

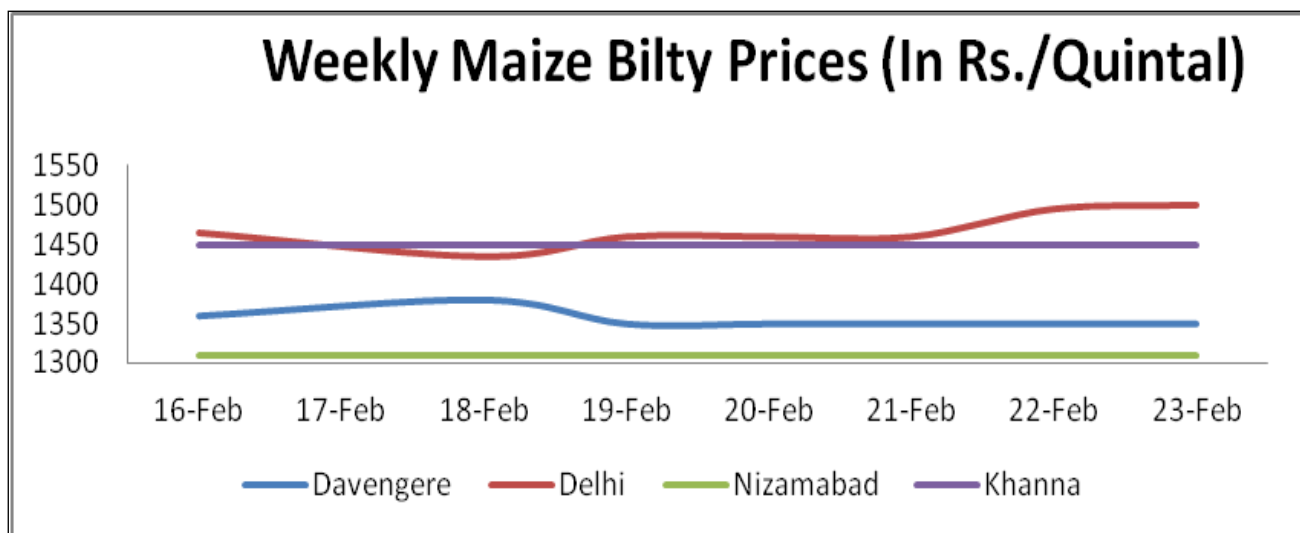
## EXECUTIVE SUMMARY

Mixed sentiments witnessed in most of the major spot markets of maize. Demand from poultry feed millers reported dull during last week. Karnataka, Nizamabad and Delhi markets of maize were closed on Wednesday and Thursday due to Bharat Bandh. Meanwhile, lower exports demand for Indian corn weighing on the prices.

Ahmadabad feed millers of Gujarat are purchasing maize from Maharashtra at Rs. 1470-1500 per quintal. Demand for maize from poultry and starch industries reported dull during last week.

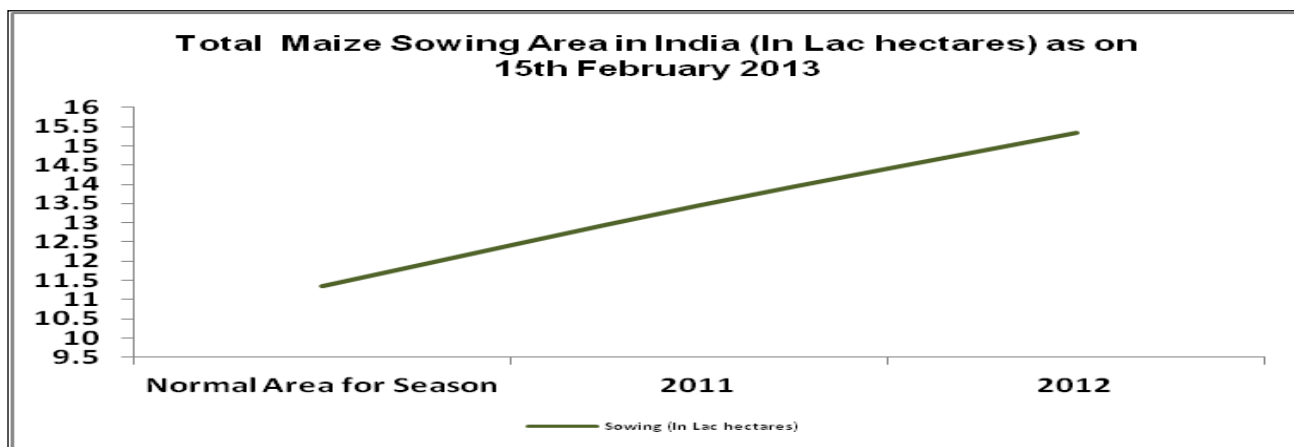
In Bihar, maize crop is good in condition. Sources revealed that corn stocks in mandies are very less and new crop would arrive till the March end. Meanwhile, demand from kolkatta feed millers reported around at Rs. 1600 per quintal (Delivery rate).

Maize prices are hovering at around Rs 1277 per quintal on an average on pan India basis, increased by Rs. 6 per quintal from the last week.



**RABI SOWING UPDATE:**

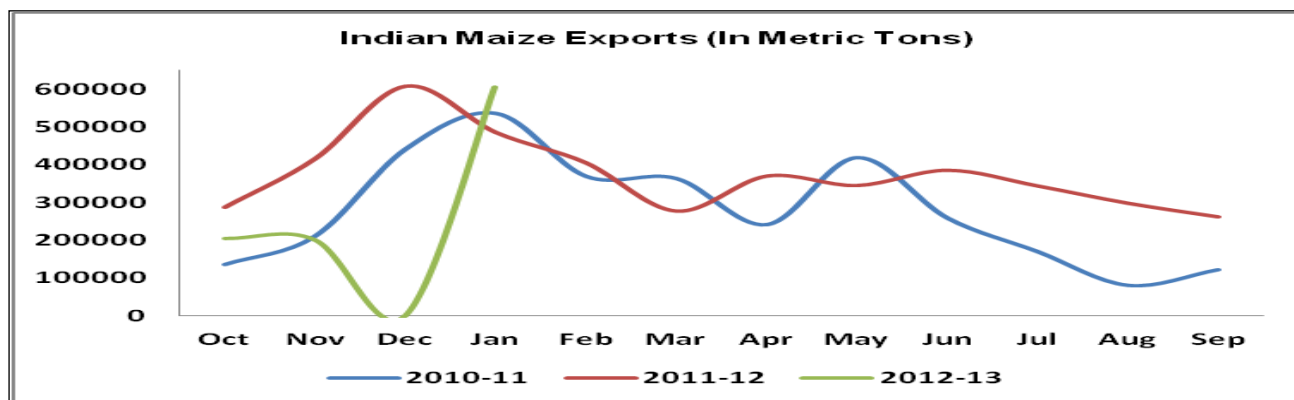
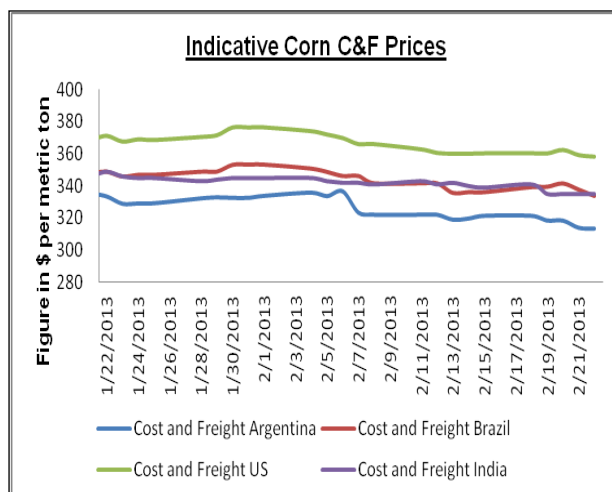
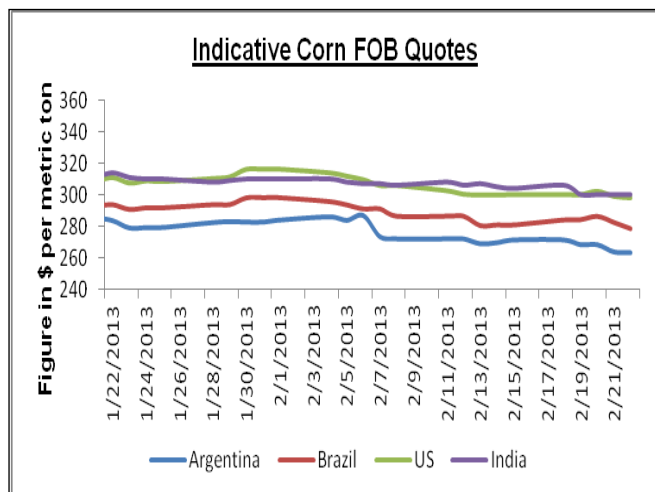
As per the data released by the Ministry of Agriculture as on 15<sup>th</sup> Feb, 2013, area sown under maize during Rabi season for 2012-13 is estimated higher by 1.88 lakh hectares to 15.34 lakh hectares from the last year.

**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	3.95	3.26	0.69	0.21
Arunachal Pradesh	0.053	0.08	0.068	0.01	0.18
Assam	-	0.09	0	0.09	
Bihar	3.277	4.19	3.51	0.68	0.19
Chhattisgarh	-	0.357	0.25	0.11	0.43
Gujarat	0.813	0.994	1.06	-0.07	-0.06
Jharkhand	0.121	0.07	0.08	-0.01	-0.13
Karnataka	1.22	1.39	1.19	0.20	0.17
Maharashtra	1.184	1.3	1.195	0.11	0.09
Orissa	0.028	0.13	0.15	-0.02	-0.13
Tamil Nadu	0.811	1.932	2.014	-0.08	-0.04
Uttar Pradesh	0.192	0.4	0.37	0.03	0.08
West Bengal	0.52	0.34	0.24	0.10	0.42
Others	0.34	0.12	0.069	0.05	0.74
All-India	11.351	15.343	13.456	1.89	0.14

## ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$335) decreased by \$4.00 per ton during the week compared to the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (~\$357.96) and getting stiff competition from Brazil C&F (~\$333.8) and Argentina Maize C&F prices (~\$313.48).



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 54.427)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	263.48	278.8	297.96	300
Incl Cost and Freight (C&F)	313.48	333.8	357.96	335

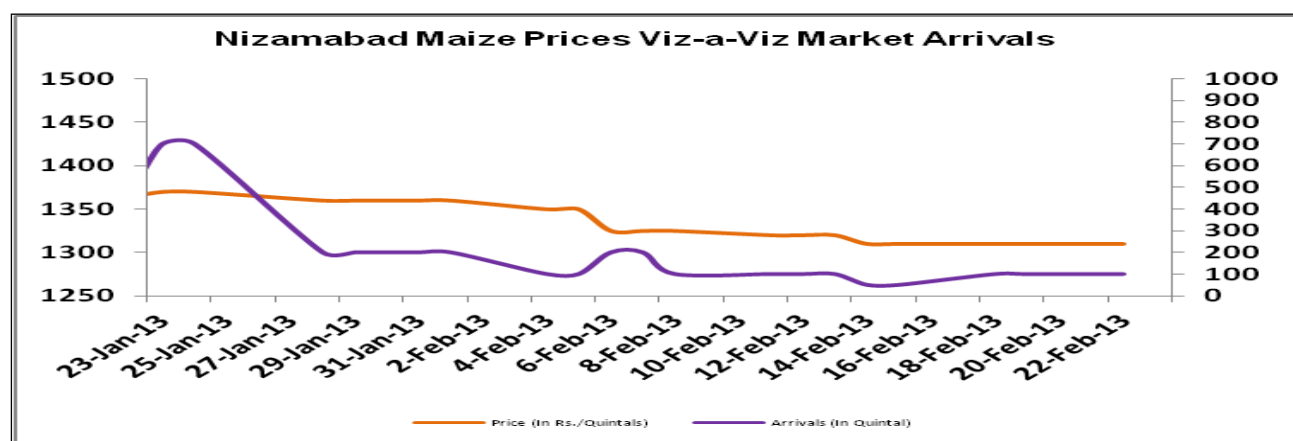
On the export front, in the current marketing year (Oct '12-Sep '13), total maize exports reported around 1.011 million tons during the October- January month to Indonesia, Malaysia, Vietnam, Bangladesh, Taiwan, China, Yemen, and Singapore through Vizag Sea, Mangalore Sea, Mundra Sea, Mangalore Sea, Kakinada Sea, JNPT and Chennai ea, generally in 20' containers.

## CURRENT MARKET DYNAMICS:

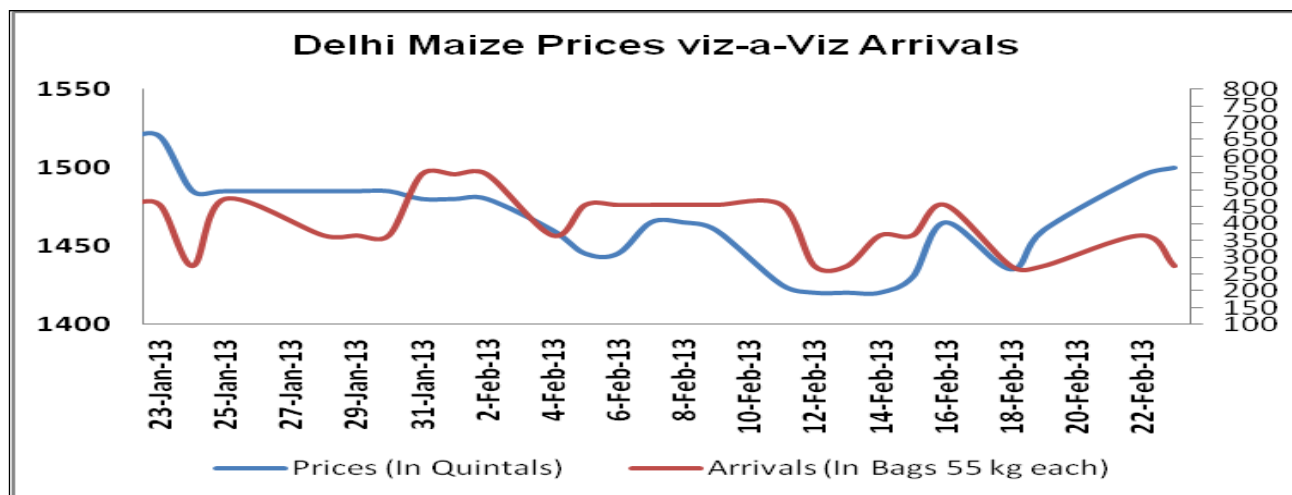
During the week, mixed sentiments witnessed in major maize spot markets. Here are the various key spot markets dynamics below:

**Bihar:** In Bihar, maize crop is good in condition. Sources revealed that corn stocks in mandies are very less and new crop would arrive till the March end. Meanwhile, demand from kolkatta feed millers reported around at Rs. 1600 per quintal (Delivery rate).

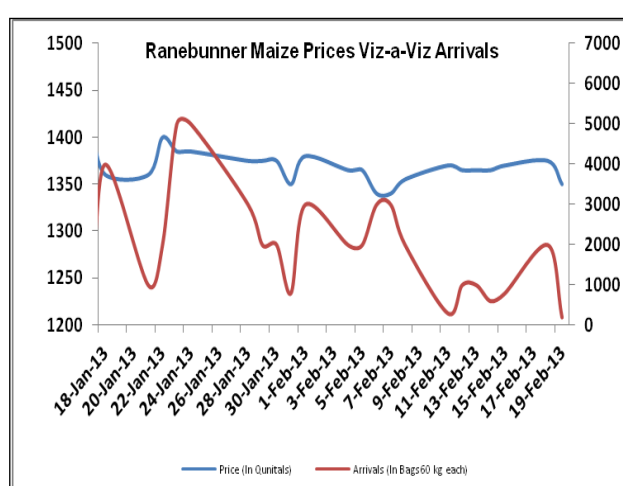
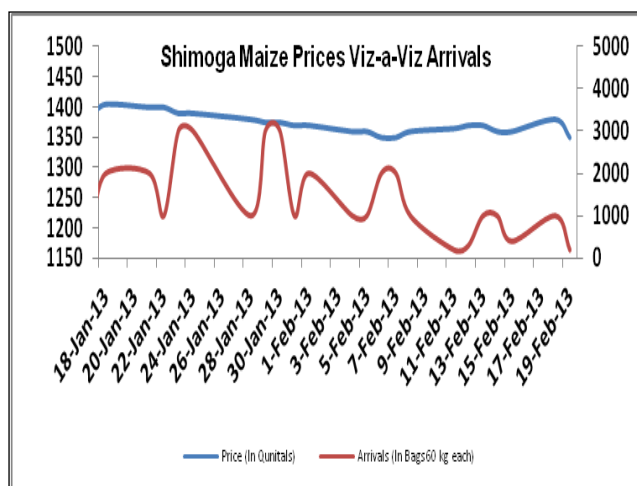
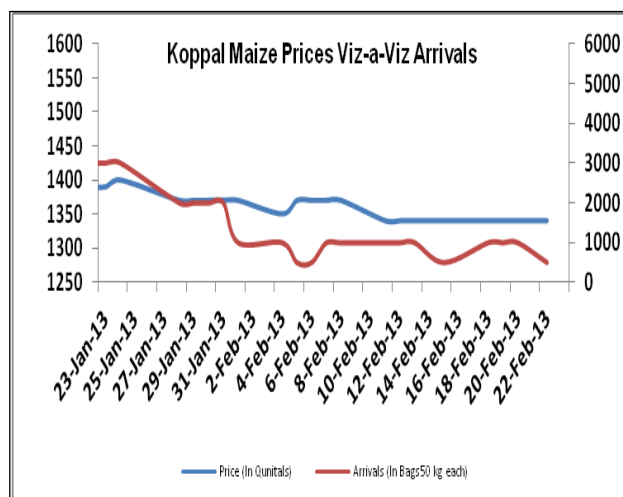
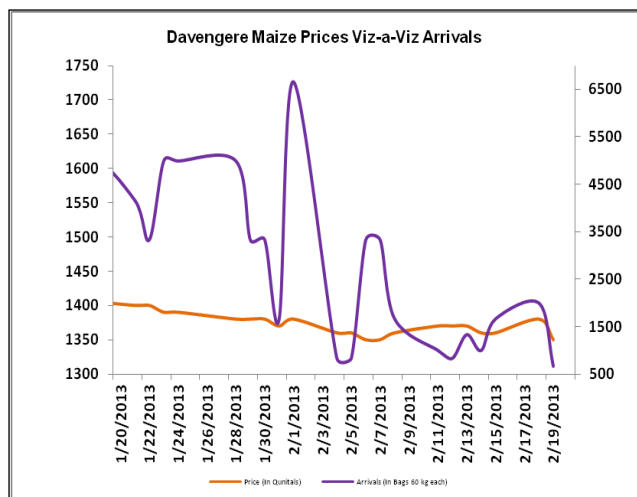
**Andhra Pradesh:** In the Nizamabad region of A.P., maize market was closed most of the days during last week. Sluggish export and domestic demand for maize kept prices at the lower level.



**Delhi:** Maize traded firm during last week due to lower supply with the support from continuous demand from poultry feed makers. Sources revealed that maize could trade firm in the near term with the higher poultry demand. As per trade sources, around 1-1.25 lakh bags of maize could be in the Delhi spot market.



**Karnataka:** In Karnataka, most of the mandies were closed during last week. Due to which, corn arrivals were lower in the market.



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


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Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Delhi	15000 (UP origin)	
Gujarat	15000 (Maharashtra Origin)	
Hyderabad	14000 (A.P. region)	
Chennai		14000 (Karnataka region)
Mangalore		14000 (Karnataka region)
Kolkata	16000 (Bihar region)	

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


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Market	Grade	22 Feb ,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1495	1430	1520	1520	-
Davangere	Bilty	-	1360	1400	1405	1125
Naugachia	Bilty	-	-	-	-	-
Nizamabad	Bilty	1310	1310	1365	1360	1160
Ahmedabad	Feed	1450	1440	1500	1500	1320
	Starch	1510	1490	1550	1560	1330

**DOMESTIC MAIZE OUTLOOK:**


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*Lower export demand for Indian corn is weighing on the domestic corn prices.*

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**INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:**

As per USDA, U.S. corn export figures reached to 8773390 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 down by 35 percent to 256800 metric tons from the last week and from the prior 4-week average. Out of total weekly exports of 256800 MT reported by U.S to Mexico (99,500 MT), Japan (58,800 MT), China (54,500 MT), Cuba (27,400 MT), and Taiwan (11,100 MT).



As per the latest IGC report, the 2012-13 world corn production is estimated higher by 5 million tons to 850 million tons from the January month estimate. Planting of the 2013/14 crop will soon commence in the northern hemisphere and the global area is tentatively forecast up 0.6% y/y led by an anticipated further growth in the US, although spring rainfall will be crucial in drought-affected areas. The global stock outlook is likely to be tightening by 16 million tons y-o-y basis.

IGC Global Corn Estimate					
	2011-12 E	2012-13(forecast)			
		17th Jan	21st Feb.	% change MOM	% change YOY
Production	877	845	850	0.59%	-3.18%
Trade	97	93	94	1.06%	-3.19%
Consumption	877	865	867	0.23%	-1.15%
Carryover Stock	131	113	114	0.88%	-14.91%
YOY change	0		-16		

Some Other major International Corn Highlights during the week are:

- Private feed mills in China bought four cargoes of U.S. corn which will be harvested in September. The corn for delivery after September was sold at a price of about \$296 per ton, cost and freight basis. The cargoes were bought by small-size feed mills -- some big

mills are still waiting for U.S. corn prices to fall further as The USDA has forecasted the U.S. corn crop at 14.350 billion bushels, up 35 percent on the year. (Source: Reuters)

- As per European Traders, Taiwan's MFIG corn purchasing group purchased 60,000 tons of corn sourced from Argentina through tender. (Source: Reuters)
- As per preliminary Japanese government data, Japan's use of corn in animal feed production fell to 42.7 % in the December month from 45.2% during the same month last year due to higher U.S. corn prices.

### INTERNATIONAL MAIZE OUTLOOK:

*Corn traded down on CBOT due to improving crop weather prospects in the U.S. and Argentina with the lower export demand.*

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	21/02/2013	14/02/2013	Change
Corn CBOT Prices	Mar-13	271.88	273.45	-1.57
	May-13	268.81	272.67	-3.86
	Jul-13	264.99	268.53	-3.54
	Sep-13	225.93	229.47	-3.54



**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**

**(March Contract Weekly Chart)**

- Candlestick formation reveals range bound movement in the market.
- RSI is moving down towards oversold region which might take correction in the near term.
- 1280 seems like a strong support level. Breaching the level, prices could go down to 1270 level.
- **Strategy:** Buy on dips.

**Maize NCDEX (March)**

Support & Resistance				
S2	S1	PCP	R1	R2
1266	1280	1289	1314	1332

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