

EXECUTIVE SUMMARY

In Delhi spot market, maize stock is reported around 1 lakh bag. Meanwhile, in the Nizamabad region of A.P., maize stock is reported around 4 lakh bags. Sources revealed that prices could trade in a range in the near term.

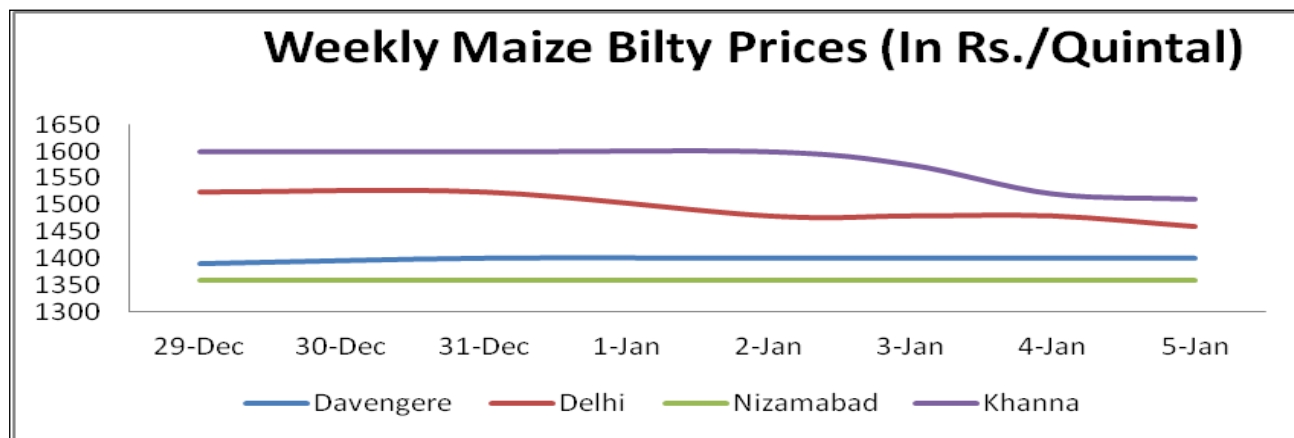
As per the latest data released by the Ministry of Agriculture, area sown under maize during Rabi season for 2012-13 is estimated at 12.22 lakh hectares, up from last year's figure of 10.96 lakh hectares.

Ahmadabad feed millers of Gujarat region are purchasing maize from Maharashtra region in a range of Rs. 1550-1560 per quintal. Sources revealed that demand from starch industries could increase in coming days and lead the maize prices.

As per news sources, Gujarat Ambuja Exports Ltd started trial run production of its 750 tons per day new maize processing unit in Haveri district of Karnataka.

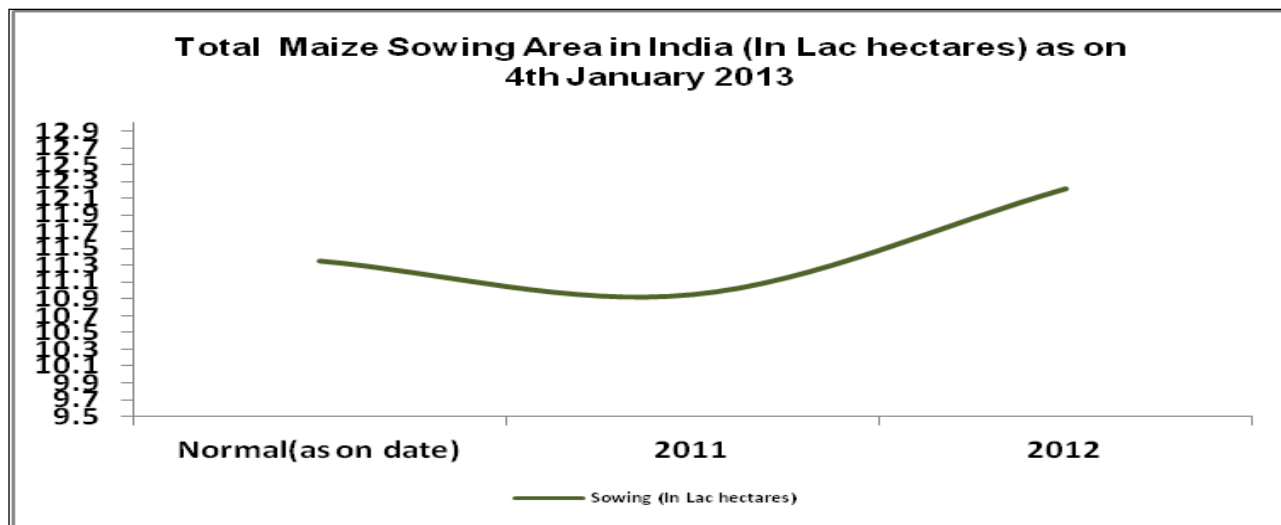
Demand for maize from the Kolkata feed millers reported at around Rs. 1565 per quintal sourced from Bihar which contains 12-13% moisture level. Sources revealed that prices could not go down from this level due to lower stock. Meanwhile, lower acreage due to shift in area towards wheat also support the maize prices.

Maize prices are hovering at around Rs 1301 per quintal on an average on pan India basis, decreased by Rs. 18 per quintal from the previous week.



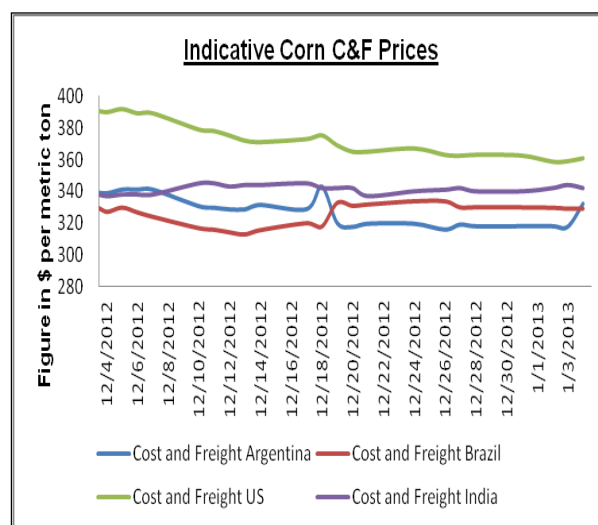
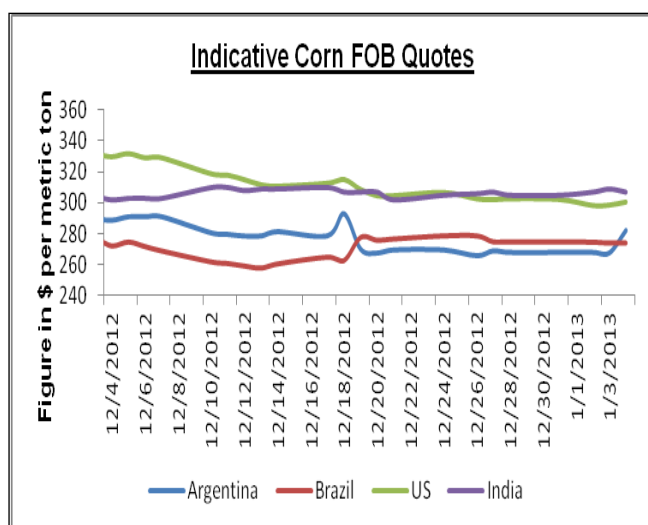
RABI SOWING UPDATE:

India: As per the latest data released by the Ministry of Agriculture, area sown under maize during Rabi season for 2012-13 is estimated at 12.22 lakh hectares, up from last year's figure of 10.96 lakh hectares.



ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$342) increased by \$2.00 per ton during the week compared to the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (~\$360.9) and getting stiff competition from Brazil C&F (~\$329.35) and Argentina Maize C&F prices (~\$332.58).



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 54.84)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	282.58	274.35	300.9	307
Incl Cost and Freight (C&F)	332.58	329.35	360.9	342

CURRENT MARKET DYNAMICS:

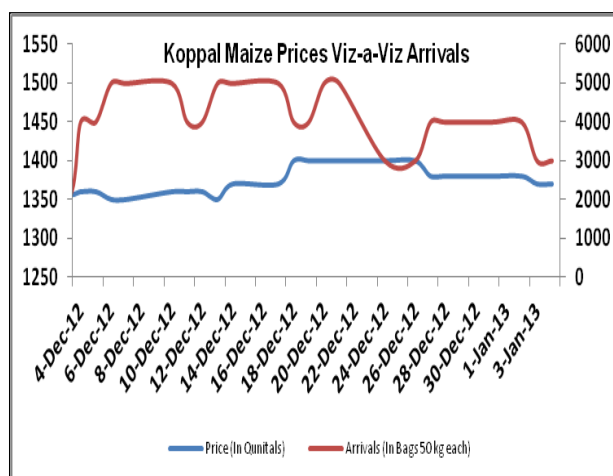
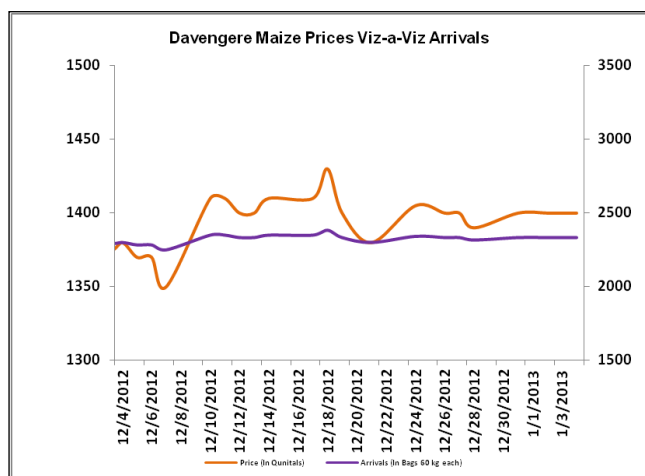
During the week, Steady to weak sentiments witnessed in major maize spot markets. Here are the various key spot markets dynamics below:

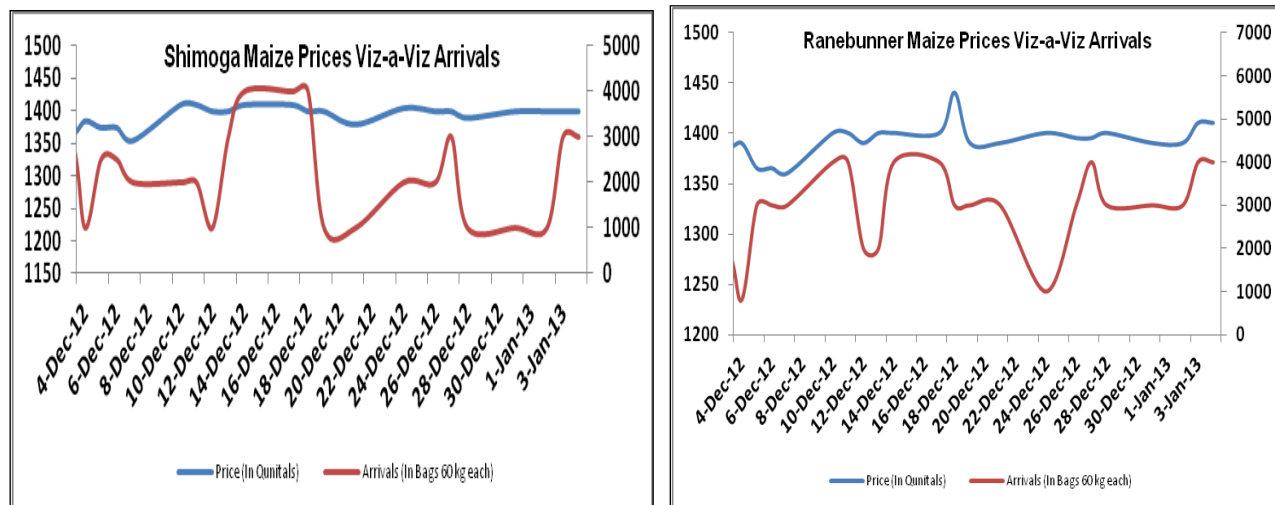
Bihar: Demand for maize from the Kolkata feed millers reported at around Rs. 1565 per quintal sourced from Bihar which contains 12-13% moisture level. Sources revealed that prices could not go down from this level due to lower stock. Meanwhile, lower acreage due to shift in area towards wheat also support the maize prices.

Andhra Pradesh: In the Nizamabad region of A.P., maize stock is reported around 4 lakh bags. Sources revealed that prices could trade in a range in the near term.

Delhi: In Delhi spot market, maize stock is reported around 1 lakh bag. Sources revealed that maize could trade higher in the coming days as good demand from poultry and hatchery has aroused.

Karnataka: During the week, Koppal wagon bilty rate quoted at Rs. 1400 per quintal. Sources revealed that 1 rake each has been moved towards Chennai and Mangalore port on daily basis.





BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)	FOB USD /Tonne
Delhi	15250 (UP origin)		
Gujarat	15500 (Maharashtra Origin)		
Hyderabad	14000 (A.P. region)		
Chennai		14000 (Karnataka region)	
Mangalore		14000 (Karnataka region)	
Kolkata	15650 (Bihar region)		

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

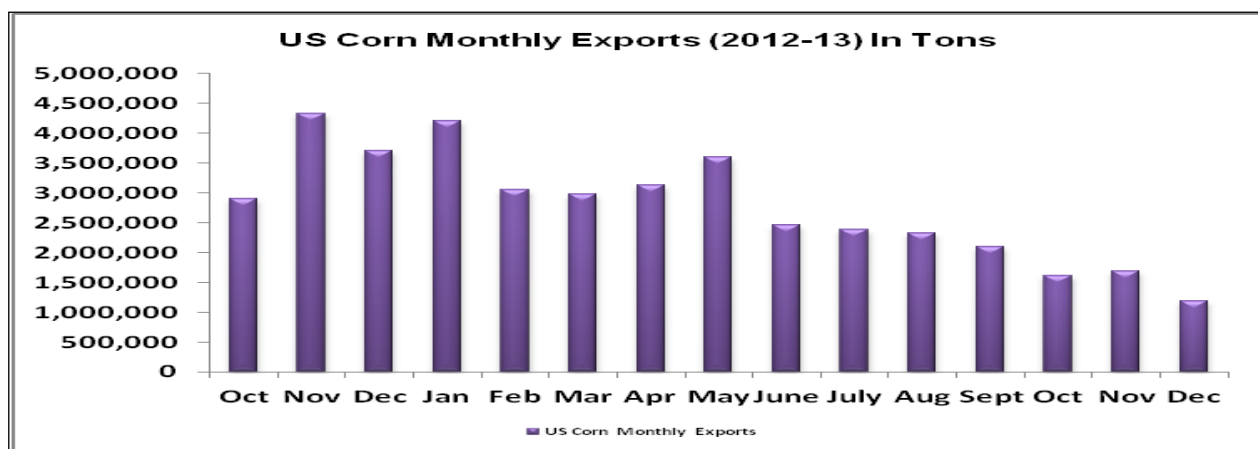
Market	Grade	4 Jan ,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1480	1525	1500	1400	-
Davangere	Bilty	1400	1390	1380	1350	1150
Naugachia	Bilty	-	-	-	-	-
Nizamabad	Bilty	1360	1360	1410	1270	1140
Ahmedabad	Feed	1500	1500	1460	1350	1300
	Starch	1560	1550	1525	1345	1325

DOMESTIC MAIZE OUTLOOK:

We expect maize prices would remain range-bound in the days ahead in both futures as well as spot markets as prices are at lower levels and big institutional buyers are likely to enter the market that could drive the prices upwards.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 6583166 metric tons for the 2012-13 marketing year which is lowered by ~52% from the last marketing year during the same period, down by 28 percent from the prior week and 35 percent prior 4-week average. Out of total weekly exports of 2,05,300 MT reported by U.S. to Japan (128,000 MT), Mexico (52,600 MT), Taiwan (7,000 MT), Venezuela (6,000 MT), and Jamaica (4,700 MT).



Some Other major international corn highlights during the week are:

- As per news sources, South Korea's largest feed maker NOFI is likely to purchase up to 195,000 tons corn via tender excluding U.S. origin corn. South Korea wants 40,000-55,000 tons corn arrival on 25 Apr, 2013, 40,000-70,000 tons on June 30, 2013 and 40,000-70,000 tons corn on July 10, 2013 at the ports from the list of Incheon, Pyeongtaek, Kunsan, Mokpo, Busan and Ulsan.
- Forecasts for improving weather in Argentina have offset fears about the impact of widespread flooding earlier in the season. In addition, As per Joel Widenor, meteorologist for Commodity Weather Group, Rains may reach most of Brazil in the next 10 days and could support the corn growth.
- As per European Traders, Kuwait buyers purchased about 30,000 tons corn through tender sourced from South America either Argentina or Brazil for shipment between the second half of January and first half of February.
- USDA expects Argentina corn output at 27.5 million ton. However, output would depend on the weather conditions prevailed in the month of Jan and Feb as corn seeding expected to

wrap up in mid-February. Recent dry weather conditions have encouraged Argentine farmers to speed up corn planting.

INTERNATIONAL MAIZE OUTLOOK:

Corn witnessed persistent weak exports demand over the last week resulting in lower corn prices.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	03/01/2013	27/12/2012	Change
Corn CBOT Prices	Mar-13	271.29	272.17	-0.88
	May-13	271.98	273.36	-1.38
	Jul-13	270.21	272.37	-2.16
	Sep-13	239.90	243.05	-3.15

CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: Mar Contract)

- Candlestick chart pattern reveals downward trend in the market.
- **Strategy:** Markets participants should sell Corn CBOT at current level and the target would be 679 cents/bushels for next week.

FUTURES MARKET ANALYSIS:


(January Contract Weekly Chart)

NCDEX MAIZE:

- Candlestick formation reveals that prices could get support at current level and rebound at the 1390 level in the near term.
- **Strategy:** Buy on dips.

Maize NCDEX (January)

Support & Resistance				
S2	S1	PCP	R1	R2
1330	1344	1371	1392	1420

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