

EXECUTIVE SUMMARY:

Overall firm sentiments witnessed in most of the major spot markets of maize during last month.

As per PIB, The Cabinet Committee on Economic Affairs has increased the minimum Support Price (MSP) of Maize by Rs. 135 per quintal over last year's MSP at Rs. 1,310 per quintal.

As per trade sources, starch feed makers from South and Rudrapur is demanding maize in higher quantity.

As per news sources, Punjab government announces 75% subsidy on hybrid seeds of maize P 3396 and TX 369 in 10 districts of the state to encourage the farmers.

As per Agriwatch trade sources, maize area is likely to shift in cotton and soybean crop in the karimnagar, warrangal and khammam district of A.P. Meanwhile, Ludhiana crop contained around 14-15% moisture and crop from A.P. contained 11.5 % moisture.

In Ahmadabad region of Gujarat, poultry and starch feed makers demand reported firm as compared to last month, sourced from Bihar. Poultry feed makers demand reported for corn in a range of Rs. 1425-1625 per quintal while starch feed makers demand reported in a range of Rs. 1475-1600 per quintal during the period of 1 jun'13- 9july'13.

INDIA MAIZE BALANCE SHEET

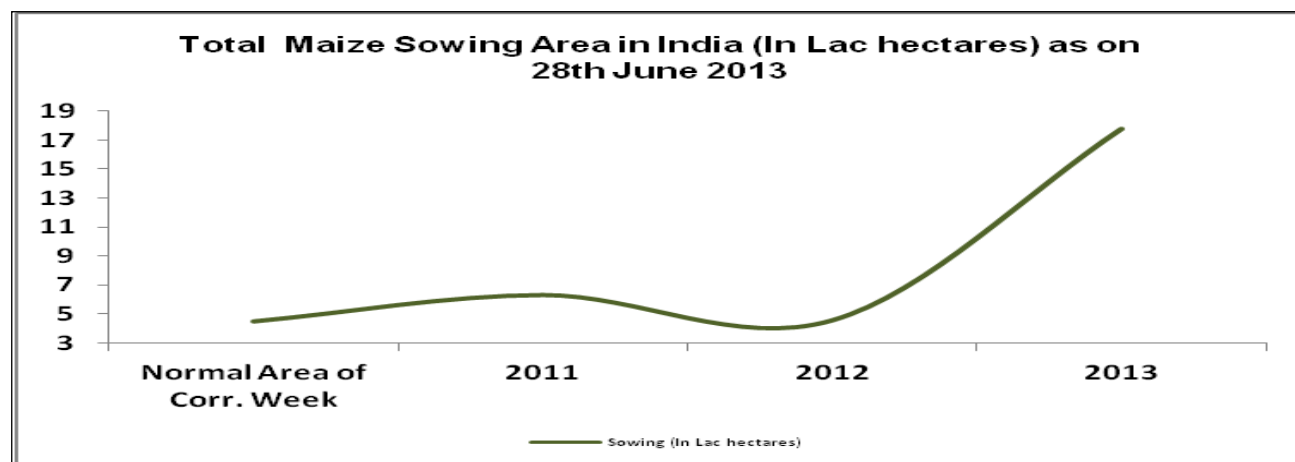
| | | | | 2012-13 Quarterly BS | | | |
|-----------------------------|---------|---------|-----------|----------------------|--------------|--------------|---------------|
| | 2010-11 | 2011-12 | 2012-13*E | Oct-Dec'12 | Jan-Mar'13 E | Apr-Jun'13 F | July-Sep 13 F |
| Opening Stocks | 0.481 | 1.131 | 1.041 | 1.041 | 1.691 | 0.569 | 0.712 |
| Production | 21.73 | 21.60 | 19.500 | 11.200 | 2.800 | 4.400 | 1.100 |
| Farmer's Release | 15.21 | 15.12 | 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 | 22.74 | 22.91 | 20.541 | 6.222 | 7.239 | 6.174 | 3.878 |
| Export | 3.100 | 4.800 | 3.963 | 0.406 | 1.720 | 1.337 | 0.500 |
| Domestic Consumption | 18.00 | 16.90 | 16.500 | 4.125 | 4.950 | 4.125 | 3.300 |
| Carry Out | 1.131 | 1.041 | 0.078 | 1.691 | 0.569 | 0.712 | 0.078 |

- *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.*

MAIZE KHARIF SOWING UPDATE:

As far as sowing of maize is concerned, it is up from last year sowing figures owing to good rainfall in the maize growing regions. Farmers have planted maize in 17.799 lac hectares till 28th June 2013 higher than last year 4.556 lac hectares maize sowed at same period.

As per Agriwatch trade sources, maize area is likely to shift in cotton and soybean crop in the karimnagar, warrangal and khammam district of A.P. However, area in Mahboobnagar, Nizamabad could be same as compared to last year. Overall, maize crop area is 2.05 lakh hec till 28th June 2013 which is above from the normal area of corresponding week.


State-wise Area Coverage of Maize during Kharif 2013

(Area in Lakh ha)

| Sl. No. | State | Normal Area (DES) | Normal Area of Corresponding Week | Area Covered (SDA) | | | | Difference in Area coverage (2013) with | | | |
|-------------------------|------------------|-------------------|-----------------------------------|--------------------|------|------|------|---|-------|-------|-------|
| | | | | 2013 | 2012 | 2011 | 2010 | Normal of Corresponding Week | 2012 | 2011 | 2010 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| North West India | | | | | | | | | | | |
| 1 | Haryana | 0.11 | 0.00 | 0.11 | 0.00 | 0.00 | 0.00 | 0.11 | 0.11 | 0.11 | 0.11 |
| 2 | Himachal Pradesh | 2.97 | 0.12 | 0.00 | 0.60 | 0.00 | 0.00 | -0.12 | -0.60 | 0.00 | 0.00 |
| 3 | Jammu & Kashmir | 3.10 | 0.38 | 0.00 | 0.66 | 1.24 | 0.00 | -0.38 | -0.66 | -1.24 | 0.00 |
| 4 | Punjab | 1.40 | 0.27 | 0.00 | 0.65 | 0.69 | 0.00 | -0.27 | -0.65 | -0.69 | 0.00 |
| 5 | Rajasthan | 10.76 | 0.44 | 2.82 | 0.00 | 0.00 | 0.00 | 2.38 | 2.82 | 2.82 | 2.82 |
| 6 | Uttar Pradesh | 7.56 | 0.29 | 1.53 | 0.22 | 0.40 | 0.20 | 1.24 | 1.31 | 1.13 | 1.33 |
| 7 | Uttarakhand | 0.29 | 0.13 | 0.10 | 0.00 | 0.15 | 0.18 | -0.03 | 0.10 | -0.05 | -0.08 |

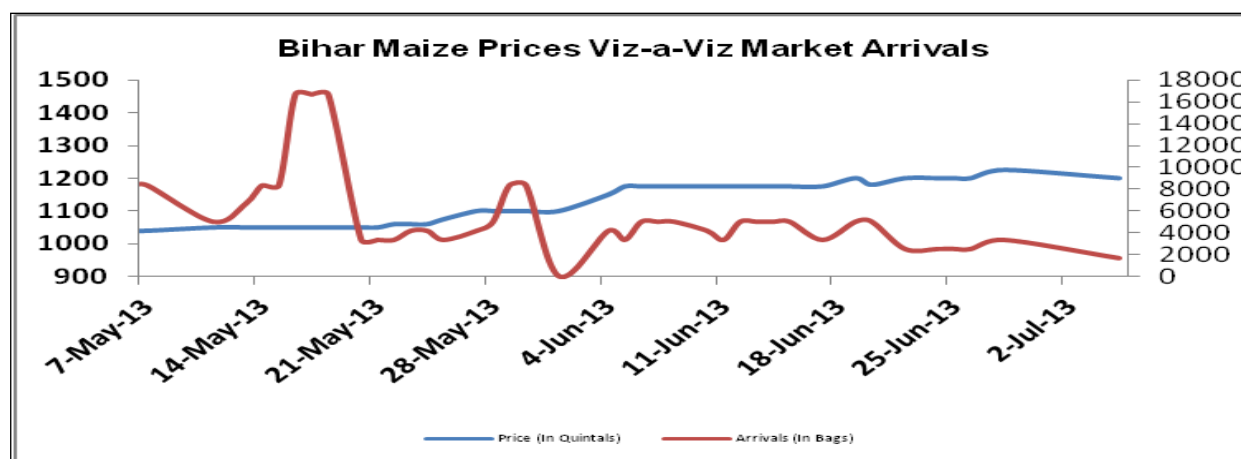
July 5, 2013

| Central India | | | | | | | | | | | |
|-------------------------|----------------|-------|------|------|------|------|------|-------|-------|-------|------|
| 1 | Chhattisgarh | 1.30 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | -0.01 | 0.00 | 0.00 | 0.00 |
| 2 | Gujarat | 4.13 | 0.11 | 0.70 | 0.09 | 0.00 | 0.00 | 0.59 | 0.61 | 0.70 | 0.70 |
| 3 | Madhya Pradesh | 8.49 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Maharashtra | 6.52 | 0.02 | 2.95 | 0.00 | 0.01 | 0.00 | 2.93 | 2.95 | 2.94 | 2.95 |
| 5 | Orissa | 0.85 | 0.14 | 0.33 | 0.05 | 0.10 | 0.15 | 0.19 | 0.28 | 0.24 | 0.18 |
| Southern Peninsula | | | | | | | | | | | |
| 1 | Andhra Pradesh | 4.98 | 0.35 | 2.05 | 0.03 | 0.53 | 0.81 | 1.70 | 2.02 | 1.52 | 1.24 |
| 2 | Karnataka | 10.81 | 1.00 | 5.61 | 0.36 | 1.44 | 0.00 | 4.61 | 5.25 | 4.17 | 5.61 |
| 3 | Kerala | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Tamil Nadu | 1.65 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 | -0.01 | 0.00 | 0.00 | 0.00 |
| East & North East India | | | | | | | | | | | |
| 1 | Assam | 0.19 | 0.02 | 0.15 | 0.10 | 0.00 | 0.00 | 0.13 | 0.05 | 0.15 | 0.15 |
| 2 | Bihar | 2.46 | 0.06 | 0.00 | 0.00 | 0.00 | 0.00 | -0.06 | 0.00 | 0.00 | 0.00 |
| 3 | Jharkhand | 1.98 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | West Bengal | 0.35 | 0.03 | 0.09 | 0.09 | 0.08 | 0.00 | 0.06 | 0.00 | 0.01 | 0.09 |
| | Others | 1.46 | 1.02 | 1.36 | 1.70 | 1.67 | 0.35 | 0.34 | -0.34 | -0.31 | 1.01 |

STATE - WISE MARKET DYNAMICS

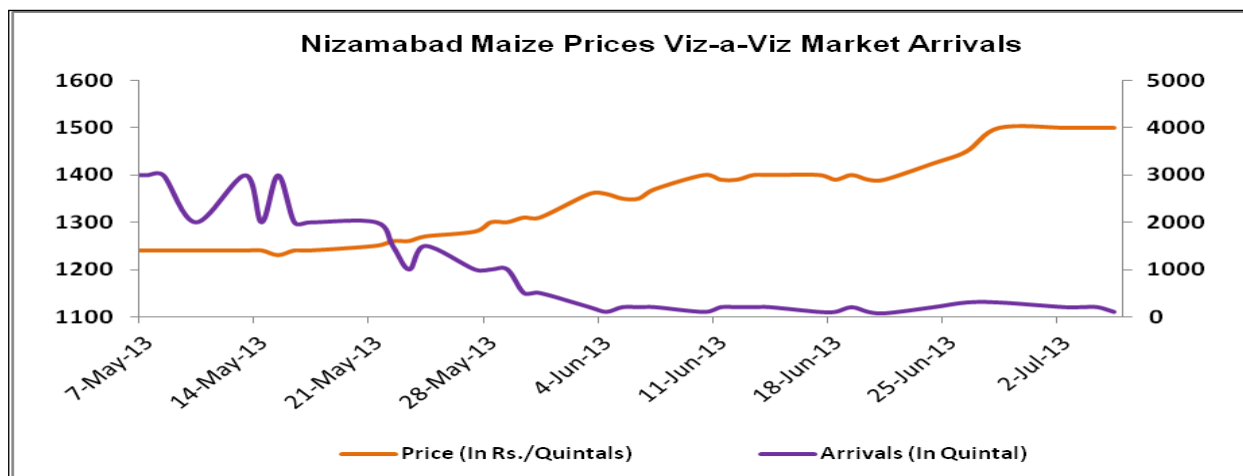
BIHAR

Lower supply amid higher domestic and export demand kept prices of maize firm in the market. Maize is moving towards Bangladesh and Kolkata at Rs. 1450 per quintal, contained 15 % moisture. 2-3% fungus reported in the Bihar crop. Maize is also moving towards Khanna market of Punjab at Rs. 1480 per quintal, Kolkata at Rs. 1500 per quintal, Delhi at Rs. 1350 per quintal and Gujarat at Rs. 1580 per quintal sourced from Bihar.



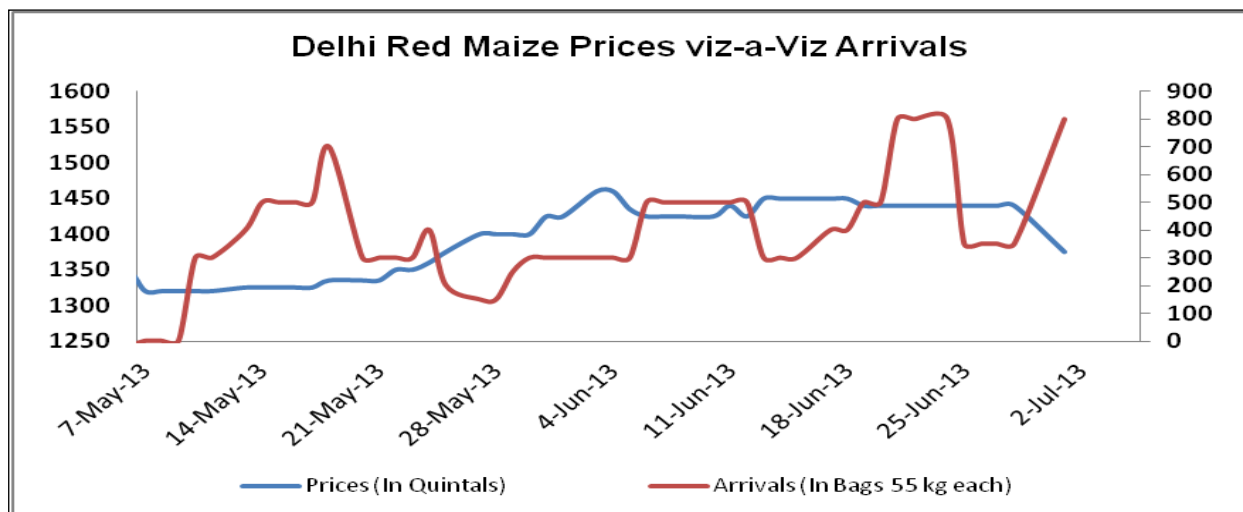
ANDHRA PRADESH

In Nizamabad region of A.P., around 4 lakh bags of maize could be in the hand of stockiest and farmers which was 2.5 lakh during last year same period. Sources revealed that in A.P., total maize stock could be around 18 lakh bags which were 22 lakh during last year same period. Prices could trade firm till the new crop arrivals which would arrive in the September month. Around 11.5 % moisture reported in the crop of A.P.



DELHI

During the month of June, Red maize traded in range of Rs. 1360-1460 per quintal sourced from Bihar. Currently, it is trading lower in a range of Rs. 1325-1350 per quintal due to higher moisture contained i.e. around 18-20%. Also, due to fungus and discolored quality it is trading lower. Meanwhile, hybrid maize traded in a range of Rs.1410-1470 per quintal sourced from U.P. currently, it is trading at Rs. 1450 per quintal, contains 14%-15% moisture level. As per trade sources, around 50,000 quintal of maize stock could be in the Delhi spot market.

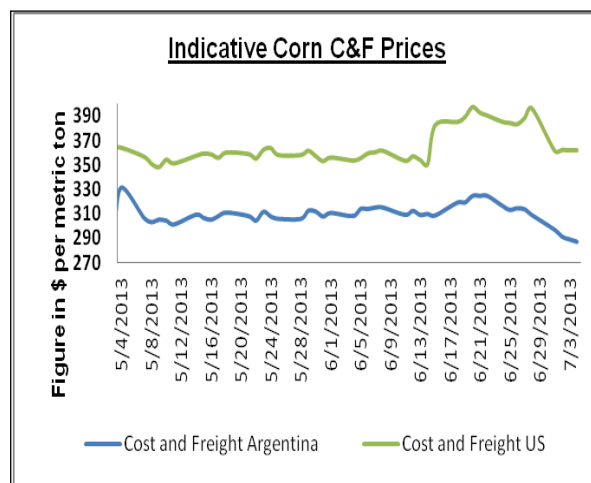
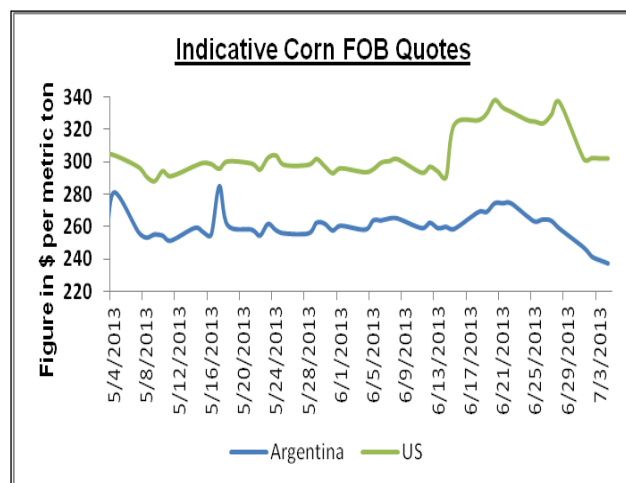


Month-wise Average prices of Maize at various markets

| Market | 2013-June | 2013-May | 2012- June | % Change from Prev. Month | % Change from Prev. Year |
|---------------------|-----------|----------|------------|---------------------------|--------------------------|
| Delhi (U.P. origin) | 1430 | - | 1165 | - | - |
| Naugachia | 1225 | 1100 | 1025 | +10.20 | +6.81 |
| Davangere | - | 1410 | - | - | - |
| Shimoga | 1370 | 1350 | - | +1.45 | - |
| Ranebennur | - | - | - | - | - |
| Bagalkot | - | 1235 | - | - | - |
| Gadag | - | - | - | - | - |
| Hubli | - | - | - | - | - |
| Nizamabad | - | 1310 | - | - | - |
| Karimnagar | - | 1255 | - | - | - |
| Khammam | - | - | - | - | - |
| khanna | 1500 | 1350 | - | +10.00 | - |
| Ludhiana | 1500 | - | - | - | - |
| Sangli | 1632 | 1458 | 1411 | +10.66 | +3.22 |

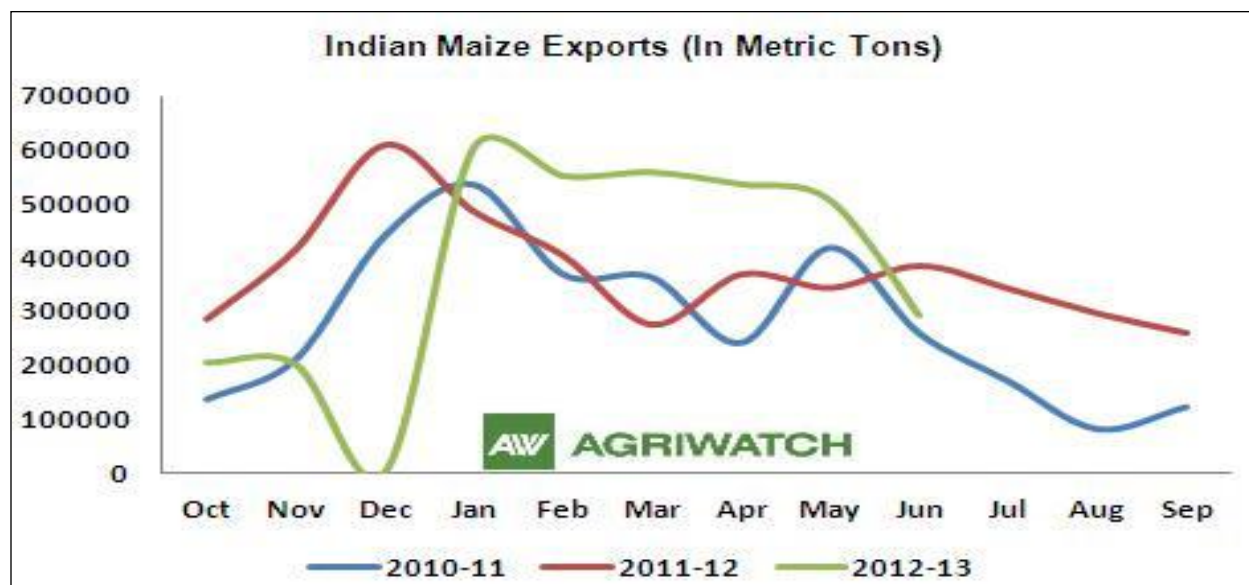
PRICE OUTLOOK:

Higher export and domestic demand amid lack of quality arrivals of maize could keep maize prices at higher side. However, good sowing progress could weigh on the prices.

ON THE EXPORT FRONT:


July 5, 2013

As per IBIS data, in the current marketing year (Oct'12-Sep'13), total maize exports were reported around 3.461 million tons during the October'12- Jun'13 period. During the month of June, 0.292 million tons corn exports reported to Malaysia, Nepal, Taiwan, Vietnam, Yemen and Indonesia through Raxul LCS, JNPT Tondiarpet ICD, Kolkata Sea, Chennai Sea, and Mundra port.



As per Agriwatch trade sources, Maize is moving towards Bangladesh and Kolkata at Rs. 1450 and 1480 per quintal respectively, contained 15 % moisture, sourced from Bihar. Around 405 rake business has been done during this season from the Bihar. Maize is moving towards Vietnam and Malaysia for cattle feed via vizag and Kakinada port at FOB \$255-260/ ton.

July 5, 2013

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



- Candlestick chart pattern reveals range bound movement in the market.
- RSI is moving down in neutral zone support to bearishness.
- However, prices closed above 9 and 18 days EMAs indicates to bullishness in the market.
- Strategy: Buy around 1409 and target would be 1438 for the near term.

MAIZE NCDEX (AUGUST MONTHLY) (IN Rs/QTL)

| Support & Resistance | | | | |
|----------------------|------|------|------|------|
| S2 | S1 | PCP | R1 | R2 |
| 1346 | 1376 | 1417 | 1438 | 1472 |

INTERNATIONAL MARKET SCENARIO:

As per USDA, U.S. corn export figures reached to 15,056,414 metric tons for the 2012-13 marketing year which is lowered by ~55% from the last marketing year during the same period. Corn exports were up noticeably to 353,388 metric tons from the last week and 33% from the prior 4-week average. Out of total weekly exports of 353,388 MT for the period of Jun 21-27, 2013 reported by U.S to Japan (240,600 MT), Mexico (60,500 MT), Venezuela (31,900 MT), and the Dominican Republic (15,800 MT).



As per the latest IGC report, the 2013-14 world corn production is forecasted at 946 million tons, up by 1 million ton from the May forecast on higher projected output in Black sea region. Despite strong demand growth, stocks are likely to rise sharply, by an estimated 25% to a 13-year high. Larger harvests in some countries could restrict gains in 2013/14 trade, but China is expected to be a much larger buyer.

| IGC Global Corn Estimate | | | | | |
|--------------------------|-----------|-------------------|----------|--------------|--------------|
| | 2012-13 E | 2013-14(forecast) | | | |
| | | 31st May | 1st July | % change MOM | % change YOY |
| Production | 854 | 945 | 946 | 0.11% | 10.77% |
| Trade | 95 | 98 | 97 | -1.02% | 2.11% |
| Consumption | 866 | 917 | 916 | -0.11% | 5.77% |
| Carryover Stock | 119 | 149 | 149 | 0.00% | 25.21% |
| YOY change | -12 | | 30 | | |

- Figures in million tons

July 5, 2013

INTERNATIONAL CORN HIGHLIGHTS

- As per Reuter News, the Argentina government said that it has authorized 16 million tons corn exports in 2013/14.
- As per Reuter news, EU has raised its outlook for 2013-14 corn production at 69.7 million tons against 66.2 million tons estimated previously.
- As per Reuter news, U.S. Department of Agriculture's attaché in China released a report estimating China's 2013/14 corn production at 210 million tons.
- As per Reuter news, preliminary Japanese government data shows that Japan's use of corn in animal feed production fell to 42 % in the April'13 from 43.9% during the same month last year due to higher U.S. corn prices. Japanese buyers have turned to cheaper Brazilian corn and Brazil's share of Japan's corn imports topped the United States for a fourth month in a row in April, rising to 40.7 percent from zero a year ago.
- As per Reuter news, the country's agriculture minister said that Mexico will produce more than 20 million tons of corn this year which is below from last year produced of 21.35 million tons in 2012 and from April forecast of 22.45 million tons due to cold snaps in Sinaloa state.

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

- As per Reuter news, an official think-tank said on Wednesday that China recently booked another three cargoes of U.S. corn at about \$272 CIF, 400 yuan (\$65.20) per ton cheaper than domestic corn, bringing total purchases of new U.S. corn to 2.8 million tons so far in the year.
- As per Reuter news, South Korea's largest animal feed maker Nonghyup Feed Inc. purchased 124,000 tons of corn. 55,000 tons was bought at \$242.24 a ton c&f from Agrifert to be sourced from the Black Sea region for arrival by Nov. 20 and 69,000 tons was bought at \$245.96 a ton c&f from Cargill to be sourced from Brazil for arrival by Nov. 30. Meanwhile, Korea Feed Association Busan section purchased 55,000 tons of corn at \$247.00 a ton c&f for arrival by Nov. 20 and seller was Noble. As per European trader, Nonghyup Feed Inc. has made an initial purchase of 69,000 tons of corn in a tender for Oct. 30 arrival from Cargill at a c&f premium of 157.00 cents over the Chicago December corn contract and made another purchase of 58,000 tons of corn from Agrifert for arrival by Nov. 15 with the Black Sea an accepted optional origin.
- As per Reuter news, European Trader told that South Korea's Major Feedmill Group purchased 124,000 tons corn through tender for arrival in the month of November. Some 69,000 tons was purchased at \$260.80 a ton c&f and is likely to be sourced from the United States and/or South America. 55,000 tons was bought at \$256.75 a ton and was likely to be sourced from the Black Sea region.
- As per Reuter news, European trader told that a group of Israeli private buyers has purchased about 90,000 tons of corn at \$250 a ton c&f for August/September shipment and for September/October shipment at 46.5 cents a bushel c&f over the Chicago December corn contract, expected to be sourced from the Black Sea region.
- As per Reuter news, China has approved another two strains of genetically-modified corn for imports to fulfill animal feed producers demand.
- As per Reuter News, European trader told that The Korea Corn Processing Industry Association has purchased 55,000 tons of corn at \$278.50 a ton c&f plus \$1.50 a ton surcharge for unloading at an additional port. Seller was said to be Mitsui. The corn should arrive at the ports of Incheon and Kunsan by Oct. 15.
- As per Reuter news, European traders told that South Korea's Major Feedmill Group has purchased some 69,000 tons for Oct. 10/Oct. 20 arrival from Cargill at \$277.34 a ton c&f on the basis of a premium of 163.79 cents over the Chicago December corn contract. A further 65,000

July 5, 2013

tons for Oct. 20 arrival at \$275.40 a ton c&f on the basis of a premium of 158.86 cents over the Chicago December corn contract.

- As per Reuter news, traders told that South Korea's Feed Leaders Committee bought 62,000 tons corn for October arrival likely to be sourced from South America at \$274.90 per ton on a cost and freight basis plus \$1.50 for the option of unloading at a second port. The FLC bought the corn from Peter Cremer and the product should arrive by October 25.

U.S

| All Units In '000 MT | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 | Y-O-Y Change |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|--------------|
| Beginning Stocks | 42,504 | 43,380 | 28,644 | 25,122 | 19,542 | -22.21% |
| Production | 332,549 | 316,165 | 313,949 | 273,832 | 355,743 | 29.91% |
| TY Imports | 237 | 684 | 765 | 3,800 | 650 | -82.89% |
| Total Availability | 375,290 | 360,229 | 343,358 | 302,754 | 375,935 | 24.17% |
| TY Exports | 49,721 | 45,244 | 38,430 | 18,500 | 33,000 | 78.38% |
| Total Consumption | 281,590 | 285,014 | 279,023 | 263,790 | 293,383 | 11.22% |
| Total Usage | 331,311 | 330,258 | 317,453 | 265,441 | 326,383 | 22.96% |
| Ending Stocks | 43,380 | 28,644 | 25,122 | 19,542 | 49,515 | 153.38% |
| Average Monthly consumption | 23465.83 | 23751.17 | 23251.92 | 21982.50 | 24448.58 | 11.22% |
| Stocks in months to use | 1.85 | 1.21 | 1.08 | 0.89 | 2.03 | 127.82% |
| Stock/Consumption Ratio | 0.15 | 0.10 | 0.09 | 0.07 | 0.17 | 127.82% |

• Source: USDA

- As per the latest crop progress report released by USDA, Corn has silked by 6% as of 7th July, 2013 which is below 40% from the last year and 14% from the last 5 year average period. However, 68% corn crop is in good to excellent condition which is up 28% as compared to last year.
- As per Reuter news, Lanworth has improved its outlook for the 2013-14 US corn production figure to 13.9 billion bushels from 13.7 billion bushels. It has also estimated the world 2013-14 corn production at 961 million tons.
- As per Reuter news, Informa has lowered its 2013 corn yield projection for the US to 160.0 bushels per acre, from 160.9 bushels per acre previously but raised its forecast for the US corn crop this year by 181m bushels to 14.259bn bushels.

OUTLOOK:

Corn prices for July contract increased on CBOT market due to tight supply. However, corn prices for December contract decreased on favorable weather conditions.

| Maize CBOT Monthly Futures Price Listing (Cents/bushel) | | | | |
|---|----------------|------------|------------|---------------|
| | Contract Month | 29.06.2013 | 30.05.2013 | Change |
| Corn CBOT Prices | Jul-13 | 679.25 | 654.25 | +25.00 |
| | Sep-13 | 547.25 | 591.75 | -44.50 |
| | Dec-13 | 511.00 | 562.75 | -51.75 |
| | Mar-14 | 521.75 | 572.75 | -51.00 |
| | May-14 | 529.25 | 579.5 | -50.25 |

July 5, 2013

CBOT MAIZE MONTHLY CHART: DEC 2013 CONTRACT



- Candlestick chart pattern reveals that prices could trade firm in the market.
- Strategy: Buy on dips and target would be 533 U.S cents/bushels.

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>

© 2013 Indian Agribusiness Systems Pvt Ltd.