10850 PMT Dlv
Godrej Hubli	Rs.11000 PMT Dlv
Godrej Chitradurga	Rs.10700 PMT Dlv
CP Bangalore	Rs.11000 PMT Dlv
Riddhi Siddhi Bio ,Gokak	Rs.10700 PMT Dlv
Sahyadri Starch ,Miraj	Rs.10500 PMT Dlv

Meanwhile, Rake businesses reported for Chennai from Bagalkot at Rs.10730 loading basis. Rake business also reported for Chennai from Koppal at Rs 10350 per MT spot loading condition.

Prices might trade range bound in the coming week owing to improved arrivals which will offset by higher demand.

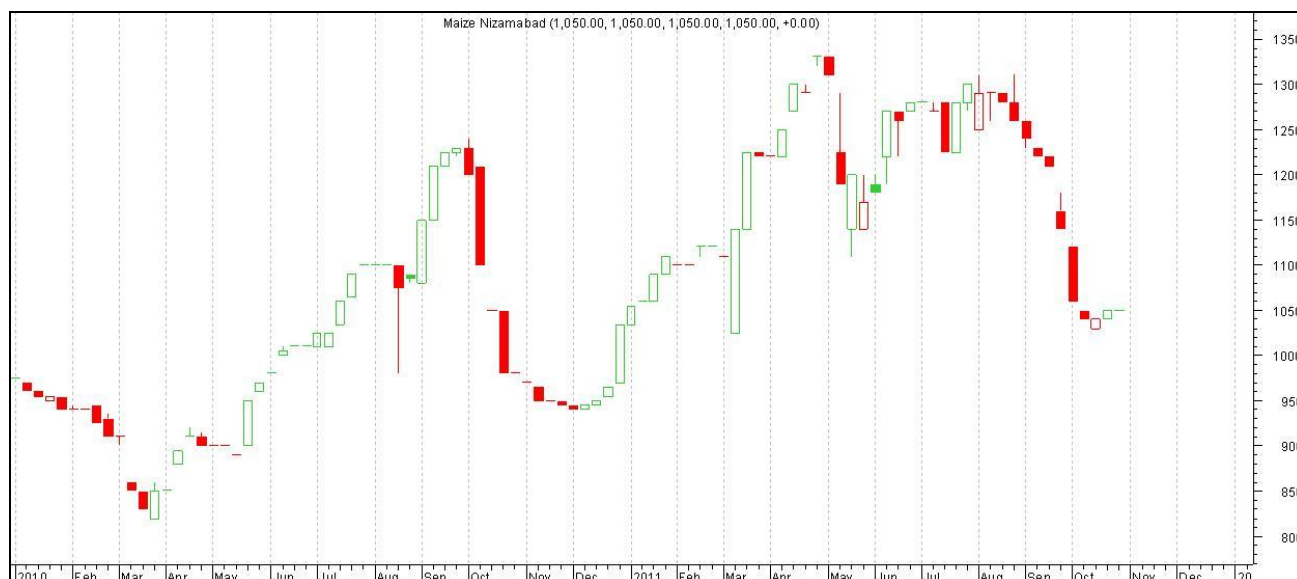
Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	Today	Week Ago	Month Ago	2 Month Ago	Year Ago
		24 th October, 2011				
Delhi	Hybrid	1080	1060	1030	1125	1005
Davangere	Bilty	1060	1060	1150	1210	920
Nizamabad	Bilty	1050	1040	1140	1275	980
Naugachia	Bilty	1050	1075	1075	1050	1000
Kolkata	Mill	1260	1300	1280	1260	1160
Ahmadabad	Feed	1160	1165	1200	1260	1040
	Starch	1160	1120	1160	1225	1015

Weekly Comparative Prices: Likely Impact on Maize Demand:

Date	Delhi Market			Spread with Wheat	Spread with Bajra
	Maize	Wheat	Bajra		
19-Oct	1060	1100	825	-40	235
20-Oct	1060	1100	825	-40	235
21-Oct	1090	1100	825	-10	265
22-Oct	1080	1090	830	-10	250
23-Oct	1080	1090	830	-10	250
24-Oct	1080	1080	830	0	250
Average	1075	1093.3	827.5	-18	247.5

- Average price spread between Maize and Wheat narrowed to Rs. (-18) per quintal as on 24th October as compared to the spread of Rs. (-69.28) per quintal last week.
- Much of the above move remains an outcome of the rise in Maize Prices, and fall in wheat prices. However, lesser maize prices supporting the strong prospects of demand of maize.
- Price spread between Maize and Bajra, however continues to remain positive and improved further compared to previous week.

Spot Price (Bilty) at Karnataka: Price Outlook**Maize: Nizamabad (Bilty Price)**

- Maize nizamabad spot prices are moving downwards as chart depicts.
- Prices might also test its trend line resistance level which also lying over 38.2% retracement level.
- Prices are likely to remain range bound between Rs 1030 to 1100 with positive bias in the coming week.

International Market: Highlights/Current Developments:

Corn prices have rebound during the week ending 24th October 2011 owing to higher corn demand for US corn crop and marginal decrease in corn exports from US supports the corn prices internationally.

World 2011/12 maize crop is projected to be the largest on record at 845 million tons, despite the cuts in the US Crop forecast, on improved production prospects in the southern hemisphere. The rise of 2.3% is projected in 2011-12 as compared to 2010-11.

The U.S. Department of Agriculture has revised lower the U.S. corn output forecast due to lower yields. Production this marketing year is now expected around 316 million tons, slightly less from a year ago. U.S. corn exports are likely to fall 13% to 40.64 million tons, USDA said.

Outlook:

Prices are likely to trade range bound with firm bias owing to expected increase in demand from China side and also less production scenario of Corn in US will support the Corn prices.

CBOT Corn Futures Outlook:

CBOT Maize Chart: Front Month



- Range bound movement witnessed in prices.
- 630-660 is the broad trading range for the price; two consecutive close above or below the mentioned levels will give the prices a new direction.
- Prices are continuously trying to test 38.2% retracement level, and are likely to hover between 23.6% and 38.2% retracement level.
- Prices are likely to trade range bound with firm bias in the coming week.
- Strategy: Buy from support level.

Futures Market Analysis: NCDEX Maize:



(Weekly Chart)

- Maize prices are showing range bound movement.
- 1085-1130 is the immediate trading range for the price. Breach of mentioned levels will give the prices a new direction.
- Prices are recently tested 50% retracement level, if breach the mentioned level will continue the bull run of prices.
- Selling has been witnessed from resistance level as chart depicts.
- RSI is hovering near to neutral region.
- **Strategy:** Sell from resistance level.

Maize NCDEX (November)

Support & Resistance				
S2	S1	PCP	R1	R2
1069	1089	1107	1121	1130

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