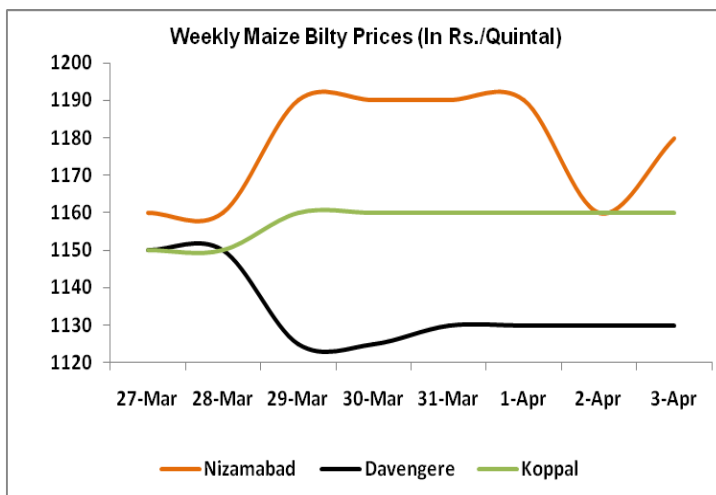


Domestic Market Recap

Mostly firm sentiments prevailed in various key spot markets of maize during the week ended 3rd April 2012. Lesser arrivals in Nizamabad and Koppal market, firm international sentiments and strengthening of dollar prices are the major influencing factors in Maize. Meanwhile, good demand has been witnessed from Poultry and Starch Industries.



On the Export front:

Indian CIF Maize prices (~\$314.28) surged by \$7 during last week owing to domestic maize price increase. Meanwhile, Indian maize exporters are getting stiff competition from Brazil CIF (~\$301) and Argentina CIF (~\$315.06).

However, US Corn export prices are quoted at CIF USD 343.80 as on 3rd April 2012 which is considerably higher compared to Indian export prices which enable the export opportunity for Indian exporters at present. However, quality concern for corn exists in front of exporters. It is noticeable that China's local corn prices are hovering around USD 340 per ton which is at higher level which gives Indian exporters a chance to export corn to China.

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 50.97)				
	Argentina	Brazil	US	India
FOB	265.06	246.44	283.8	279
Cost and Freight (C&F)	315.06	301.44	343.80	314.28

Meanwhile, recently around 24000 tons of maize stocks are loading at vessel named Crystal Gold at Tuticorin port as reported.

Some of the exporters quoting their prices are:

	Chennai	Tuticorin
Olam	12800	-
Glencore	12800	-
Louis Dreyfus	12800	-

Malaysian Markets – Indian exporters have sold at USD 265-270 PMT CFR Malaysia Port Klang and Port Penang.

Vietnam Markets – Vietnam is importing maize at CFR USD 290 PMT buy selling is very less due to recent PQ problems.

Korea/China: Business reported at USD 290-300 PMT CFR in 30-50 Kg PP Bags.

Indonesia Markets- No business reported.

Maize prices are moving steady within a range. Market is keeping an eye over AP and Bihar crop which will become the major influencing factor for maize prices in future. However, short US corn supply and firm dollar prices, and improved maize buying from Poultry industries support the short term bullishness in domestic maize prices.

Current Market Dynamics:

Maize prices are moving up during the week due to weaker arrivals and moderate demand from local as well as export markets. Meanwhile, demand from poultry and starch industries has led the maize prices upwards in key spot markets.

Maize prices have improved in Nizamabad market owing to lesser arrivals due to two consecutive market closes due to labor strike. However, the expected increase in arrivals in the coming days would pressurize the prices of maize. It is noticeable that Maize has been planted in around 3.345 lac hectares in AP in this Rabi season.

As far as Davengere market is concerned, prices came down owing to improved arrivals compared to prior week. It is noticeable that farmers hold around 30% of maize stocks in Karnataka at present and are expected to release their stocks continuously as market prices of maize are attractive at present for farmers. Davengere, Rannebenneru and Haveri districts are the major sourcing centers in Karnataka at present. Also, around 25% maize hold by Poultry and Starch Industries in Karnataka as reported.

Prices in Koppal have improved during the week ended as arrivals are very less in Koppal market as local traders are holding stock in anticipation of bullishness in maize prices. It is noticeable that around 150000 bags of maize stock hold by private traders in Koppal market at present. However, no rake business has reported from Koppal in this week.

Much awaited maize arrivals have started from Bihar and daily around 10 tons of maize has arrived in the market. It is noticeable that around 300 rakes of maize contracts are already waiting for the new crop near to Naugachia market. Arrivals of maize might get pace after 15th April as per reliable sources.

As far as crop progress is concerned, maize has been planted in around 3.65 lac hectares in Bihar which is the major contributor of maize production in Rabi season. This year Rabi maize planting is 7.4% higher compared to last year. Meanwhile, harvesting of the crop has started in Bihar and around 20% of the crop has already been harvested.

In Delhi market, prices remained steady during the week. However, expected arrivals from Bihar in couple of weeks will depress the prices of maize.

Business from Various Sourcing Centers During the Season Till Date:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)	FOB in USD /Tonne
Chennai	12850	13000	265
Mumbai	13200	-	-
Kakinada	12600		265-268
Tuticorin		-	

Following are the few active buyers in southern states of country with their purchase prices -

Buyer	Purchase Prices (Rs/MT)
VHL Bangalore	12000
SKM Erode	13000
Godrej Chitradurga	12000

Presently, maize domestic prices are moving in a range with firm tone taking cues from moderate demand of maize and firm international prices and rising dollar rates. However, maize arrivals from AP and Bihar might turn the sentiments to bearish.

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	3 rd April, 2012	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1400	1380	1400	1260	1250
Koppal	Bilty	1160	1150	1160	1160	1130
Davangere	Bilty	1130	1150	1155	1150	1190
Nizamabad	Bilty	1180	1160	1160	1180	-
Ahmadabad	Feed	1340	1310	1300	1275	1225
	Starch	1360	1350	1330	1350	1250

Spot Price (Bilty) at Andhra Pradesh: Price Outlook Maize: Nizamabad (Bilty Price)



- Market was steady during the week ended 3rd April 2012.
- Maize prices are getting support towards the mentioned trend line as chart depicts.

- Prices might test 38.2% retracement level in the coming week.
- Prices are likely to trade between Rs 1150 to Rs 1180 in the coming week.

International Market: Highlights/Current Developments:

International maize prices moved up sharply during the week ended 3rd April as reported on lower corn supplies from US and good demand of corn in International markets.

World Estimates:

(Figures in Million Tonnes)

	2010-11 est.	2011-12 (Forecast)			
		Feb-12	Mar-12	% Change MOM	%Change YOY
Production	828	864	864	0%	4%
Trade	93	95	94	-1%	1%
Consumption	843	871	874	0%	4%
Carryover stocks	133	126	122	-3%	-8%
YOY% Change	-15		-11		

(Source: International Grains Council)

World maize production prospects remained same compared to previous month estimates. Recent forecast from IGC shows that overall maize production for 2011-12 will stand at 864 million tonnes which is still 4% higher compared to previous year maize production estimate by IGC. However, prices improved in International market owing to more maize buying rumors from China, tight supplies from US and higher soyabean values which increase the maize demand in overseas markets.

Unchanged production figures, improved trade and consumption of maize decline the overall carryover stocks of the maize for the year 2011-12.

Meanwhile, USDA increases its corn planting estimate up by 4% compared to last year to 95.9 million acres which is the most planted corn crop by US farmers in 75 years. USDA previous year corn planting was 91.9 million acres.

	2010	2011	2012	% Change with 2010	% Change with 2011
US Corn Planting (In 1000 acres)	88192	91921	95864	9%	4%

(Source: USDA Prospective Planting Report as on 30th March 2012)

However, Corn stocks in all positions on March 1, 2012 totaled 6.01 billion bushels, down 8 percent from March 1, 2011. (Source: Grains Stock Report by USDA) which the major influencing factor for rise in maize prices in CBOT recently.

	2011	2012
--	------	------

	On Farms	Off Farms	Total	On Farms	Off Farms	Total
Corn (In 1000 bushels)	3384000	3139228	6523228	3192000	2817260	6009260

(Source: USDA Quarterly Corn Stock Position Report as on 30th March 2012)

Meanwhile, Freight rate from US to China remained unchanged at \$49 while Freight from Argentina to China remained same at \$41 as reported.

Outlook:

Recent USDA and IGC report confirmed the low corn stocks in US. In addition to it, good demand from China and the depleting corn ending stocks are leading to the bullishness in the corn prices internationally. Considering above factors, we expect the prices to move up further in the coming week.

CBOT Maize Futures Outlook:

CBOT Maize Chart: May Contract



- Maize prices are moving in a rectangle with weak tone as the chart depicts.
- Maize prices are trading in a short range between 590 to 650 cents/bushel.
- However, Prices are hovering below 14 day SMA, indicating that prices will go down.
- Strategy: **Markets participants should sell from 610 cents/bushel.**

Futures Market Analysis: NCDEX Maize :

(April Contract Continuous Chart)

- Prices are moving in a range between Rs 1190 to Rs 1255, two consecutive close either side will give the prices a new direction.
- Prices are likely to test immediate resistance trend line
- RSI is hovering near to neutral region.
- Last two candlesticks suggests that long participants losing strength at higher levels.
- **Strategy:** Sell from resistance level.

Maize NCDEX (April)

Support & Resistance				
S2	S1	PCP	R1	R2
1130	1190	1233	1255	1300

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.asp>
 © 2005 Indian Agribusiness Systems Pvt Ltd.