

EXECUTIVE SUMMARY:

Overall, maize prices depicted weak trend during the month under consideration.

In the Nizamabad region of A.P., maize new crop arrival has started and steady arrivals were reported during the month. However, demand for new crop is lower at this time.

In the Ahmadabad market, demand for maize from poultry feed makers was reported weak and starch industry reported steady demand due to sufficient stock in quantity. Poultry feed makers have around 30 days stock while starch industry buyers 45 days stock of maize is weighing on the prices. Further, expectation of increase in arrivals from Bihar also restricts the market to gain.

As per latest advance estimate released by Ministry of Agriculture, maize production is estimated to be at 21.82 million tons, up from previous estimate of 21.06 million tons.

INDIA MAIZE BALANCE SHEET

				2012-13 Quarterly BS			
	2010-11	2011-12	2012-13*E	Oct-Dec'12	Jan-Mar'13 E	Apr-Jun'13 F	July-Sep 13 F
Opening Stocks	0.481	1.131	1.041	1.041	2.362	1.885	1.700
Production	21.730	21.600	19.500	10.800	2.700	4.800	1.200
Farmer's Release	15.211	15.120	10.700	3.210	3.210	2.675	1.605
Govt. Procurement	0.051	0.017	0.010	0.002	0.001	0.003	0.003
Pvt Trade Release	6.468	6.463	7.790	1.169	2.337	2.727	1.558
Seed Retention			1.000	0.800	0.000	0.200	0.000
Imports	0.020	0.010	0.000	0.000	0.000	0.000	0.000
Total Supply	22.744	22.915	20.541	6.222	7.910	7.490	4.866
Export	3.100	4.800	3.200	0.400	1.700	0.600	0.500
Domestic Consumption	18.000	16.900	17.300	3.460	4.325	5.190	4.325
Carry Out	1.131	1.041	0.041	2.362	1.885	1.700	0.041

- **E= AW Estimates, F=AW Forecast**
 - **All figures in million tons**
 - **The seed has consumed 0.8 MN T IN OCT-DEC'12 AND 0.2 MN T IN APR-JUN'13 Quarter.**
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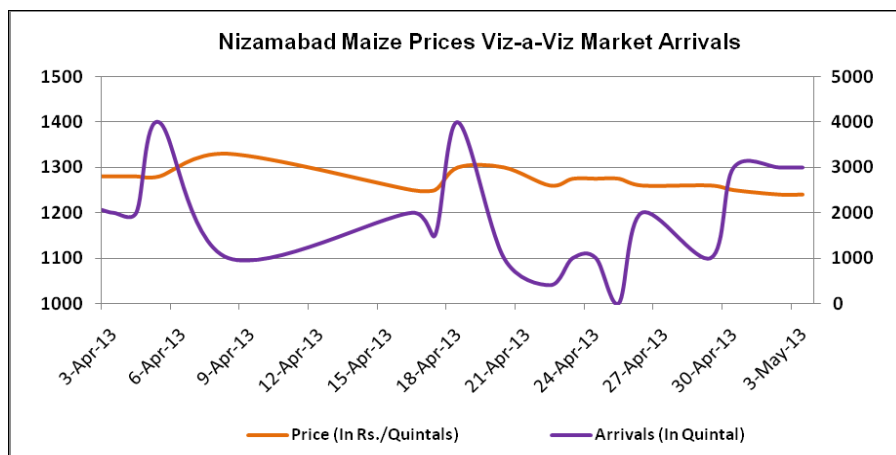
STATE - WISE MARKET DYNAMICS

BIHAR

In Nauguchia, daily crop arrivals have increased and moisture content was reported at around 13-14 per cent. Demand is reported weak. It is expected that new crop arrival from Bihar could weigh on the prices in the near term.

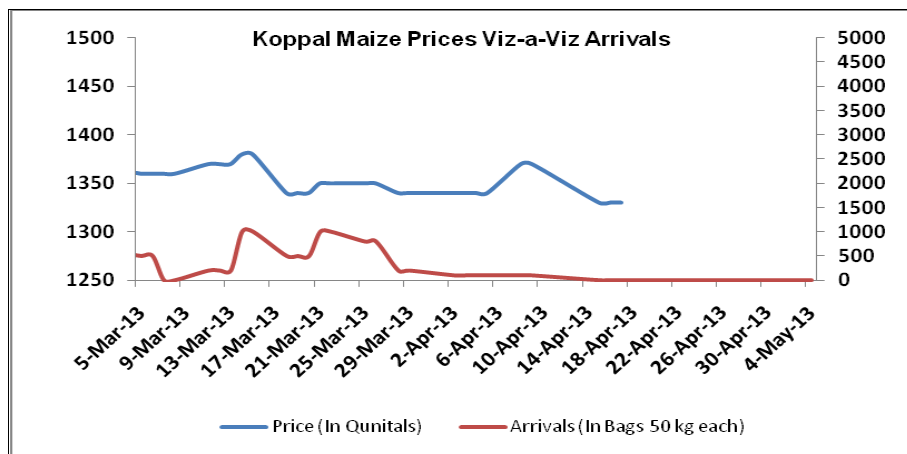
ANDHRA PRADESH

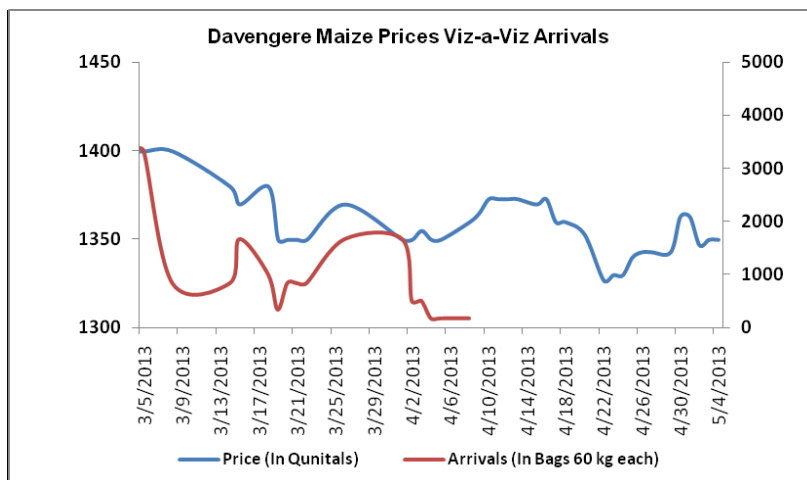
In the Nizamabad region of A.P., maize new crop arrival has started and steady arrivals were reported during the month. However, demand for new crop is lower at this time. Around 300,000 bags of maize stock could be in the Nizamabad market of maize.



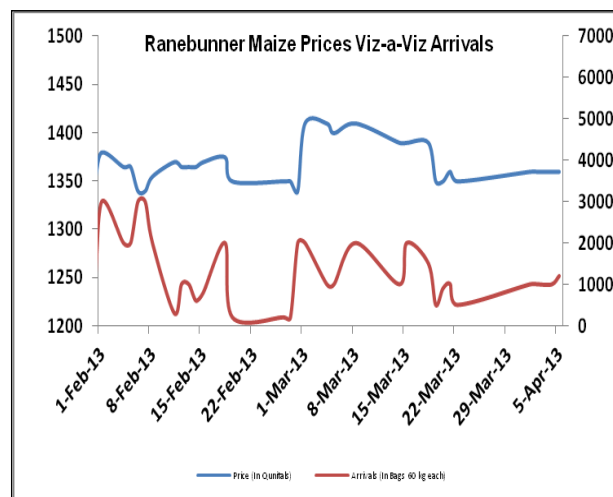
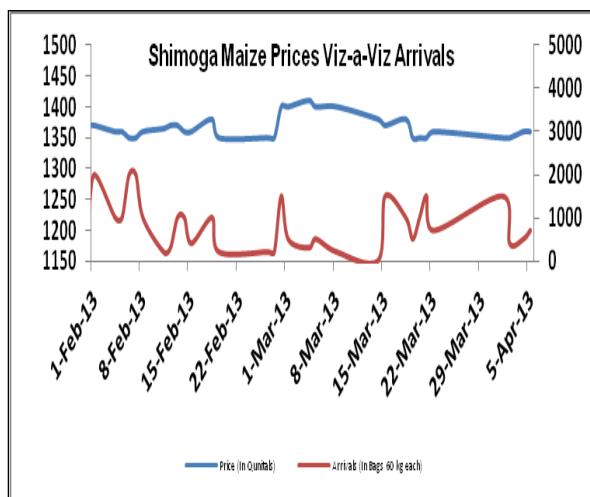
KARNATAKA

In the Koppal market of Karnataka, no arrivals have been reported in the month. As per trade a source, maize is not moving towards Chennai and Mangalore at this time.



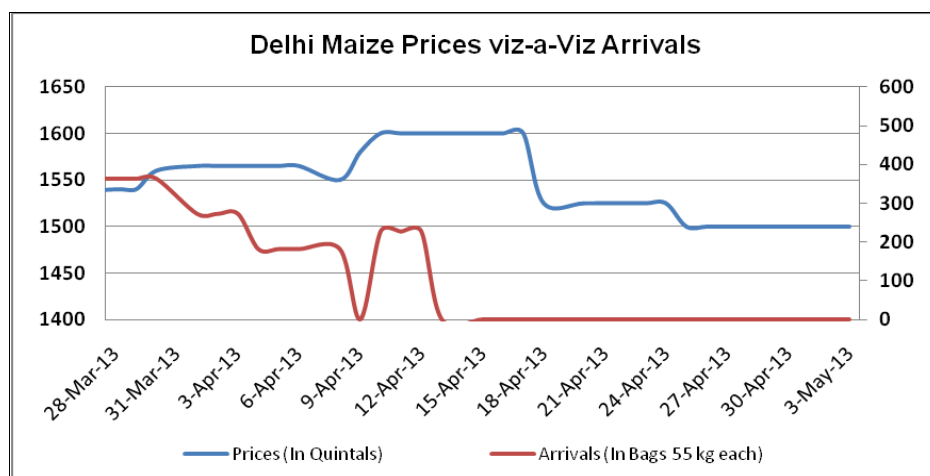


(*arrival data not available)



DELHI

In Delhi spot market, arrivals of red maize from Bihar commenced in the first week of May. It is expected that prices could go down due to lower demand and new crop arrival in the near term.



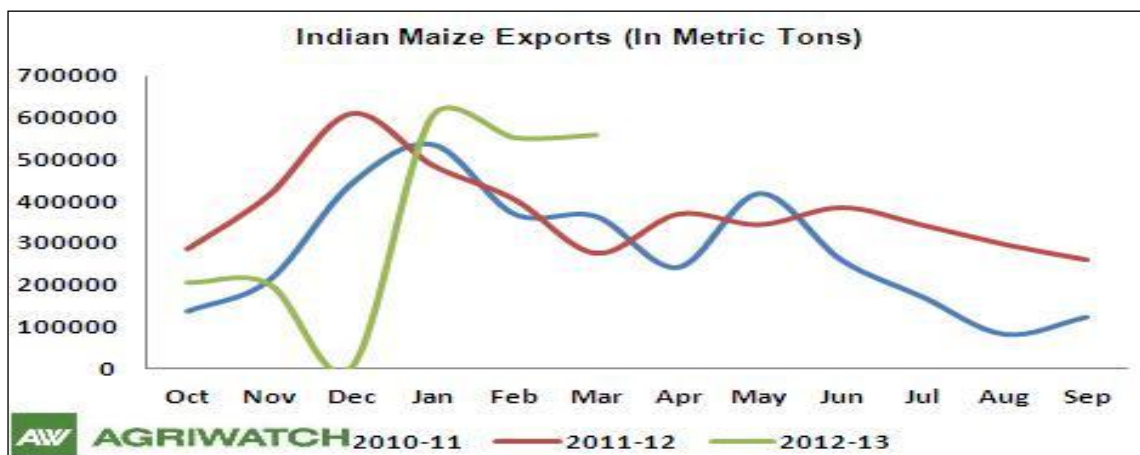
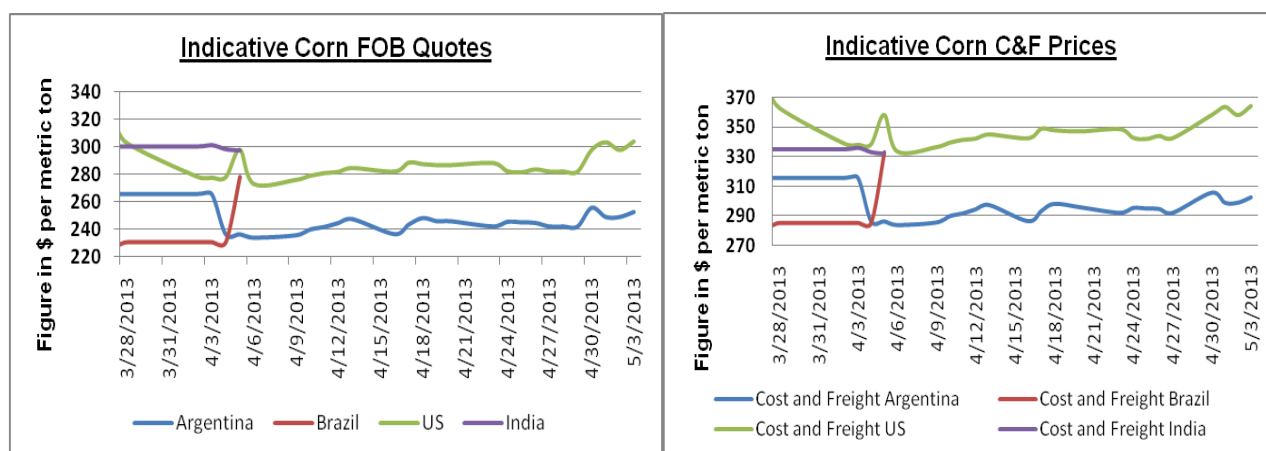
Month-wise Average prices of Maize at various markets					
Market	2013-April	2013-March	2012- April	% Change from Prev. Month	% Change from Prev. Year
Delhi (U.P origin)	1500	1560		-3.85	-
Naugachia	1100	-	900	-	22.22
Davangere	-	1370	1050	-	-
Koppal	-	1340	1140	-	-
Shimoga	-	1350	-	-	-
Ranebennur	-	1360	-	-	-
Bagalkot	1220	1260	-	-3.17	-
Gadag	1282	1311	-	-2.21	-
Hubli	1252	1351	-	-7.33	-
Nizamabad	1250	1350	1140	-7.41	9.65
Karimnagar	1240	1281	-	-3.20	-
Khammam	-	-	-	-	-
khanna	1500	1510	-	-0.66	-
Ludhiana	-	-	1450	-	-
Salem	-	-	-	-	-
Sangli	1365	1395		-2.15	-

PRICE OUTLOOK:

Indian corn prices are likely to trade weak on the new crop arrival pressure in the near term and average demand.

ON THE EXPORT FRONT:

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 53.95)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	252.66	NA	304.10	NA
Incl Cost and Freight (C&F)	302.66	NA	364.11	NA



As per IBIS data, in the current marketing year (Oct'12-Sep'13), total maize exports were reported around 2.12 million tons during the October- March period. During March month, 0.559 million tons corn exports reported to Indonesia, Vietnam, Malaysia, China, Taiwan, Singapore through JNPT Sea, Tondiarpet ICD, Chennai Sea, Tuticorin Sea, Krishnapatnam Sea port.

FUTURES MARKET ANALYSIS: NCDEX MAIZE (MAY WEEKLY FUTURE CHART)

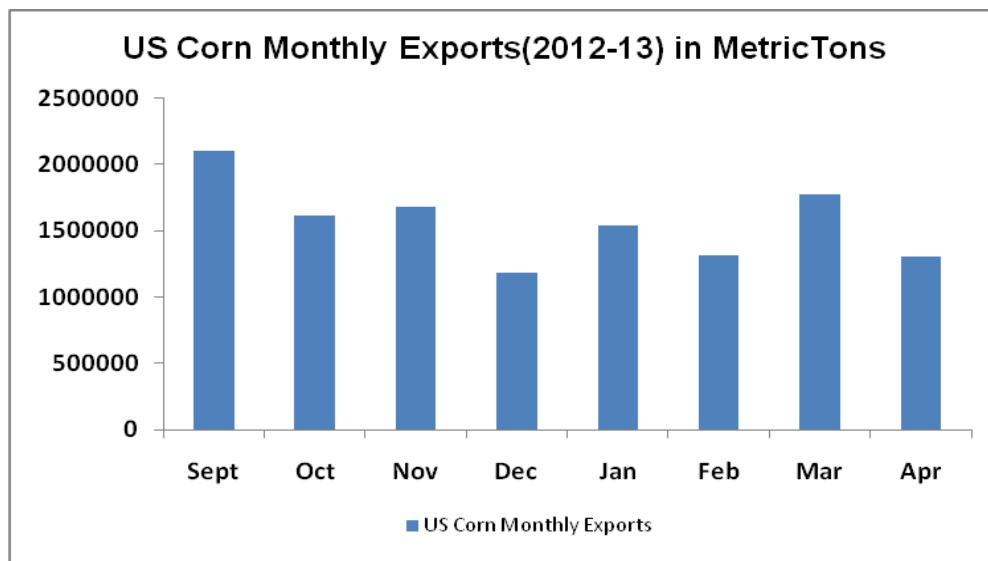

- Candlestick chart pattern reveals that prices could go down in the near term.
- **Strategy:** Sell on rise and target would be 1115.

MAIZE NCDEX (MAY MONTHLY) (IN RS/QTL)

Support & Resistance				
S2	S1	PCP	R1	R2
1100	1110	1144	1148	1200

INTERNATIONAL MARKET SCENARIO:

As per USDA, U.S. corn export figures reached to 12,521,448 metric tons for the 2012-13 marketing year. Net corn sales were up 5 per cent from the previous week, and from the prior 4-week average. Increases reported for Japan (107,800 MT), Mexico (93,800 MT), unknown destinations (87,600 MT), Colombia (21,000 MT), Venezuela (20,000 MT), and El Salvador (6,400 MT), were partially offset by decreases for Trinidad (14,200 MT) and Honduras (3,700 MT). Net sales of 656,000 MT for 2013/2014 were reported.



As per the latest IGC report, the 2012-13 world corn production is estimated at 851 million tons, up by 1 million ton from the March estimate. The southern hemisphere harvesting is gathering pace and record output is seen in Brazil and Argentina, but due to drought in US and parts of Europe, the 2012/13 world production is estimated to fall by 3% y/y. However, for 2013/14, the output is forecast to increase by 10% y/y, with harvested area and average yields both projected to be higher. Closing stocks will be very tight at the end of 2012/13, but are set to increase sharply, rising to above-average levels in 2013/14.

IGC Global Corn Estimate					
	2011-12 E	2012-13(forecast)			
		21st Mar	25th April	% change MOM	% change YOY
Production	877	850	851	0.12%	-2.96%
Trade	97	94	93	-1.06%	-4.12%
Consumption	877	867	864	-0.35%	-1.48%
Carryover Stock	131	114	117	2.63%	-10.69%
YOY change	0	-17	-14		

- Figures in million tons

INTERNATIONAL CORN HIGHLIGHTS

- As per data from trade ministry, Brazil's corn exports fell to 606,100 tons in April '13 compared with 1.51 million tons in March '13.
- As per Reuter news, CONAB has projected the 2013 Brazilian corn production at 77.45 million tons.
- Informa Economics raised its production forecasts for Brazil's corn crop in 2012/13 by 71.6 million to 71.95 million tons. Also, raised forecast for Argentina' corn production by 25 million to 25.3 million tons from the previous estimates. Informa raised its forecast for China's 2013/14 corn production by 8 million tons to 213 million tons, from the previous estimates.

As per Reuter news, below mentioned deals prevailed during the one month period:-

- European Trader said, South Korea's largest feed maker Nonghyup Feed Inc. has purchased 139,000 tons of corn through tender, likely to be sourced from South America. 69,000 tons of corn bought from Cargill for arrival by Aug. 15 comprising 45,000 tons bought at the flat price of \$280.30 a ton c&f and 24,000 ton at the c&f basis price of 86.00 cents a bushel over the Chicago July corn contract. A further 70,000 tons of corn was bought from CJ International for arrival by Aug. 25 comprising 45,000 tons bought at the flat price of \$281.84 a ton c&f and 25,000 tons at the c&f basis price of 88.40 cents a bushel over the Chicago July corn contract. (Source: Reuters)
- As per European Trader, South Korea's MFG purchased 65,000 tons of corn on Tuesday at \$282.29 a ton c&f for arrival by Aug. 30. Meanwhile, Feed Leaders Committee (FLC) purchased 65,000 tons of corn at \$282.78 a ton c&f for the arrival by Aug. 25, likely to be sourced from South America. The seller was said to be Noble for both. (Source: Reuter)
- As per European Trader, The Taiwan Sugar Corp. purchased 23,000 tons of U.S.-origin corn at the flat price of \$332 a ton c&f free out Kaohsiung. Shipment was Apr. 22 to May 6 from the U.S. Gulf or May 7-21 from the U.S. Pacific North West coast. (Source: Reuters)
- Preliminary Japanese government data showed that Japan's use of corn in animal feed production fell to 42.3 % in the February month from 44.6% during the same month last year due to higher U.S. corn prices.
- Israeli importer Sherutei Bar Grains Import issued a tender to buy 100,000 tons of corn for shipment between May and early August. The tender was dated April 21, with offers to remain valid until late on Tuesday.

ARGENTINA

- As per Buenos Aires Grains Exchange, Argentina's 2012-13 season corn yields are seen better than expected as the harvest advances. The exchange has estimated the corn production at 24.8 million tons.
 - As per Reuter news, Argentina's agriculture ministry has estimated a 2012-13 corn production of 25.7 million tons as compared to 21.2 million tons in 2011-12.
 - As per Reuter news, Rosario grains exchange said, Argentina's 2012/13 corn harvest is likely to be slightly lower at 25.3 million tons versus a previous forecast for 25.5 million tons.
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U.S

All Units In '000 MT	2009/2010	2010/2011	2011/2012	2012/2013 (Feb)	2012/2013 (Mar)	M-O-M 2013	Y-O-Y 2012
Beginning Stocks	42,504	43,380	28,644	25,122	25,122	0.00%	-12.30%
Production	332,549	316,165	313,949	273,832	273,832	0.00%	-12.78%
TY Imports	237	684	765	2,500	3,000	20.00%	292.16%
Total Availability	375,290	360,229	343,358	301,454	301,954	0.17%	-12.06%
TY Exports	49,721	45,244	38,430	24,000	22,500	-6.25%	-41.45%
Total Consumption	281,590	285,014	279,023	262,571	265,111	0.97%	-4.99%
Total Usage	331,311	330,258	317,453	286,571	287,611	0.36%	-9.40%
Ending Stocks	43,380	28,644	25,122	16,062	16,062	0.00%	-36.06%
Average Monthly consumption	23465.83	23751.17	23251.92	21880.92	22092.58	0.97%	-4.99%
Stocks in months to use	1.85	1.21	1.08	0.73	0.73	-0.96%	-32.71%
Stock/Consumption Ratio	0.15	0.10	0.09	0.06	0.06	-0.96%	-32.71%

• Source: USDA

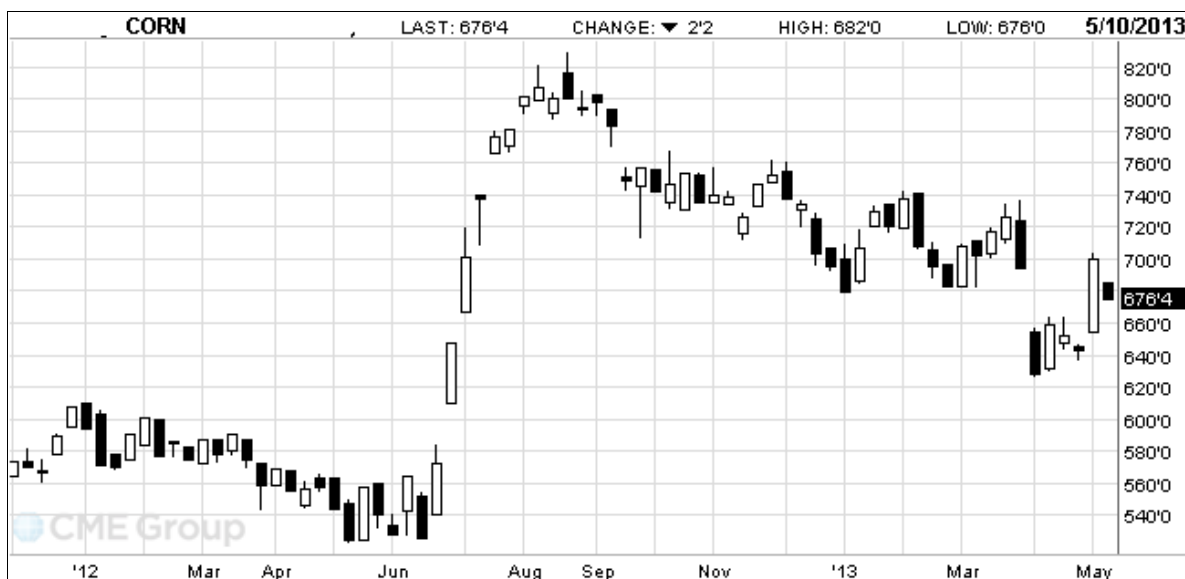
- As per the latest sowing progress report released by USDA, corn planting has reached 12 per cent of the estimated area, advancing 6 per cent from last week, compared with a 5 year average of 47 per cent. Planting pace is very slow this year due to wet weather conditions.
- Lanworth has reduced its forecast of the U.S. corn harvest to 13.90 billion bushels, down from its previous estimate of 13.93 billion bushels due to recent rainfall in the producing regions. Expected corn planted area is estimated to reduce by 1 per cent to 96.2 million acres.

OUTLOOK:

During the month, slow pace of corn plantings and wet weather conditions demand provided support to corn prices. However, weak overall demand is likely to weigh on the prices. At present, corn continues to be supported by unfavorable weather outlook for the US Midwest and is expected to feature range bound movement with a firm bias.

Maize CBOT Monthly Futures Price Listing (Cents/bushel)				
	Contract Month	30.04.2013	28.03.2013	Change
Corn CBOT Prices	13-May	683.25	695.25	-12.00
	13-Jul	650.00	676.00	-26.00
	13-Aug	580.25	563.00	17.25
	13-Sep	556.75	538.50	18.25
	13-Nov	567.00	547.25	19.75

CBOT MAIZE MONTHLY CHART: MAY 2013 CONTRACT



- Candlestick chart pattern reveals upwards movement in the market.
- 645 U.S cents/bushels seems like a strong support level.
- Strategy: Buy at 660 U.S cents/bushels and target would be 690 U.S cents/bushels.

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