

ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$357) were same during the week compared to the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (~\$380.2) and though getting stiff competition from Argentina (~\$318.11) and Brazil C&F (~\$307).

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 53.375)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	268	252	320	322
Incl Cost and Freight (C&F)	318.11	307	380.20	357

On the Export front, India maize export figures crossed 4 million tons approx. in the 2011-12 year till date.

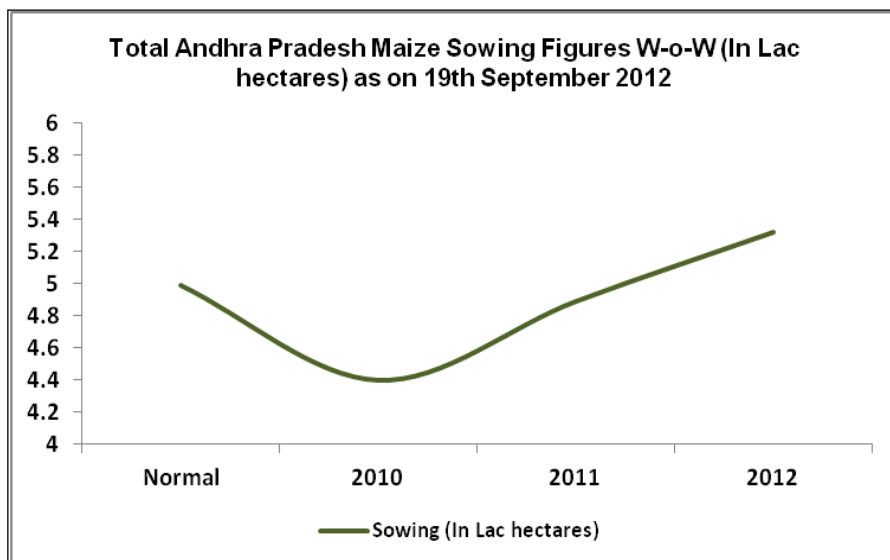
CURRENT MARKET DYNAMICS:

Maize prices traded steady to weak during the week. Here are the various key spot markets dynamics below:

Andhra Pradesh: Maize prices were decreased in Nizamabad market in AP during the week ended 22ND September 2012.

However, no rakes business has been reported this week from Nizamabad.

Sowing Update: In Andhra Pradesh, farmers has sown maize in 5.32 lac hectares till 19th September 2012 which is 7.3% higher as compared to last year and also higher from normal sown area as on date ~4.99 lac hectares. Around 107% sowing has completed in AP till date. Crop condition is reportedly good in various maize growing belts of AP.



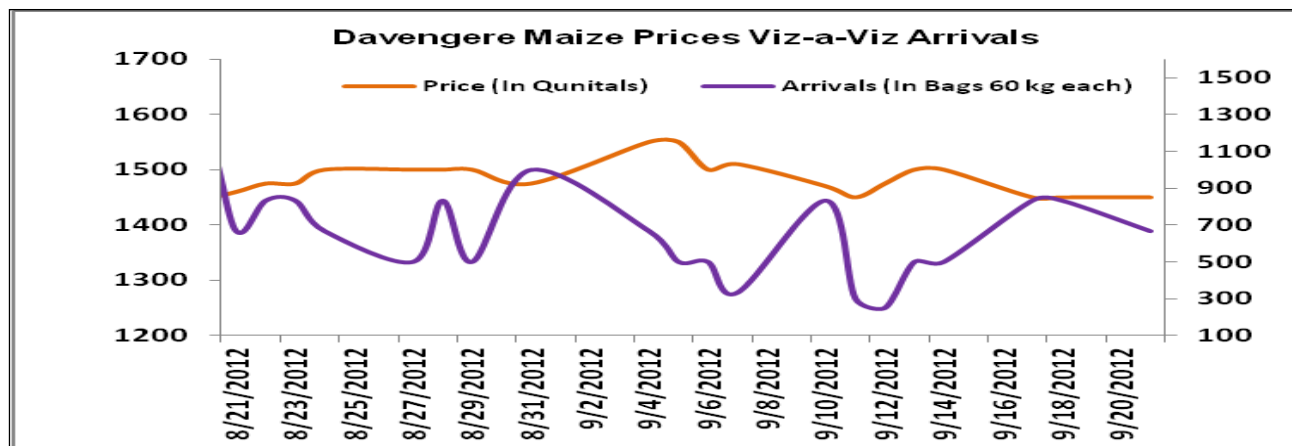
Fresh arrivals start in karimnagar market of Andhra Pradesh with 20% moisture level.

Sources revealed that crop has started to arrive in Warangal district of Andhra Pradesh. However, volume is pretty low.

	2012	2011	Normal (as on date)	Normal (Season)
Area Sown (In Lac hectares)	5.32	4.89	4.99	4.99

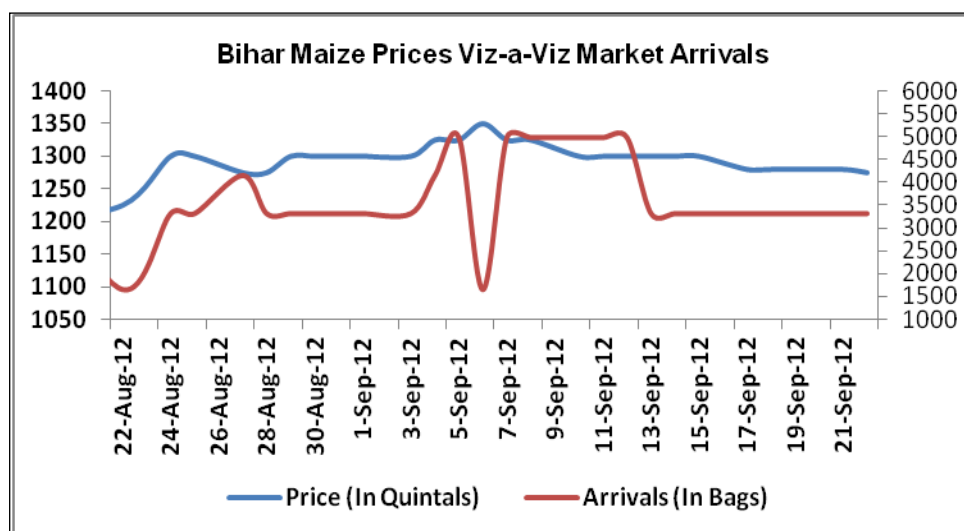
Note: Sowing Figures as on 19th September 2012

Karnataka: Steady to weak sentiments witnessed in Davangere market compared to the previous week. Crop has started to arrive in Davengre region of Karnataka. However, volume is pretty low.



Bihar: Maize prices were slightly down in various markets of Bihar during the week ended 22nd September 2012 with the lower demand from Kolkata region were reported during the week.

Arrivals of maize were moderate during the week.



In Delhi market, Maize prices are moving steady in Delhi markets with the steady demand.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)	FOB in USD /Tonne
Delhi	13350 (UP origin)		
Bangalore	14000 (Karnataka Origin)		
Erode	15000 (Karnataka Origin)		
Gujarat	15000(UP Origin)	-	
Karnataka	-	(15000) Bihar Origin	-

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	21 st Sep,2012	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1335	1330	1280	1450	-
Davangere	Bilty	1450	1500	1460	-	1190
Naugachia	Bilty	1280	1300	-	1175	-
Nizamabad	Bilty	1465	1491	1418	-	1170
Ahmedabad	Feed	1500	1490	1490	1550	1200
	Starch	1500	1500	1470	1550	1160

DOMESTIC MAIZE OUTLOOK:

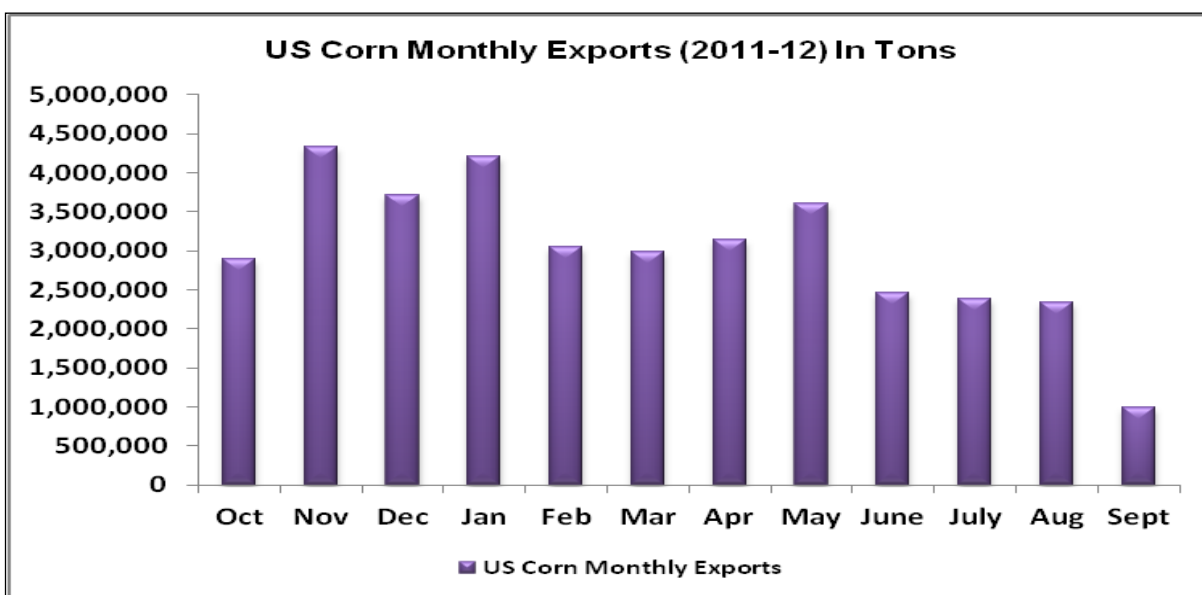
Maize prices traded steady to weak during the week. At some places maize arrivals have started but volume are pretty low which does not affect the maize prices. However, weak international market pressurizes the maize prices. Keeping in view that late recovery of rains in the corn producing belts may help to increase the crop yield but not completely offset the damage. We expect maize prices to trade steady in the near term.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

Corn prices are moving down in the International market due to fund long liquidation and increase in U.S. Midwest harvesting which is bringing fresh supplies to the market.

As per USDA sowing progress report, 76% corn crop was reported in maturity stage till date, higher by 36% from last year and 35% from 5 year avg. 26% corn crop has harvested, higher by 18% from last year during the same period. 24% crop was reported in good to excellent condition, higher by 2% from last week but lowered by 27% from last year during the same period.

As per USDA, U.S. corn export figures reached to 989395 metric tons for the 2012-13 marketing year which is lowered by 258904 metric tons from the last marketing year during the same period. Out of total weekly exports of 740,000 MT reported by U.S. to Japan (266,400 MT), China (220,600 MT), Mexico (137,100 MT), Venezuela (57,500 MT), and Panama (23,100 MT).



Meanwhile, good sowing of corn reported in Argentina owing to higher remuneration in corn and recent rainfall.

Some Other major International Corn Highlights during the week are:

- As per Preliminary government data, Japan's usage of corn in animal feed fell to 42.9% in the July month as compared to 45% during the same period last year. The slash was mainly due to increase in corn prices led by worst U.S. drought. However, Japan may be encouraged to buy corn as U.S. corn prices eased to a two-month low of below \$7.5 per bushel during the week due to sluggish demand and increase in harvest-time supplies.

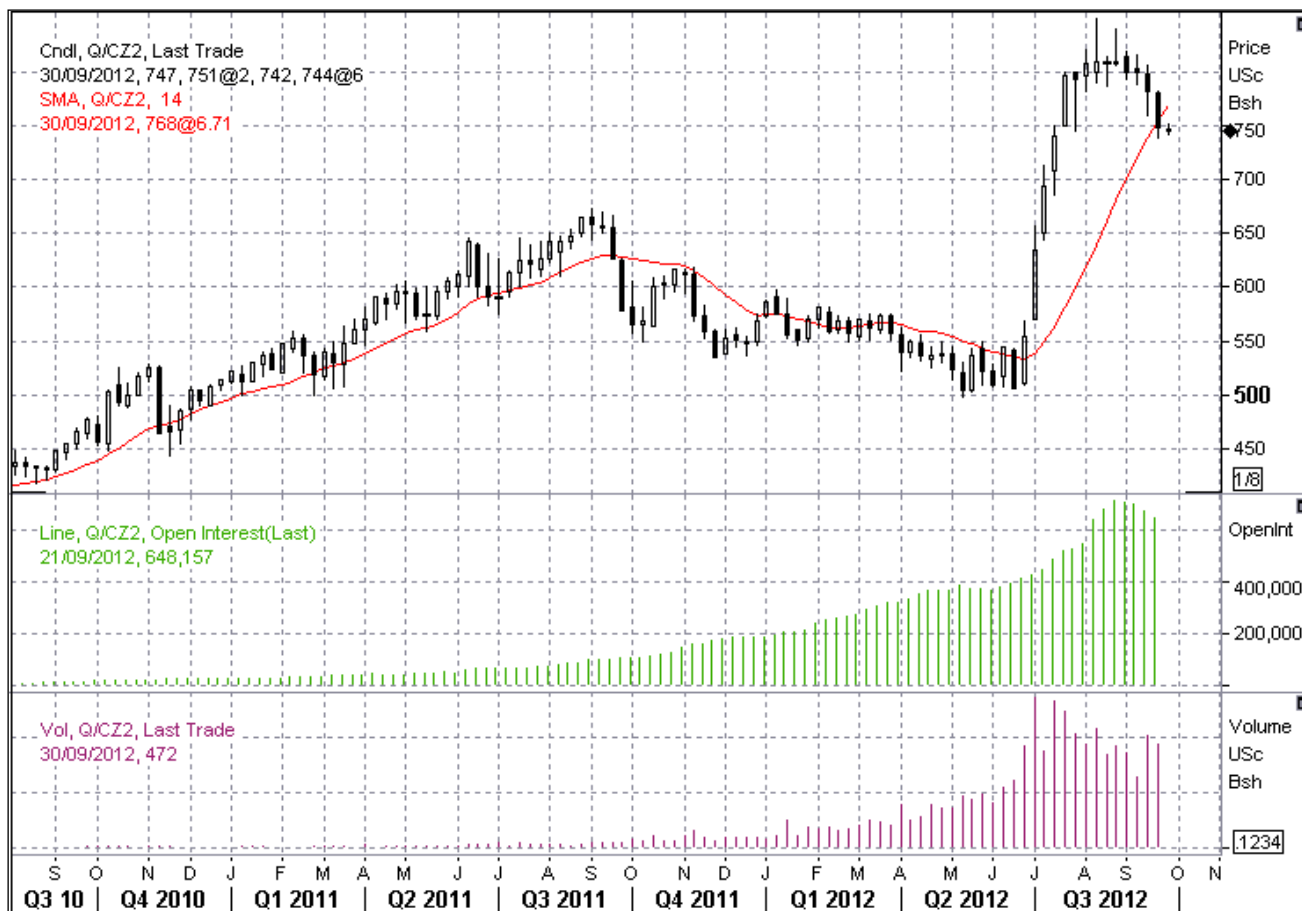
- As per European traders, South Korea's largest feedmaker Nonghyup Feed (NOFI) has issued an international tender for up to 140,000 tons of corn.

INTERNATIONAL MAIZE OUTLOOK:

Corn prices in CBOT slipped due to harvest pressure although supplies are expected to be tight following a historic U.S. Midwest drought. The market is looking forward corn planting conditions in South America, where production is expected to replenish global supplies in early 2013. Any production issues in Brazil and Argentina could provide a fresh bullish momentum to the markets.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	20/9/2012	13/9/2012	Change
Corn CBOT Prices	Dec-12	293.63	304.55	-10.92
	Mar-13	295.00	306.12	-11.12
	May-13	294.61	305.24	-10.63
	Jul-13	292.05	301.89	-9.84

CBOT MAIZE FUTURES OUTLOOK:



(CBOT Maize Chart: Dec Contract)

- As the chart depicts, Maize prices are moving downwards.
- Decrease in prices with lower volumes and OI indicates to consolidation in the market.
- Strategy: **Markets participants should sell Corn CBOT at 750 levels and the target would be 730 cents/bushels for next week.**

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(October Contract Weekly Chart)

- Candlestick formation reveals bearish sentiment in the market.
- RSI is moving down in neutral zone.
- Decrease in prices with lower volumes and OI indicates to consolidation in the market.
- Prices are likely to test 1386 level in the near term.
- **Strategy:** Buy on dips.

Maize NCDEX (October)

Support & Resistance				
S2	S1	PCP	R1	R2
1233	1295	1343	1386	1461

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