

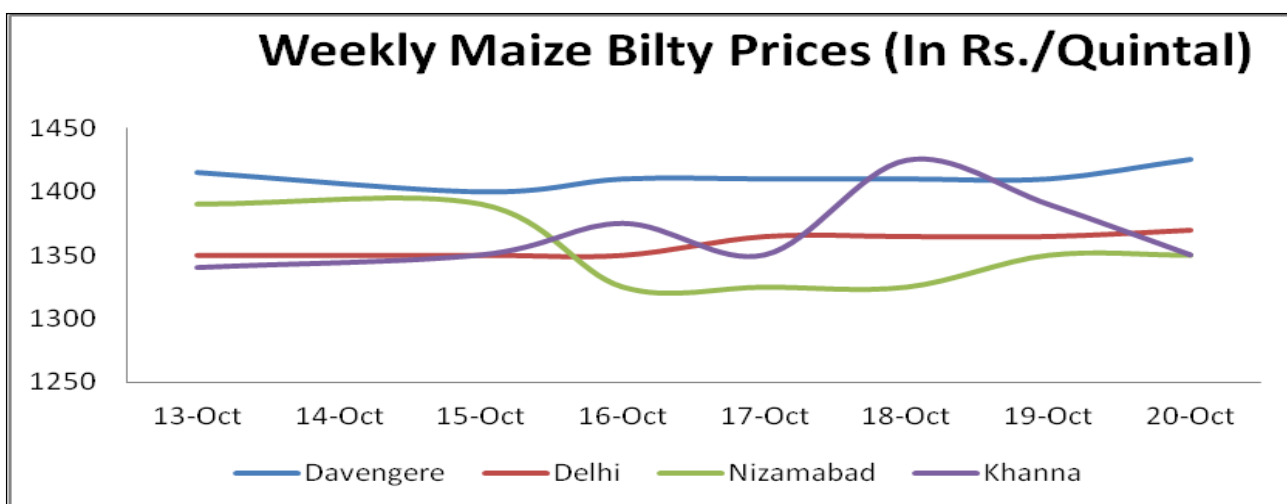
EXECUTIVE SUMMARY

Mixed sentiments witnessed in the major spot markets of maize during the week ended on 20th October 2012. Increase in corn crop arrivals offset the higher demand from feed makers.

In Ahmadabad region of Gujarat, poultry feed millers are purchasing maize from Maharashtra region at around Rs. 1400 per quintal.

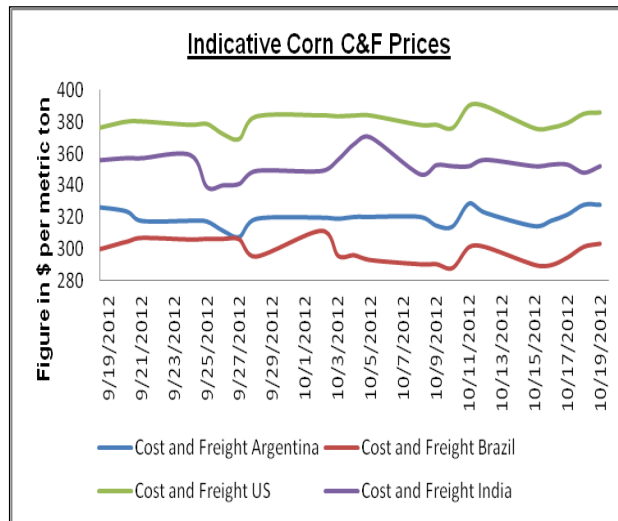
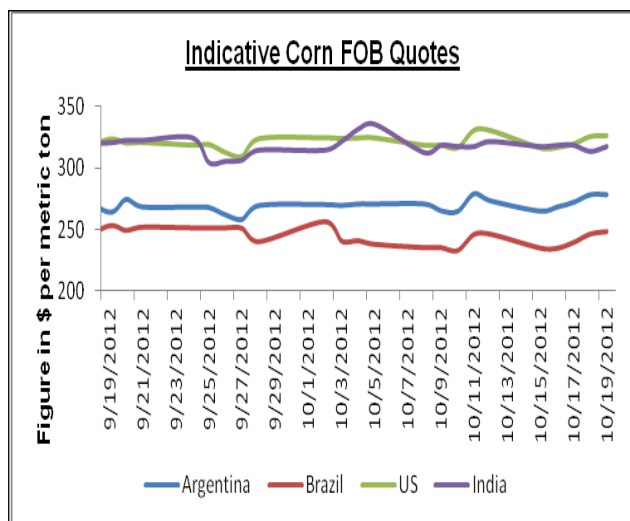
In Bihar, Maize old stock is almost over and sowing for new crop would start from the first week of November.

Maize prices are hovering at around Rs 1233 per quintal on an average on pan India basis, decreased by around 1% compared to last week.



ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$352) decreased by \$4 per ton during the week compared to the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (~\$385.9) and though getting stiff competition from Argentina (~\$328) and Brazil C&F (~\$303.34).



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 53.71)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	278	248.34	325.9	317
Incl Cost and Freight (C&F)	328	303.34	385.9	352

On the export front, no major activities reported during the week as buyers are expecting that prices will go down further.

CURRENT MARKET DYNAMICS:

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

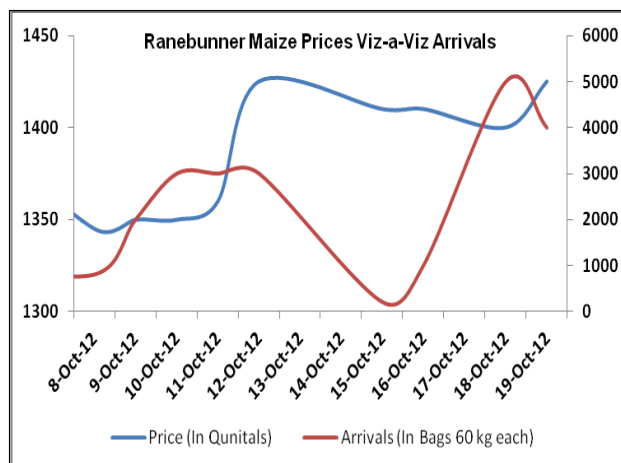
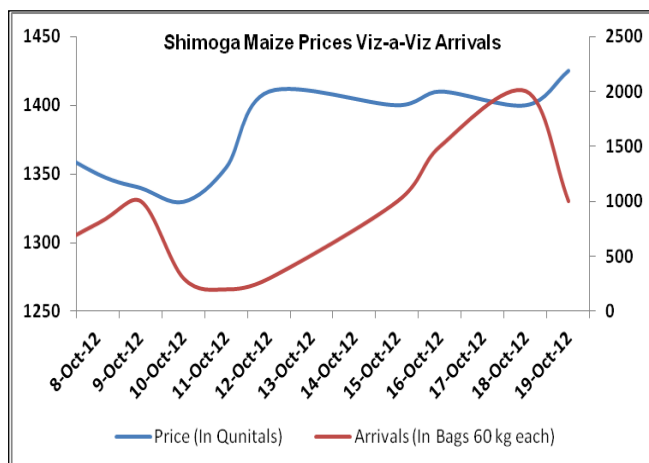
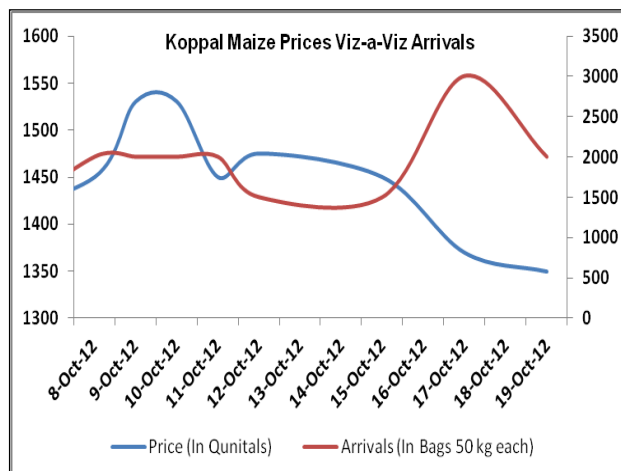
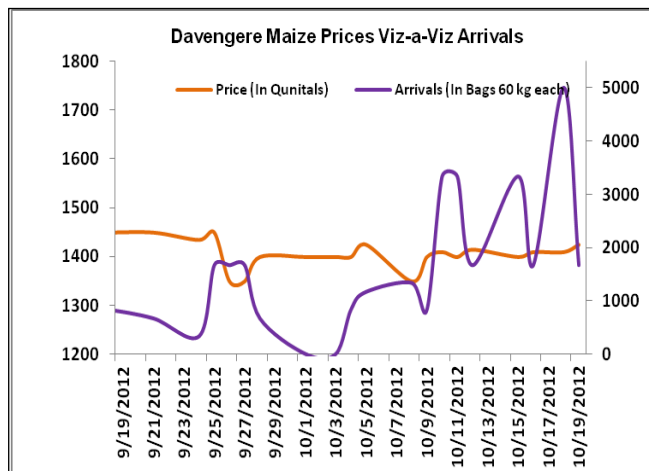
Andhra Pradesh: Maize prices were slightly decreased in Nizamabad market of A.P. region due to new crop arrival pressure. Maize prices could go down further as crop arrival is increasing week on week basis. Meanwhile, sowing for Rabi 2012-13 has started.

Sowing Update: With the recent rainfall, farmers are taking up the land preparation for Rabi 2012-13 and has sown maize in 0.004 lac hectares till date which is lower from last year during the same period.

	2012	2011	Normal (as on date)	Normal (Season)
Area Sown (In Lac hectares)	0.004	0.06	0.07	3.08

Note: Sowing Figures as on 17th October 2012

Karnataka: In Karnataka regions, maize new crop arrivals are increasing week on week basis with the firm demand. As per trade sources, maize of Karnataka region is moving to Namakkal (Tamil Nadu) at Rs.1550 per quintal and to Bangalore at Rs. 14600 per quintal.



Bihar: Maize old stock is almost over and sowing for new crop would start from the first week of November. Sluggish demand for maize was reported at Rs. 1400 per quintal from the Kolkata feed millers.

Delhi: In Delhi market, despite the new crop arrival pressure maize prices are trading firm due to increase in demand from poultry.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)	FOB in USD /Tonne
Delhi	13500 (UP origin)		
Bangalore	14600 (Karnataka Origin)		
Kolkata	14000 (Bihar region)		
Tamil Nadu(Namakkal)	15500 (Karnataka Origin)		
Gujarat	14000 (Maharashtra Origin)		

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

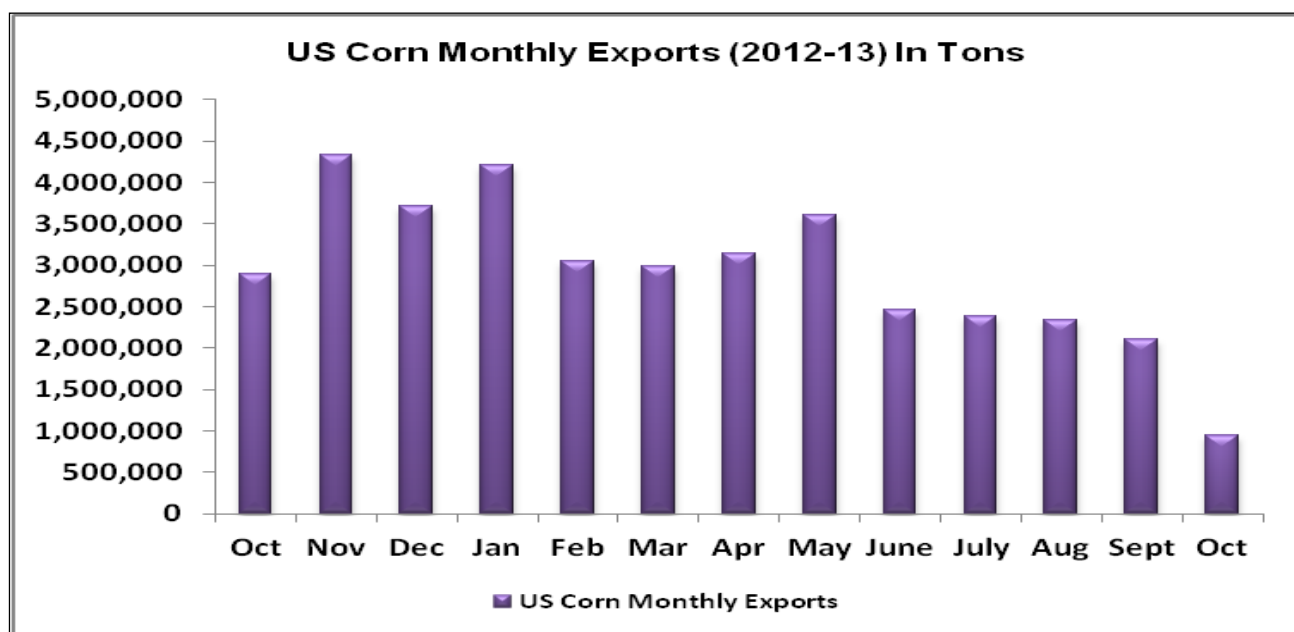
Market	Grade	19 Oct,2012	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1365	1375	1340	1300	-
Davangere	Bilty	1425	1415	1450	1450	1050
Naugachia	Bilty	-	-	1280	1200	1050
Nizamabad	Bilty	1350	1390	1471	1419	1040
Ahmedabad	Feed	1440	1480	1490	1470	1180
	Starch	1400	1430	1500	1500	1150

DOMESTIC MAIZE OUTLOOK:

Sluggish export demand amid new crop arrivals pressurized the corn prices. We expect maize prices to trade down further due to increase in crop arrivals.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA crop progress report, 79% corn crop has harvested till date which is below 1% from expectation due to rainy conditions in U.S. but higher by 37% from last year during the same period and 41% from 5 year avg. In Iowa and Illinois, the top two production states for corn crop, corn harvesting was 87 percent completed till date.



As per USDA, U.S. corn export figures reached to 3037284 metric tons for the 2012-13 marketing year which is lowered by ~29% from the last marketing year during the same period. Out of total weekly exports of 417713 MT reported by U.S. to Japan (250500 MT), Mexico (85,800MT), Taiwan (37,300 MT), Cuba (25,500 MT), and Venezuela (9,200 MT).

Some Other major International Corn Highlights during the week are:

- Informa has projected the 2013 US corn plantation at 97.536 million acres up from the 96.9 million acres corn planted in 2012.
- As per USDA's attache report, higher Brazilian corn planted area to second crop is forecasted to increase total corn production to 74 million tons. Corn exports from the 2011/12 are estimated at a record 19 million tons.

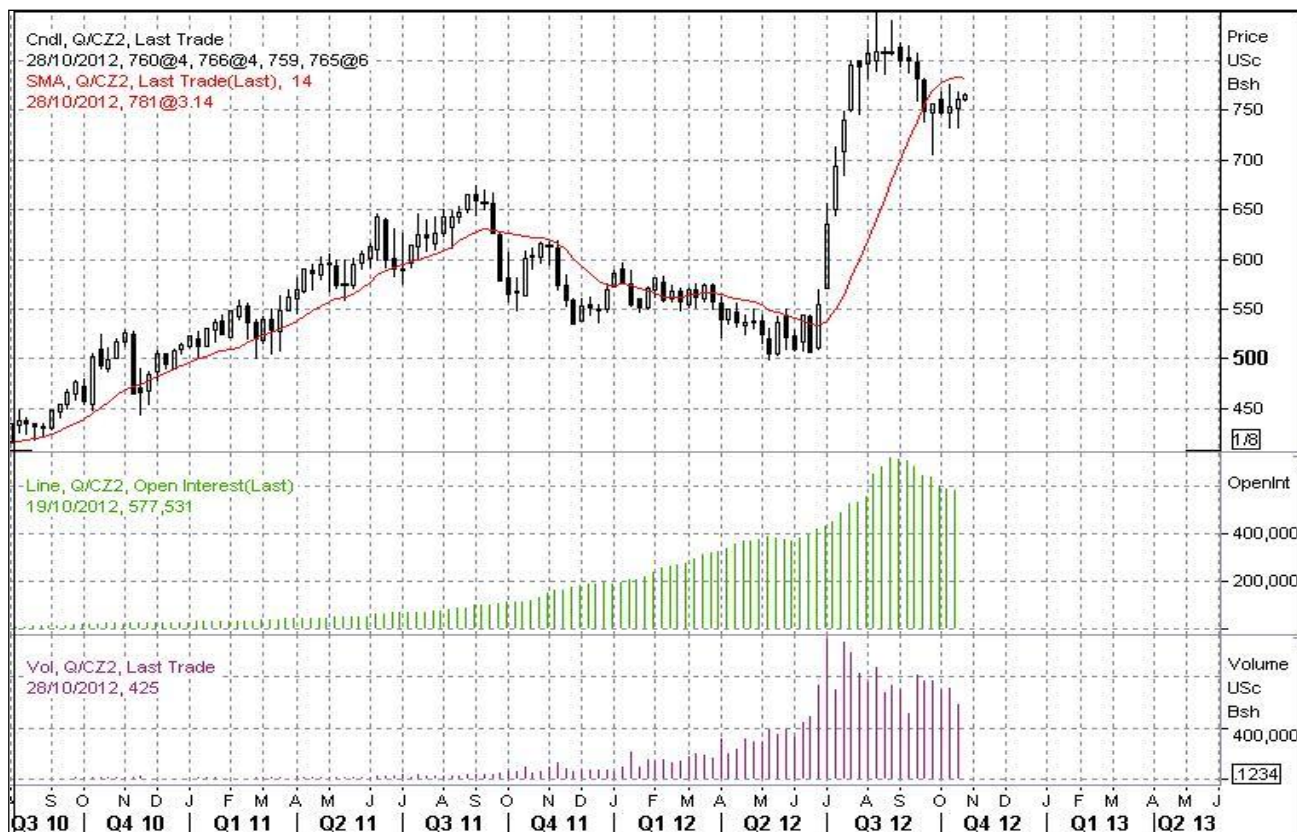
- As per Preliminary Japanese government data, the ratio of corn in animal feed fell to 42.7 percent in the August, compared with 44.7 percent during the same month of last year as users shifted away from U.S. corn due to higher prices of U.S. corn.
- South Korea's Major Feedmill Group (MFG) bought 63,000 tons corn via a tender from CHS Inc of U.S. and South American origin at \$318.42 per ton on a cost and freight basis. The product will arrive to the ports of Pyeongtaek and Kunsan by March 15, 2013.
- As per National Grain and Oils Information Center (CNGOIC) report, Corn output in China is likely to rise 4.3% this year to 201 million tons.
- South Korea's Korea Corn Processing Industry Association (KOCOPIA) purchased 55,000 tons corn via a tender from Cargill Inc of U.S. and South American origin at \$319.80 per ton on a cost and freight basis. The product will arrive to the ports of Incheon and/or Kunsan by March 5, 2013.
- China's General Administration of Customs released preliminary trade data for September month. According to that, China exported 6,107 million ton corn in the September month which is higher by 1,125 million tons from the last month.

INTERNATIONAL MAIZE OUTLOOK:

Sluggish export demand kept corn price at lower level. However, limited supply may limit the losses in the near term.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	12/9/2012	5/9/2012	Change
Corn CBOT Prices	Dec-12	299.43	304.35	-4.92
	Mar-13	298.84	304.35	-5.51
	May-13	296.77	302.19	-5.42
	Jul-13	293.72	299.33	-5.61

CBOT MAIZE FUTURES OUTLOOK:



(CBOT Maize Chart: Dec Contract)

- Candlestick chart pattern reveals bullish sentiment in the market.
- Strategy: **Markets participants should buy Corn CBOT at 758 cents/bushels level and the target would be 771 cents/bushels for next week.**

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(November Contract Weekly Chart)

- Candlestick formation reveals range bound movement in the market.
- RSI is moving up in neutral zone.
- However, prices closed below 3 days and 5 days EMAs indicates to bearish sentiment.
- Prices are likely to trade in a range of Rs.1237-1305 level in the near term.
- **Strategy:** Sell from near resistance level.

Maize NCDEX (November)

Support & Resistance				
S2	S1	PCP	R1	R2
1206	1233	1277	1305	1372

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