

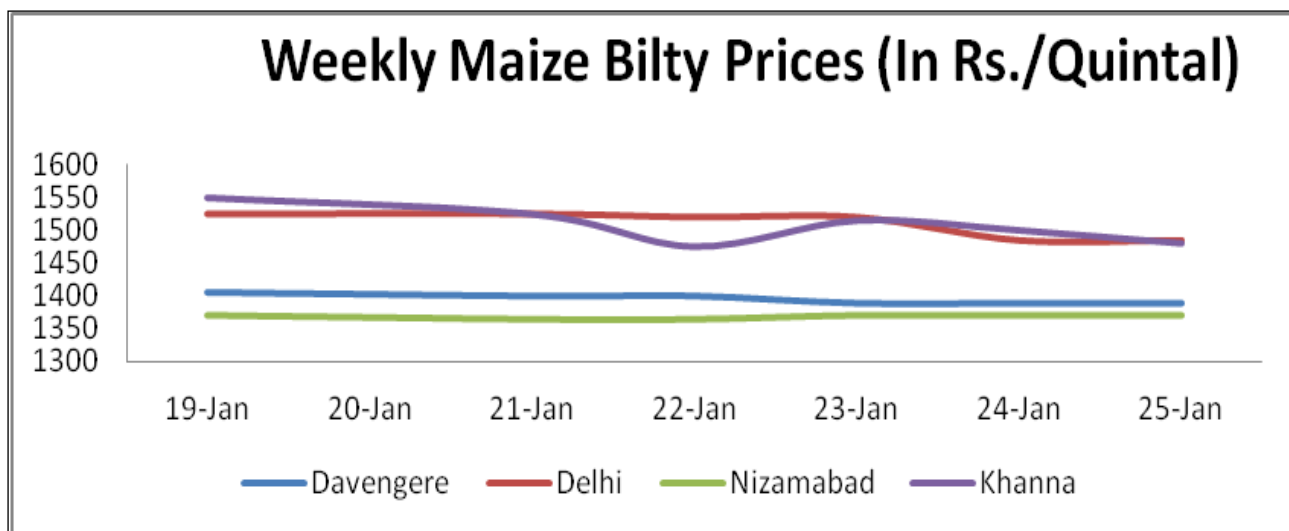
## EXECUTIVE SUMMARY

Ahmadabad feed millers of Gujarat region are currently purchasing maize from Maharashtra region at around Rs. 1520 per quintal. Sources revealed that maize would steady in the near term as there is no fresh export demand. The previous placed overseas orders and their shipments have been fulfilled in previous weeks. In Maharashtra region, maize stock would be around 2 lakh bags.

In the Nizamabad region of A.P., demand for maize was reported from local starch industry at the lower rate of Rs. 1350 per quintal. Meanwhile, maize is also moving towards Hyderabad at around Rs. 1370 per quintal sourced from Nizamabad region of A.P. Sources revealed that prices could go down by Rs. 20 to 1350 per quintal due to lower export demand.

As per trade sources, maize is moving towards Chennai at Rs. 1510 per quintal (Delivery rate) and Mangalore at Rs. 1480 per quintal (Delivery rate) sourced from Koppal region of Karnataka.

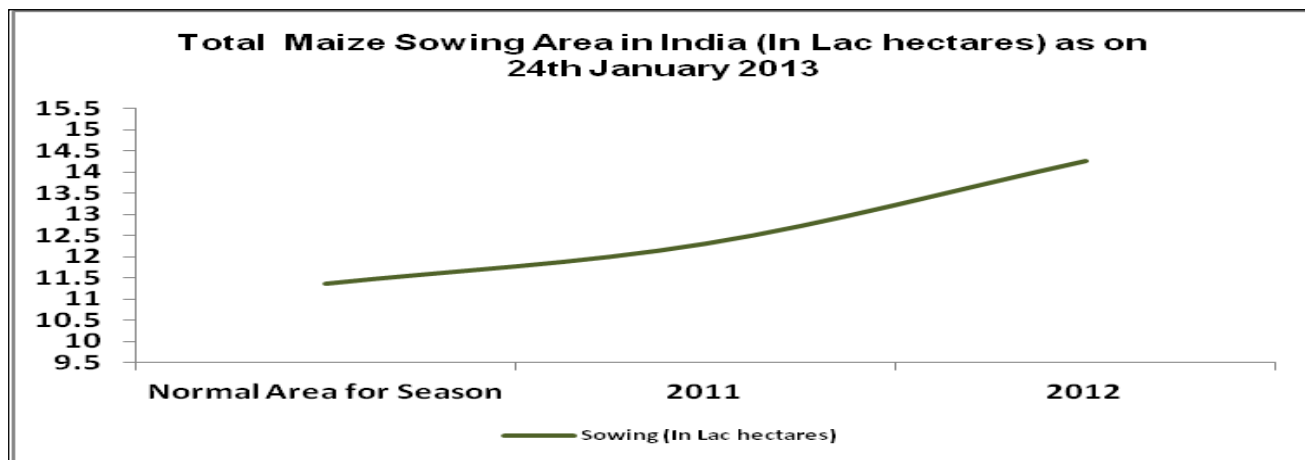
Maize prices are hovering at around Rs 1307 per quintal on an average on pan India basis, decreased by Rs. 18 per quintal from the previous week.



## RABI SOWING UPDATE:

As per the latest data released by the Ministry of Agriculture, area sown under maize during Rabi season for 2012-13 is estimated higher by 1.96 lakh hectares to 14.27 lakh hectares from the last year.

### India

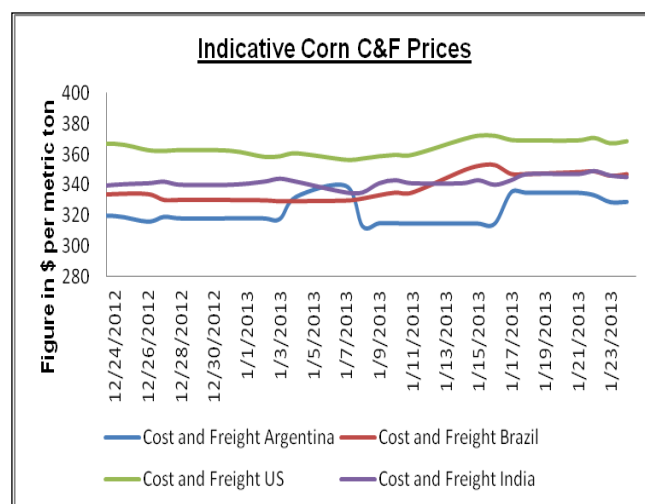
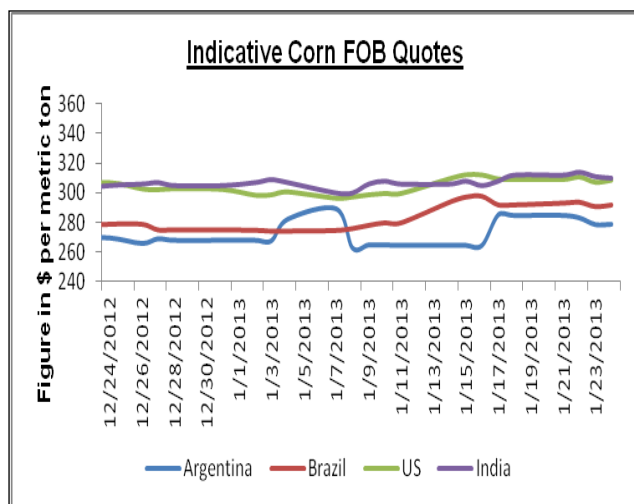


## STATE WISE RABI SOWING

State	Normal Area	Area Covered(2012-13)	Area Covered(2011-12)	Absolute Change	Y-O-Y(% Change)
Andhra Pradesh	2.792	3.34	2.75	0.59	21.45%
Arunachal Pradesh	0.05				
Assam	-	0.08	0	0.08	
Bihar	3.277	4.07	3.38	0.69	20.41%
Chhattisgarh	-	0.21	0.216	-0.006	-2.78%
Gujarat	0.813	0.99	1.005	-0.015	-1.49%
Jharkhand	0.121	0.07	0.08	-0.01	-12.50%
Karnataka	1.22	1.24	1.09	0.15	13.76%
Maharashtra	1.184	1.281	1.192	0.089	7.47%
Orissa	0.028	0.112	0.073	0.039	53.42%
Tamil Nadu	0.811	1.932	1.788	0.144	8.05%
Uttar Pradesh	0.192	0.4	0.37	0.03	8.11%
West Bengal	0.52	0.3	0.24	0.06	25.00%
Others	0.34	0.24	0.127	0.113	88.98%
All-India	11.348	14.265	12.311	1.954	15.87%

## ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$345) decreased 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 (~\$368.8) and Brazil C&F (~\$347.05) and getting stiff competition from Argentina Maize C&F prices (~\$329.23).



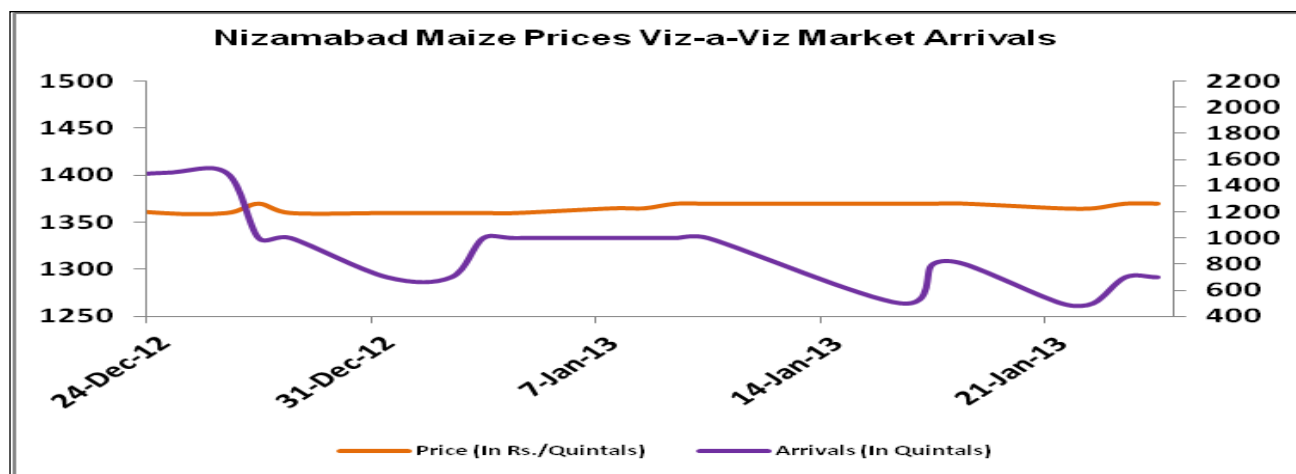
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 53.85)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	279.23	292.05	308.8	310
Incl Cost and Freight (C&F)	329.23	347.05	368.8	345

## 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:

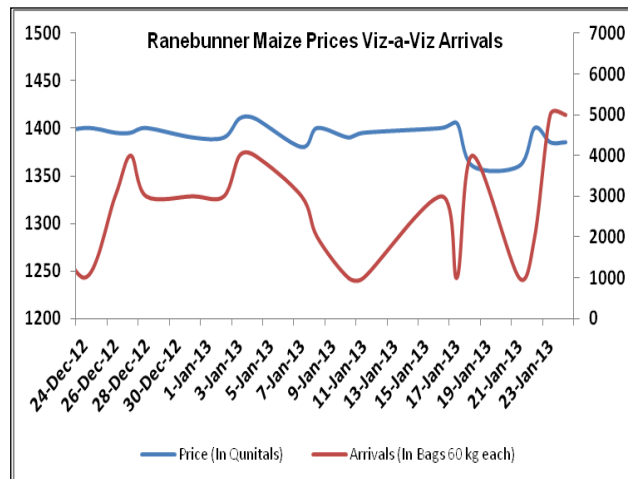
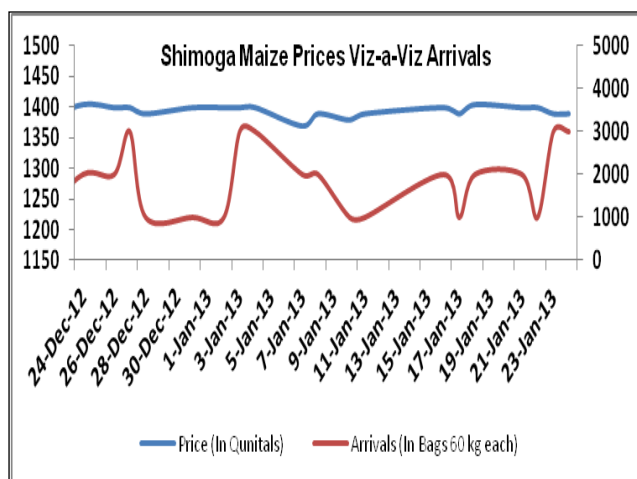
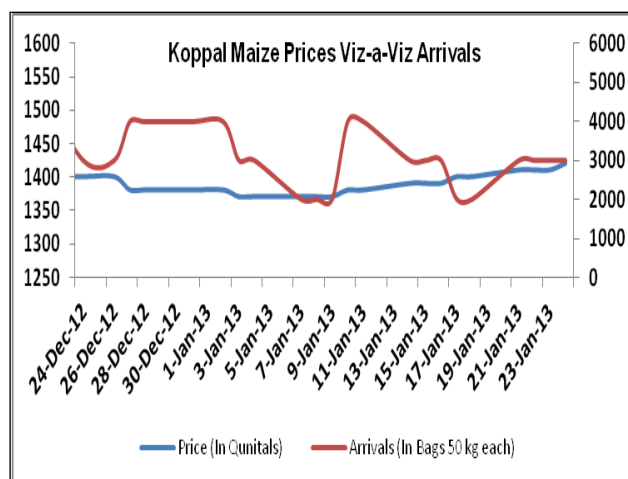
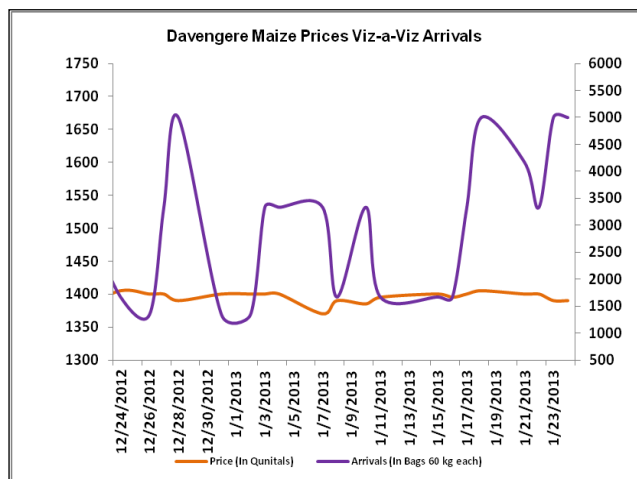
**Bihar:** Demand for maize from the Kolkata feed millers reported in a range of Rs. 1615-1650 per quintal during the week sourced from Naugachia region of Bihar.

**Andhra Pradesh:** In the Nizamabad region of A.P., demand for maize was reported from local starch industry at the lower rate of Rs. 1350 per quintal. Meanwhile, maize is also moving towards Hyderabad at around Rs. 1370 per quintal sourced from Nizamabad region of A.P. Sources revealed that prices could go down by Rs. 20 to 1350 per quintal due to lower export demand. In the Nizamabad region of A.P., maize stock is reported around 4 lakh bags.



**Delhi:** In Delhi spot market, maize stock is reported around 1.5 lakh bags. Sources revealed that maize could trade steady in the coming days.

**Karnataka:** In the major maize markets of Karnataka, maize traded slightly week due to higher crop arrivals in the market. As per trade sources, maize is moving towards Chennai at Rs. 1510 per quintal (Delivery rate) and Mangalore at Rs. 1480 per quintal (Delivery rate) sourced from Koppal origin of Karnataka.



**BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:**

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Delhi	14850 (UP origin)	
Gujarat	15200 (Maharashtra Origin)	
Hyderabad	13700 (A.P. region)	
Chennai		15100 (Karnataka region)
Mangalore		14800 (Karnataka region)
Kolkata	16500 (Bihar region)	

**MAIZE SPOT MARKET PRICES (RS. /QUINTAL)**

Market	Grade	25 Jan ,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1485	1525	1520	-	-
Davangere	Bilty	1390	1405	1405	1430	1160
Naugachia	Bilty	-	-	-	-	-
Nizamabad	Bilty	1370	1370	1360	1400	1200
Ahmedabad	Feed	1525	1500	1500	1550	1280
	Starch	1560	1540	1560	1525	1315

**DOMESTIC MAIZE OUTLOOK:**

*We expect maize prices could trade steady in the near term. As no new fresh export enquiries reported in the market. However, lower stock position with the continuous demand from poultry feed industries could support maize prices at the current level.*

### INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 7306361 metric tons for the 2012-13 marketing year which is lowered by ~55% from the last marketing year during the same period. However, Corn exports were up by 50 percent to 369500 metric tons from the last week and by 75 percent from prior 4-week average. Out of total weekly exports of 369500 MT reported by U.S to China (163,500 MT), Japan (110,300 MT), Mexico (46,800 MT), and Honduras (15,400 MT).



Some Other major International Corn Highlights during the week are:

- As per European Traders, Kuwait's buyer purchased 40,000 tons corn in a tender sourced from South America. (Source: Reuter)
- As per European Traders, A mill in the United Arab Emirates purchased 20,000 tons feed barley and 20,000 tons corn through tender. (Source: Reuter)
- As per preliminary Japanese government data, Japan's use of corn in animal feed production fell to 42.5 % in the November month from 45.1% during the same period last year due to higher U.S. corn prices.
- According to figures of the General Administration of Customs of China, China's corn imports in 2012 increased by 197% to 5.2 million tons due to strong domestic meat demand from animal feed production and cheap international prices during the first half of the year. Tight domestic corn stocks also encouraged the state stockpile to import corn from the United States. As per news sources, The government may continue imports overseas as there is still a need for filling reserves, but imports are expensive at this time.
- Informa Economics has raised its 2013 US corn planting forecast to 99.303 million acres from previous forecast of 99.026 million acres.
- Argentina's government has stated that Argentina will approve at least 3 million tons more corn exports in 2012-13 over the coming weeks. It also forecasted a corn harvest of at least 26 million tons. The government has already freed 15 million tons of 2012-13 corn for export.

## INTERNATIONAL MAIZE OUTLOOK:

*Globally tight stock position of corn with the improvement in export demand as global prices surge could keep corn prices high in the near term.*

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24/01/2013	17/01/2013	Change
Corn CBOT Prices	Mar-13	285.06	285.16	-0.1
	May-13	285.06	285.46	-0.4
	Jul-13	281.52	282.21	-0.69
	Sep-13	239.41	240.39	-0.98

## CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: Mar Contract)

- Candlestick chart pattern reveals that prices could trade in a range in the market.
- Strategy: Markets participants should buy Corn CBOT at 714 level and the target would be 728 cents/bushels for next week.

**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**

**(February Contract Weekly Chart)**

- Candlestick formation reveals downward trend in the market.
- Prices closed below 3 and 5 days EMAs indicates to bearish sentiment in the market.
- 1330 seems like a strong support level.
- **Strategy:** Sell at 1358 level and target would be 1334 for the near term.

**Maize NCDEX (February)**

Support & Resistance				
S2	S1	PCP	R1	R2
1311	1330	1358	1398	1439

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