

EXECUTIVE SUMMARY:

In the month of November, in India, maize harvest weighed selling pressure in Maharashtra and Karnataka wherein the state governments have started procurement of maize at MSP but due to higher moisture contained and poor quality, procurement of maize was very less in quantity. Due to which farmers were forced to sell their produce at a lower prices. Also, there was situation in gap of Poultry and starch price quote on quality concern in south.

Now, in a month ahead, we expect that maize could trade steady to range bound tone despite the weak demand scenario from poultry and exports as slow pace of arrivals are providing underlying support. It is expected to trade higher from mid- Dec on quality concern in peninsular India due to continuous shower in south peninsular India of maize producing states. Another formation of Cyclone in Bay of Bengal is also worry. Meanwhile, upcoming demand from poultry industries could also support to prices.

It is expected to rise in price in Maharashtra in short term (expected from Dec 1st week to 2nd week) as continuous shower seems even in Maharashtra that will affect quality on prolong harvest time.

As per trade flow estimated Maharashtra would not merely feed the Gujarat and Maharashtra, but also would likely to feed North and North east whereas Karnataka and A.P would feed Bangladesh export in the coming months. (From December end to March).

But overall, export prospects seem weak as India corn prices are likely to remain high among various major maize exporting countries. In addition, Southeast Asia's main feed grain importers, Indonesia, Malaysia and Vietnam, are scheduled to receive large quantities of corn from Brazil in December, resulted decline in demand for Indian corn. Malaysia, which has monthly demand of around 200,000 to 250,000 tons, is sitting on some 300,000 tons and is expecting as much again to arrive in December. Neighbouring Indonesia has shown little interest in booking cargoes for the January-March period, while Vietnam is largely covered until March.

During the month of November, in the Khanna market of Punjab, the maize was quoted firm by Rs. 70 per quintals in a range of Rs. 1450-1550 per quintal as compared to last month. Around 7 motors reported on daily basis, contained 16-17% moisture. Sources revealed that maize stock could be around 3-4 motors in the market. However, in Ahmadabad region of Gujarat, poultry feed makers demand reported down by Rs. 230 a quintal for corn in a range of Rs. 1250-1370 per quintal and starch feed makers demand reported down by Rs. 150 per quintal as compared to last month, in a range of Rs. 1230-1350 per quintal, contained around 15-16% moisture, sourced from Maharashtra.

INDIA MAIZE BALANCE SHEET

					2013-14 Quarterly B/S	
	2010-11	2011-12	2012-13*E	2013-14F	Oct-Dec'13 F	Jan-Mar'14 F
Opening Stocks	0.48	0.99	1.20	0.15	0.15	4.67
Production	21.73	21.57	20.00	20.90	12.00	3.00
Farmer's Release	15.21	15.12	11.87	14.42	7.33	3.14
Govt. Procurement	0.05	0.02	1.00	0.50	0.30	0.20
Pvt Trade Release	15.16	15.10	10.87	13.92	3.49	6.48
Seed Retention			0.22	0.30	0.05	0.00
Imports	0.02	0.01	0.01	0.01	0.00	0.00
Total Supply	22.23	22.57	21.21	21.06	12.15	7.67
Export	3.34	4.47	4.76	3.00	0.47	0.80
Domestic Consumption	17.90	16.90	16.30	16.70	7.01	4.68
Carry Out	0.99	1.20	0.15	1.36	4.67	2.19

- *E= AW Estimates, F=AW Forecast*
- *All figures in million tons*
- *The seed has consumed 0.25 MN T IN OCT-DEC'13 AND 0.05 MN T IN APR-JUN'14 Quarter.*

MAIZE RABI SOWING UPDATE:

As per Ministry of Agriculture, maize have been sown in 3.906 lakh hectares as of 27th November, 2013-14 against 5.098 lakh hectares sown in 2012-13 for rabi season.

State-wise Area Coverage of Maize as of 27th Nov'13

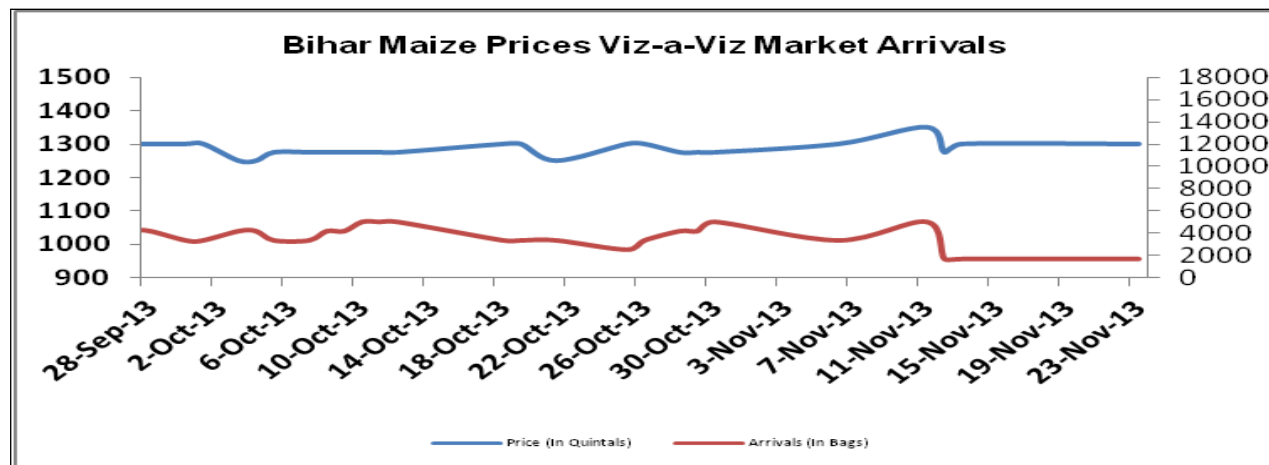
(Area in
Lakh ha)

Sl. No.	State	Normal Area (DES)	Normal Area of Corresponding Week	Area Covered (SDA)				Difference in Area coverage (2013) with			
				2013-14	2012-13	2011-12	2010-11	Normal of Corresponding Week	2012-13	2011-12	2010-11
1	2	3	4	5	6	7	8	9	10	11	12
North West India											
1	Uttar Pradesh	0.22	0.18	0.03	0.24	0.16	0.26	-0.15	-0.21	-0.13	-0.23
Central India											
1	Chhattisgarh	-	0.00	0.05	0.01	-	-	0.04	0.04	-	-
2	Gujarat	0.75	0.13		0.22		0.41	-0.13	-0.22	0.00	-0.41
4	Maharashtra	1.26	0.71	1.23	1.05	0.78	0.67	0.52	0.18	0.45	0.56
5	Orissa	0.03	0.01	0.00	0.01	0.02	0.02	-0.01	0.00	-0.02	-0.02
Southern Peninsula											
1	Andhra Pradesh	3.08	0.99	0.83	1.00	1.01	0.88	-0.16	-0.17	-0.18	-0.05
2	Karnataka	1.31	0.82	0.82	0.85	0.77	0.84	0.00	-0.03	0.05	-0.02
4	Tamil Nadu	0.89	0.90	0.49	0.82	0.84	0.96	-0.41	-0.34	-0.35	-0.48
East & North East India											
2	Bihar	4.00	0.70	0.16	0.56	0.63	0.40	-0.54	-0.40	-0.47	-0.24
3	Jharkhand	0.12	0.02		0.02	0.02	0.03	-0.02	-0.02	-0.02	-0.03
4	West Bengal	0.56	0.51	0.13	0.18	0.19	0.21	-0.38	-0.05	-0.06	-0.08
	Others	0.01	0.08	0.06	0.14	0.07	0.07	-0.02	-0.08	-0.01	-0.01

STATE - WISE MARKET DYNAMICS

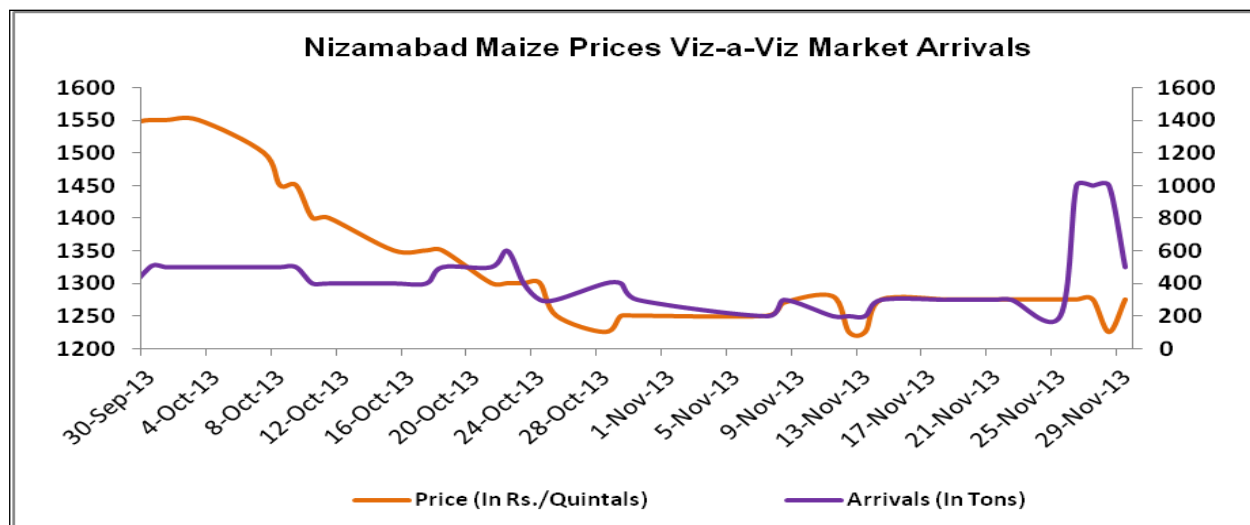
BIHAR

During the month of November, Kolkata feed millers demand reported in a range of Rs.1450-1550 per quintal, sourced from Bihar. No arrivals reported in the naugachia market of Bihar during last week.



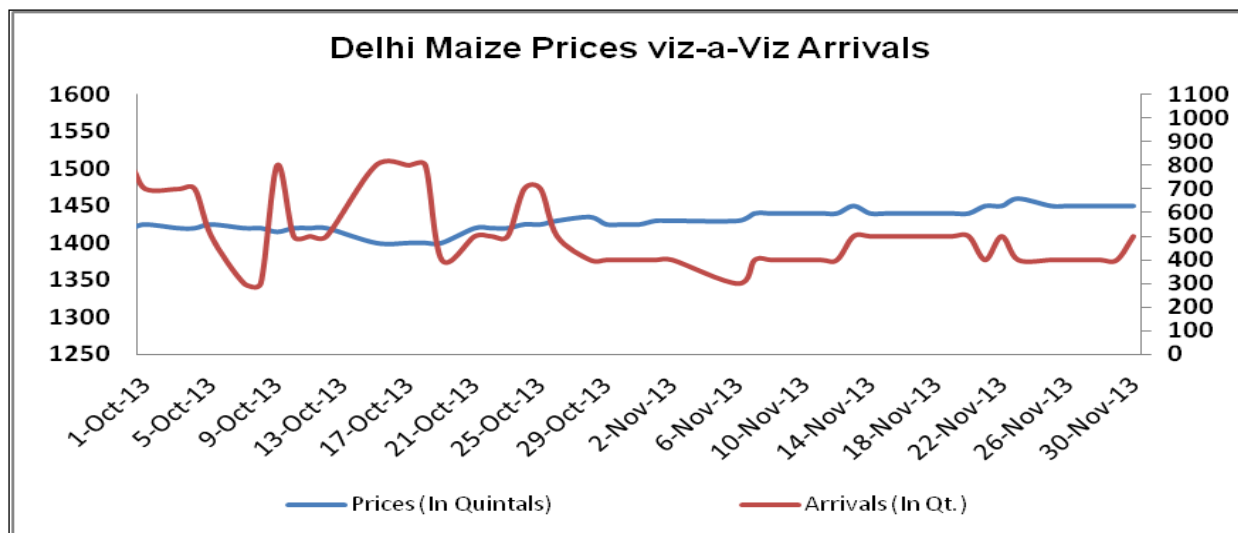
ANDHRA PRADESH

Excessive rains in parts of Andhra Pradesh, one of the leading cultivating states, have raised concerns about the quality of the crop. As per trade sources, in A.P, maize stock could be around 50,000 tons while in Nizambad, it could be around 4,000 tons.



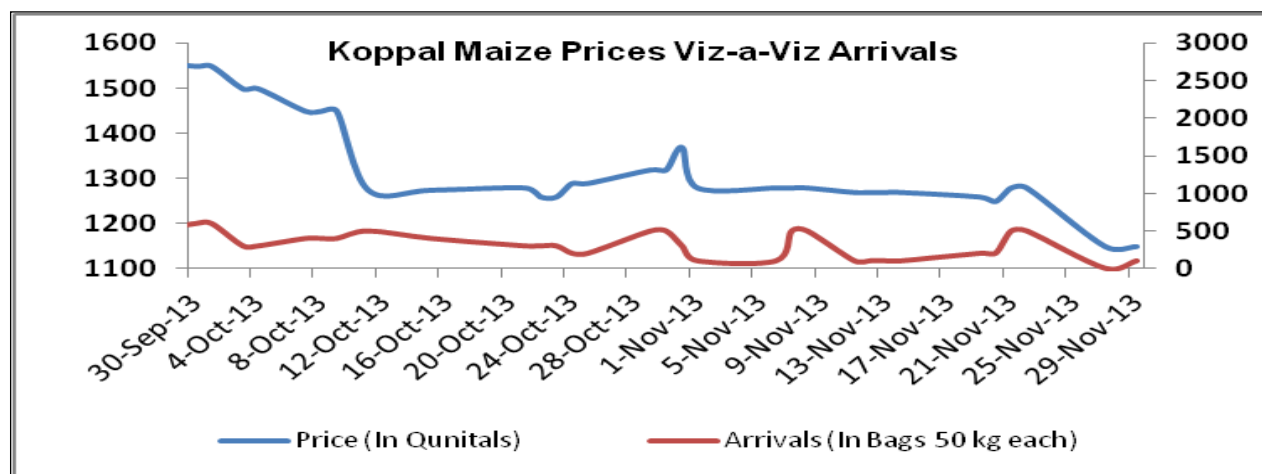
DELHI

During the month of November, hybrid maize traded firm by Rs. 25 per quintal, in a range of Rs. 1400-1460 per quintal, sourced from U.P. Sources revealed that prices could trade steady to firm in the near term amid higher feed makers demand.



KARNATAKA

As per trade sources, in Davangere, maize crop contain 14% moisture. Maize is moving towards Tamil nadu and Bangalore at Rs. 1350-1360 per quintal, sourced from Davangere. Also. Maize is moving towards Kolkata at Rs. 1265 per quintal, sourced from Karnataka. Meanwhile, maize is moving towards Bangladesh at Rs. 1250 per quintal, sourced from Koppal. Total 45 rakes contract of maize has been done from Karnataka during this season. Out of which 30 rakes loaded from different sourcing points. As far as quality is concerned, Koppal and Davangere surrounding of Karnataka have better quality of maize.

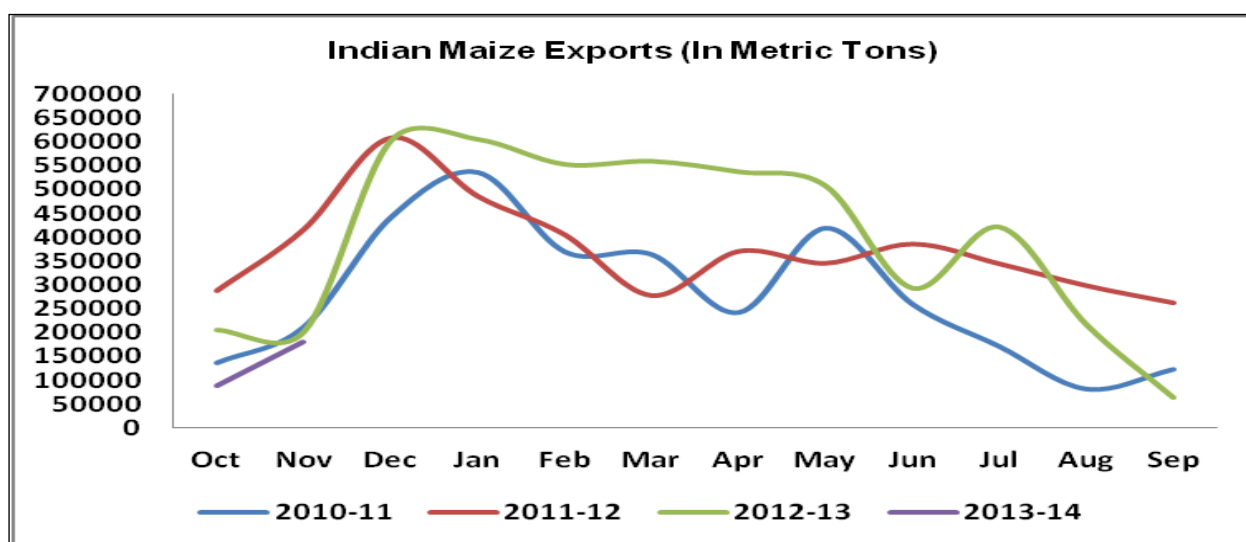
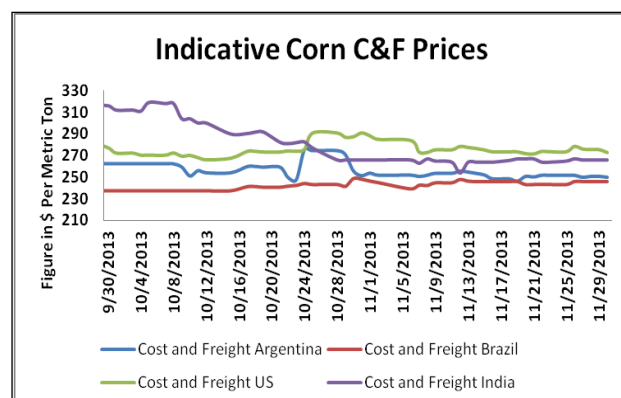
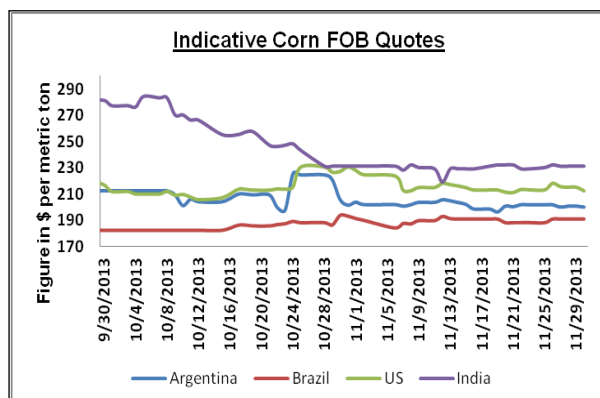


Month-wise Average prices of Maize at various markets					
Market	2013-Nov.	2013-Oct.	2012-Nov.	% Change from Pre. Month	% Change from Pre. Year
Delhi (U.P. Origin)	1450	1460	1500	-0.68	-2.66
Naugachia	NA	1300	NA	-	-
Davangere	1230	1220	1400	0.81	-12.85
Shimoga	1320	1310	1400	0.76	-6.42
Bagalkot	1116	1160	NA	-3.79	-
Gadag	1090	1132	NA	-3.71	-
Nizamabad	1275	1275	1410	Unch	-9.57
Karimnagar	NA	NA	NA	-	-
khanna	1480	1500	1625	-1.33	-7.69
Ludhiana	1500	1500	1400	Unch	7.14
Sangli	1200	1200	1452	Unch	-17.35
Gulabgh	1420	1420	NA	Unch	-

PRICE OUTLOOK:

Maize is expected to feature steady to range bound tone despite the weak demand scenario from poultry and exports as slow pace of arrivals are providing underlying support. It is expected to trade higher from mid- Dec on quality concern in peninsular India and upcoming demand from poultry industries.

ON THE EXPORT FRONT:



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 62.47)				
	Argentina	Brazil	US	India
FOB	199.9	190.85	212.72	231
Cost and Freight (C&F)	249.9	245.85	272.72	266

As per IBIS data, During the month of November'13, 0.179 million tons corn exports reported to Vietnam, UAE, Singapore, Malaysia, Taiwan, Bahrain, Bangladesh and Nepal mainly through Tondiarpet ICD, JNPT, Chennai Sea, and Kakinada port.

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



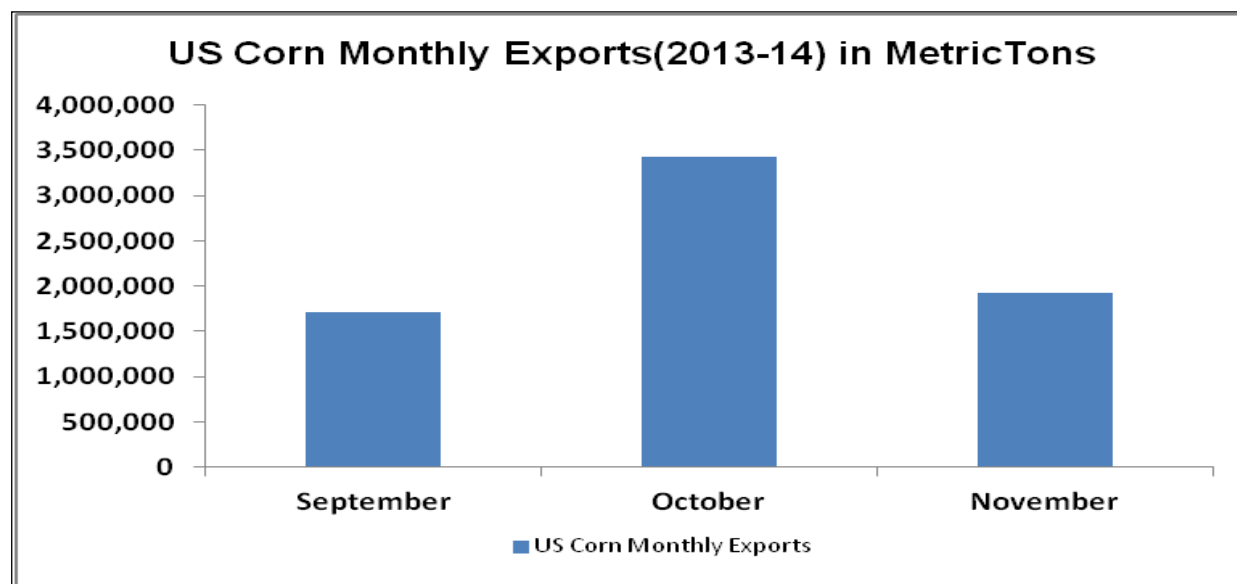
- Candlestick chart pattern reveals that prices could trade in a range in the market.
- RSI is moving down in neutral zone indicates to bearishness.
- Prices closed below 9 and 18 days EMAs also indicates to bearishness.
- Strategy: Sell at around 1270 and target would be 1230 for the near term.

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

Support & Resistance				
S2	S1	PCP	R1	R2
1188	1204	1267	1300	1316

INTERNATIONAL MARKET SCENARIO:

As per USDA, U.S. accumulated corn export figures reached to 70,59,101 metric tons for the 2013-14 marketing year which is higher by ~38% from the last marketing year during the same period. Exports of 701,000 MT were reported by U.S. to China (272,700 MT), Mexico (176,200 MT), and Japan (109,400 MT) for the period November 15- November 21, 2013.



As per the latest IGC report, the 2013-14 world corn production is forecasted at record 950 million tons, up by 2 million tons from the previous month forecast and higher by 87 million tons from the last year, mainly due to a rebound in the U.S. Amid generally strong demand for meat and industrial products, world maize consumption is expected to rise to unprecedented levels, but stocks should still recover, rising by 21.71% y/y. Import demand appears strong and, with low prices and large exportable supplies, world trade is forecast to surge by 10.42% y/y.

IGC Global Corn Estimate					
	2012-13 E	2013-14(forecast)			
		31st Oct	28th Nov	% change MOM	% change YOY
Production	863	948	950	0.21%	10.08%
Trade	96	102	106	3.92%	10.42%
Consumption	864	922	922	Unch	6.71%
Carryover Stock	129	152	157	3.29%	21.71%
YOY change	-1		27		

- Figures in million tons

INTERNATIONAL CORN HIGHLIGHTS

- As per Reuter, China has rejected 120,642 tons of U.S. corn after detecting unapproved genetically-modified MIR 162 variety. This is in addition to 60,000 tons, rejected for entry last month.
- Informa Economics lowered its production forecast for Brazil for 2013/14 to 70.6 million tons, from 71.1 million tons previously forecasted. However, left production forecast unchanged for Argentina at 25.0 million tons but raised its production estimate for Ukraine to 28.5 million tons, from 27.5 million tons previously estimated.
- As per the latest crop progress report released by USDA as on 26th November, 2013, 95% crop of corn has harvested, below 5% from the last year but above 4% from the last 5 year average period.
- As per Reuter, an official think-tank said that China is likely to import 5 million tons of corn in 2013, higher by 2 million tons as compared to 2012/13 marketing year. As per China National Grain and Oils Information Center, about 100,000 tons of U.S. corn is set to arrive at Chinese ports in October, followed by 800,000 tons in November.

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

- As per Reuter, a group of Israeli private buyers has purchased 130,000 tons of optional-origin corn. If sourced from the Black Sea, shipment of the first consignment was sought in 2014 between Feb. 25 to Mar. 15 and the rest between Mar. 20 to Apr. 10. About 75,000 tons for the first shipment position was bought at a premium of 120.5 cents a bushel c&f over the Chicago May 2014 corn contract, or the equivalent of \$218 a ton c&f. About 55,000 tons was purchased for the second position at the equivalent of about \$216 a ton c&f. However, shipment times for non-Black Sea origins can be adjusted.
- As per Reuter, Korea Feed Association bought additional 60,000 tons of corn from Marubeni at the flat price of \$244.91 a tonne c&f plus a \$1.50 a tonne charge for additional port unloading, for arrival by May 10, 2014. Earlier, Korea Feed Association has bought 58,000 tons of corn from ADM at the outright price of \$243.88 a ton c&f plus \$1.50 a ton charge for additional port unloading, for arrival by May 10, 2014.
- As per Reuter, Nonghyup Feed Inc. purchased 60,000 tons of U.S.-origin corn from Mitsubishi Corp. at a premium of 187.50 cents a bushel c&f over the Chicago March 2014 corn contract, for arrival by May 1, 2014.

Maize CBOT Monthly Futures Price Listing (USD/MT)				
	Contract Month	30.11.2013	30.10.2013	Change
Corn CBOT Prices	Dec-13	163.44	170.04	-6.60
	Mar-14	167.08	174.86	-7.78
	May-14	170.33	178.2	-7.87
	Jul-14	173.18	181.06	-7.88
	Sep-14	175.74	183.61	-7.87

OUTLOOK:

During the month of November, Corn prices on CBOT market decreased as the Obama Administration proposed to cut the federal target for biofuel use in 2014 to 15.21 billion gallons from the 18.15 billion gallons set in the 2007 law. Also, harvest of record large U.S. corn crop weigh on the prices.

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