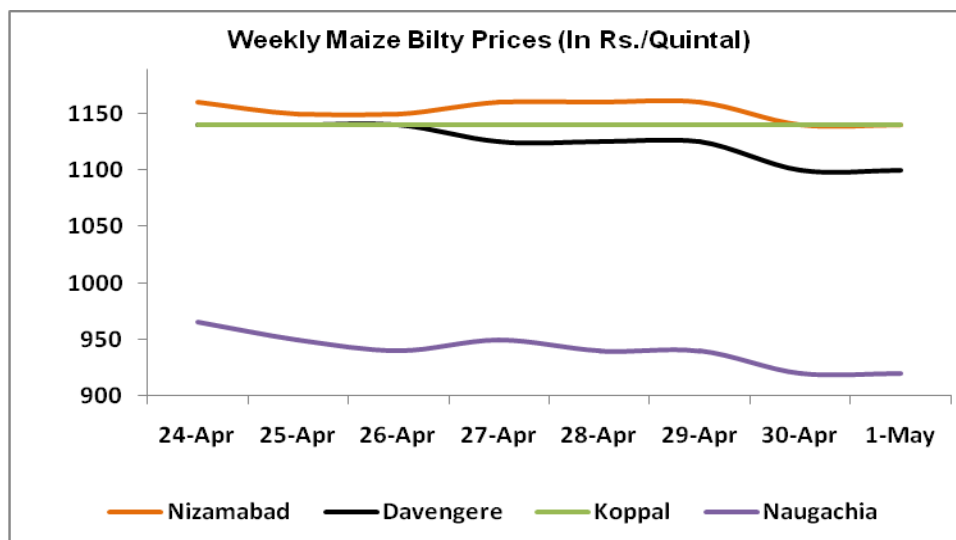


EXECUTIVE SUMMARY

Maize prices declined in various key spot markets during the week ended 1st May 2012. Consistent arrivals of maize in Bihar and AP market and need based buying kept the prices on lower side. In addition to it, bearish international sentiments supported the bearish sentiments in the domestic market. Recent the Government's third advance estimates show 21.33 million tons of maize in 2011-12 which is lower against 21.73 million tons production last year.



ON THE EXPORT FRONT:

Indian CIF Maize prices (~\$295.57) declined by \$7 during the week compared to the prior week owing to rupee depreciation and the continuous decline in maize prices in domestic markets. Meanwhile, Indian maize exporters are getting parity compared to US Maize exporters though getting stiff competition to Brazil CIF (~\$299.49) and Argentina CIF (~\$299.61) owing to jump in CBOT Corn prices due to some buying of US corn by China and downgrade of corn production estimates from Argentina.

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 52.64)				
	Argentina	Brazil	US	India
FOB	249.61	244.49	285.83	261
Incl Cost and Freight (C&F)	299.61	299.49	345.83	295.57

A maize cargo of 36000 tons is loading at Chennai Port on vessel C. Duke.

Some of the exporters quoting their prices are:

	Chennai	Kakinada
Glencore	12550	-

Malaysian Markets – Indian exporters have sold at USD 257-258 PMT CFR Malaysia Port Klang and Port Penang.

Vietnam Markets – Very less trade reported from Vietnam owing to PQ problems faced by Indian Exporters.

China: Business reported at USD 295 PMT CFR Dalian with packing in 50 Kg PP Bags about 2 weeks back. However, prices have come down to USD 285 PMT due to INR depreciation.

CURRENT MARKET DYNAMICS:

Maize prices moved downwards during the week with increasing crop arrivals from Bihar and AP. Here are the various key spot markets dynamics below:

Andhra Pradesh: Maize prices have declined in various markets of AP owing to fresh arrivals of maize in the markets by farmers. Daily around 10000-15000 bags of maize are arriving in the various markets of AP. The spot prices are hovering between Rs.1100-1120 per quintal in locations like Guntur and Tenali. Also, prices are trading at around Rs 1140 per quintal which have also declined by Rs 20 during last week.

Karnataka: Prices have declined in Davangere market compared to the previous week. Demand is weak for maize in Karnataka as there is no demand of maize in the export markets at present. Also, no rake business reported of maize for other consuming markets which led the prices of maize down in Karnataka spot markets.

Prices in Koppal have also declined during the week due to arrivals having improved marginally. In addition to it, lackluster trade has been reported in Koppal market.

Bihar: Prices declined sharply in Naugachia market for maize during the week owing to sharp increase in arrivals to Rs 1000 per quintal in Patna. Market players are not expecting any further downfall in the prices of maize in Bihar. It is notable that prices of maize are trading below MSP in key sourcing markets of Bihar.

Meanwhile, Movement of maize by Lorry was witnessed from Bihar to various consumption centers in Gujarat, Rajasthan and Punjab.

At present, Bihar maize is offered at Rs 11900 by rakes to Udumalpet and Tirupur as reported. However people remained cautious due to quality concerns for Bihar maize as the rake takes almost 15 days to arrive. Maize which is arriving in the market has the moisture content of around 14-15% which is considered as moderate for exports to countries like Bangladesh. Traders believes that if the weather remained good for another 10-15 days then the moisture level will come down to 13% as reported.

In Delhi market, Prices in Delhi market started declining owing to starting of new maize crop arrivals from Bihar.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)	FOB in USD /Tonne
Chennai	12550	12100	258
Kakinada	12300-12500		252-255 FAS/FOB

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

Buyer	Purchase Prices (Rs/MT)
VHL Bangalore	12000
Godrej Chitradurga	11800
SKM, Erode	12100

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	01 st MAY, 2012	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1180	1250	1400	1260	1260
Koppal	Bilty	1140	1140	1160	1150	1250
Davangere	Bilty	1100	1140	1130	1170	1250
Nizamabad	Bilty	1140	1160	1160	1180	1330
Ahmadabad	Feed	1240	1200	1325	1275	1240
	Starch	1270	1280	1340	1305	1240

SPOT PRICE (BILTY) AT ANDHRA PRADESH (NIZAMABAD): PRICE OUTLOOK



- Market is moving downwards during the week ended 1st May 2012.
- Maize prices might get support towards the mentioned trend line as chart depicts.
- Prices are likely to trade between Rs 1140 to Rs 1180 in the coming week.

DOMESTIC MAIZE OUTLOOK:

Maize prices are continuously moving downwards in key spot markets taking cues from new crop arrivals from AP and Bihar. In addition to it, dull demand of maize weigh the prices in spot prices. We expect prices will continue its bear run for the coming week.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

International Maize prices traded range bound with weak tone in CBOT during the week ended 1st May 2012 owing to increased planting and good progress of maize in US. US corn planting progress seems satisfactory. Despite the cool weather and recent rainfall in various corn growing regions in US, corn planting reached to 53 percent till April 29th 2012 which is above various analysts' expectations who expected around 48 percent sowing by this week. Good planting seen in the states of Iowa and Nebraska as reported.

	Week Ending			2007-11 Average
	4/29/2011	4/22/2012	4/29/2012	
US	12	28	53	27

* Figures are in Percentage

Meanwhile, Ukraine corn exports reached to 9.02 million tons in the first nine months of 2011-12 against 2.95 million tons in the same period in 2010-11, according to the UKrAgroConsult agriculture consultancy.

Also, One of biggest Argentina's grains exchange revised down by 1 million tons the corn production estimate to 19.8 million tons for 2011-12.

In addition to it, China, unknown destination, bought 1.56 million tons of corn from US which is the biggest sale of US corn since 1991 as reported.

INTERNATIONAL MAIZE OUTLOOK:

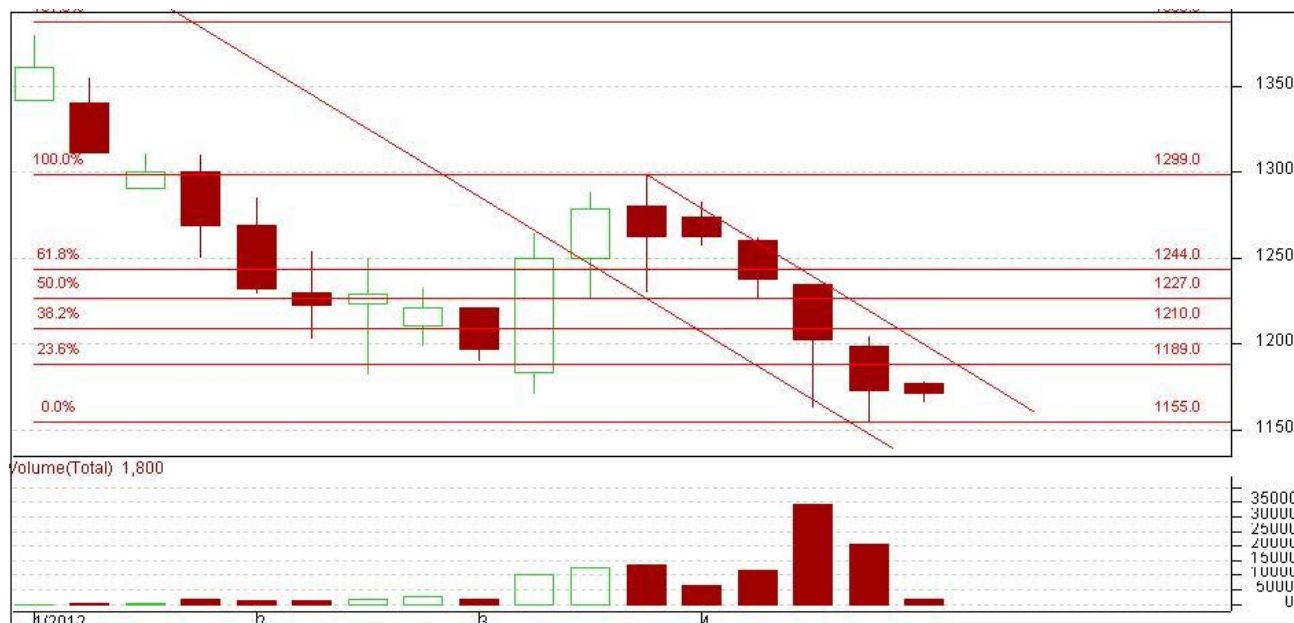
Maize prices got support from lower levels over back to back bullish news like the largest Chinese US corn deal , and lower corn production in Argentina which became the influencing factors for Corn International prices. We expect that tight US corn supplies and increasing Chinese corn demand to keep the prices on the higher side in the short term. However, market participants should also consider good corn planting progress in US which might offset the impact of bullishness.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	23/4/2012	30/4/2012	Change
Corn CBOT Prices	May-12	245.02	259.87	14.85
	Jul-12	241.38	249.64	8.26
	Sep-12	218.35	220.71	2.36
	Dec-12	214.71	213.82	-0.89

CBOT MAIZE FUTURES OUTLOOK:



- Maize prices are moving in range bound with some upward correction as the chart depicts.
- Maize prices are trading in a short range between 590 to 684 cents/bushel.
- Prices are trying to breach the upper Fibonacci Fann, two consecutive close above will give the buy signal.
- Strategy: **Markets participants should Sell Corn CBOT from 620 Cents/bushel level and the target would be 600 cents/bushels for next week.**

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(May Contract Weekly Chart)

- Maize prices are moving in a falling channel as chart depicts.
- Prices are moving in a broad trading range between Rs 1155 to Rs 1300, two consecutive close either side will give the prices a new direction.
- However, decrease in prices has not supported by volume.
- **Strategy:** Sell from resistance level.

Maize NCDEX (MAY)

Support & Resistance				
S2	S1	PCP	R1	R2
1155	1170	1171	1190	1210

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