

## EXECUTIVE SUMMARY

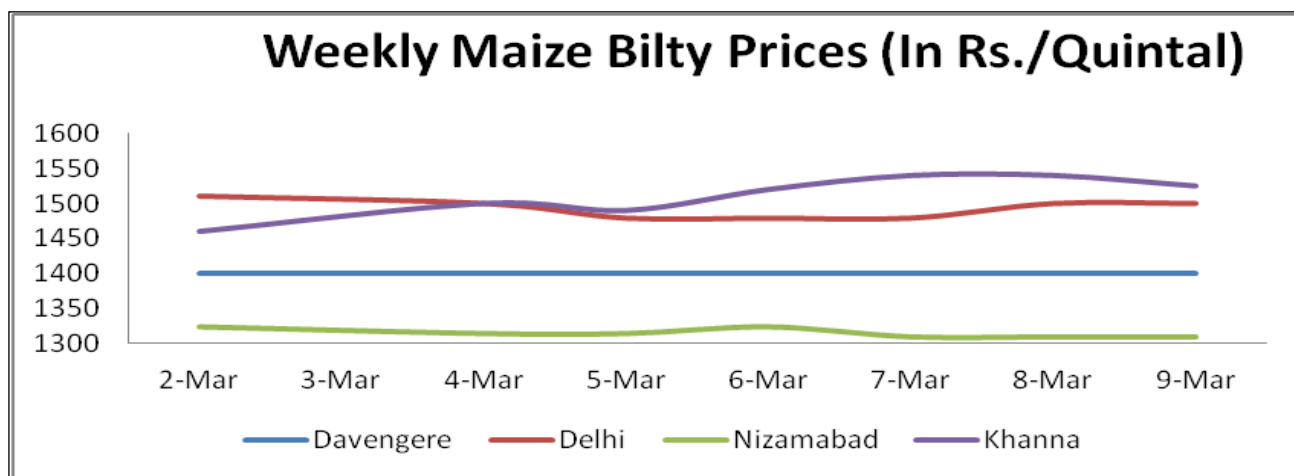
Mixed sentiments witnessed in most of the major spot markets of maize.

Stock position is lower at this time in the Ahmadabad market of maize. Sources revealed that maize could trade steady in the month of March. From the April onwards, new crop arrivals from Bihar could weigh on the prices if export demand does not rise. Demand for maize from starch industry reported lower. However, local poultry demand reported at Rs. 1440-1460 per quintal during last week.

Currently, maize is moving towards Hyderabad at Rs. 1400 per quintal sourced from Nizamabad region of A.P. As per trade sources, despite the lower stock in A.P. (around 25,000 tons), prices are going down due to higher stock position in Karnataka and Tamil Nadu. If export demand comes, exporters have option to purchase from that. Sources revealed that in Karnataka, maize stock would be around 1 lakh tons.

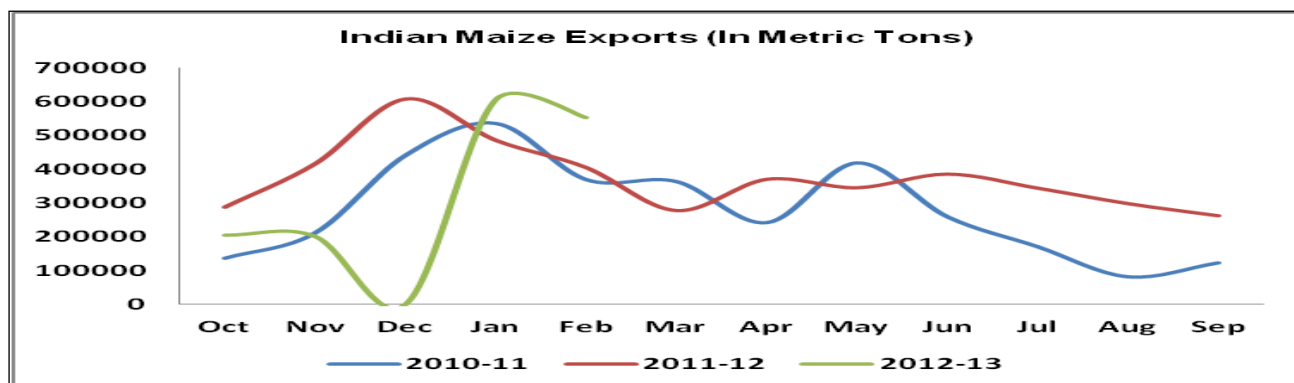
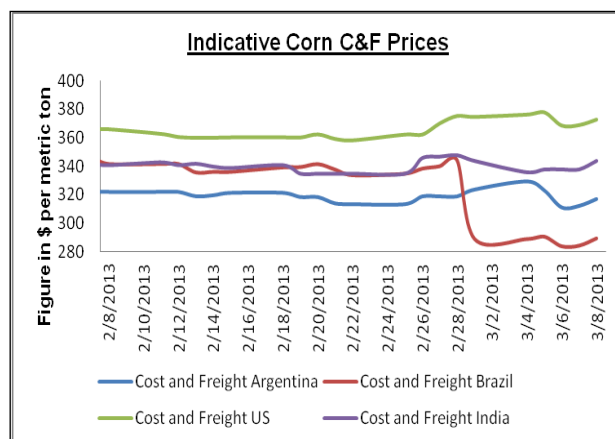
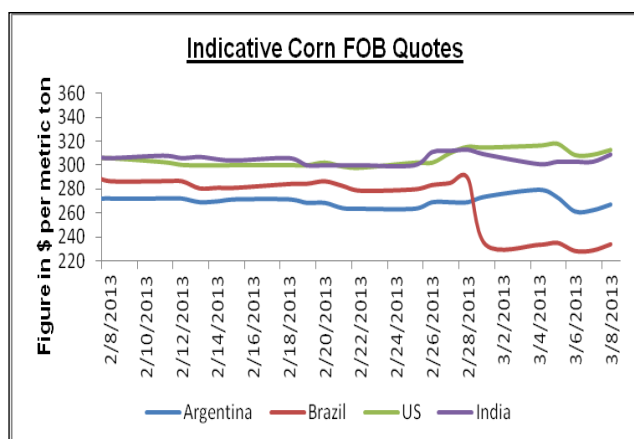
In Bihar, maize crop is good in condition. Sources revealed that corn stocks in mandis are very less and new crop would arrive till the first week of April. No trade activities reported at this time due to lower stock.

Maize prices are hovering at around Rs 1289 per quintal on an average on pan India basis, increased by Rs. 6 per quintal from the last week.



## ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$344) were same from the last week. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices (~\$372.61) and getting stiff competition from Brazil C&F (~\$289.09) and Argentina Maize C&F prices (~\$317.13).



| Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 54.4) |           |        |        |                          |
|---|-----------|--------|--------|--------------------------|
|   | Argentina | Brazil | US     | India (Davengere Origin) |
| FOB   | 267.13    | 234.09 | 312.61 | 309                      |
| Incl Cost and Freight (C&F)                                     | 317.13    | 289.09 | 372.61 | 344                      |

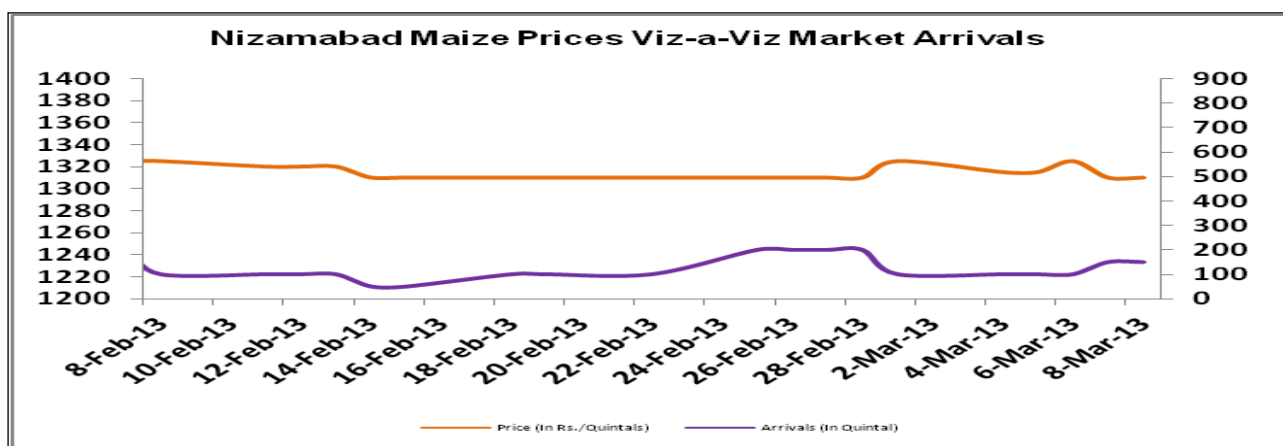
On the export front, in the current marketing year (Oct12-Sep13), total maize exports reported around 1.564 million tons during the October- February month. During Feb month, 0.552 million tons corn exports reported to Indonesia, UAE, Vietnam, Malaysia, Taiwan, China, Bahrain, Singapore, Philippines through JNPT Sea, Chennai Sea, Tondiarpet ICD, Raxaul LCS, Vizag Sea port.

## CURRENT MARKET DYNAMICS:

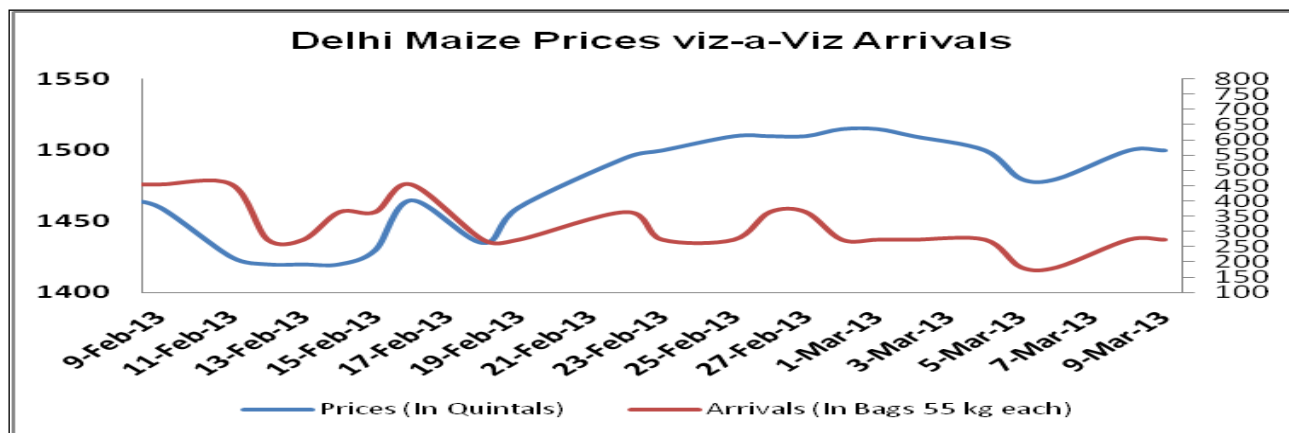
During the week, mixed sentiments witnessed in major maize spot markets. Here are the various key spot markets dynamics below:

**Bihar:** In Bihar, maize crop is good in condition. Sources revealed that corn stocks in mandis are very less and new crop would arrive till the first week of April. No trade activities reported at this time due to lower stock.

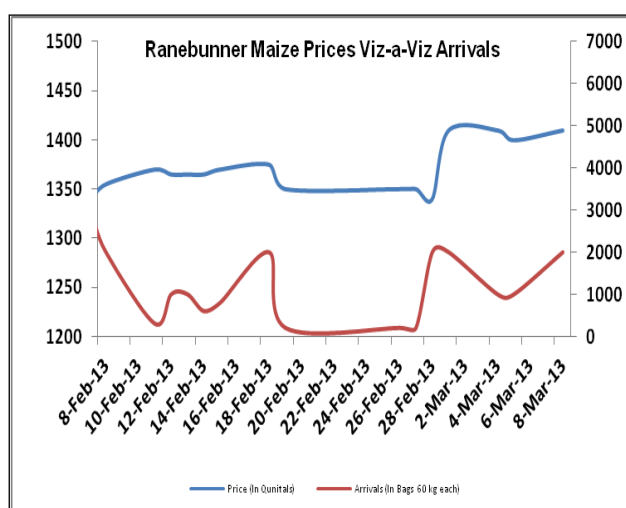
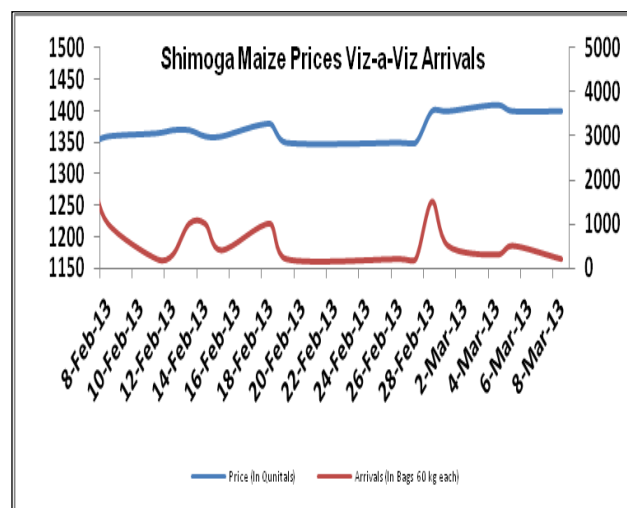
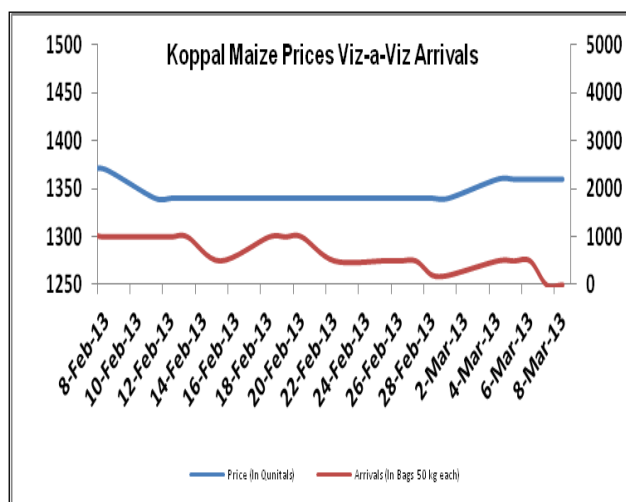
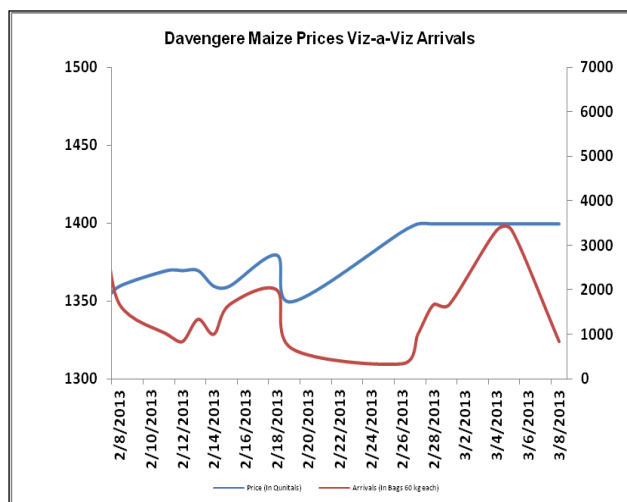
**Andhra Pradesh:** Currently, maize is moving towards Hyderabad at Rs. 1400 per quintal sourced from Nizamabad region of A.P. As per trade sources, despite the lower stock in A.P. (around 25,000 tons), prices are going down due to higher stock position in Karnataka and Tamil Nadu. If export demand comes, exporters have option to purchase from that.



**Delhi:** Sources revealed that maize could trade steady in the near term. As per trade sources, around 1-1.25 lakh bags of maize could be in the Delhi market. Delhi market of maize was closed on Thursday to protest against FDI.



**Karnataka:** Maize is moving towards Chennai and Mangalore at Rs. 1460 per quintal sourced from koppal. As per trade sources, in Karnataka, maize stock would be around 1 lakh tons which is little bit lower from last year. Davangere market of maize was closed on Wednesday and Thursday due to election.



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

| Destination | By Road (Rs/MT)               | By Rake (Rs/MT)             |
|-------------|-------------------------------|-----------------------------|
| Delhi       | 15000<br>(UP origin)          |                             |
| Gujarat     | 14500<br>(Maharashtra Origin) |                             |
| Hydrabad    | 14000<br>(A.P. origin)        |                             |
| Chennai     |                               | 14600<br>(Karnataka region) |
| Mangalore   |                               | 14600<br>(Karnataka region) |
| Kolkata     | 16000<br>(Bihar region)       |                             |

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

| Market     | Grade        | 8 March ,2013 | Week Ago | Month Ago | 2 Month Ago | Year Ago |
|------------|--------------|---------------|----------|-----------|-------------|----------|
| Delhi      | Hybrid       | 1500          | 1515     | 1465      | 1465        | -        |
| Davangere  | Bilty        | 1400          | 1400     | 1360      | 1390        | 1120     |
| Koppal     | Bilty        | 1360          | 1340     | 1370      | 1370        | 1140     |
| Shimoga    | Bilty        | 1400          | 1400     | 1360      | 1390        | -        |
| Ranebennur | Bilty        | 1410          | 1410     | 1355      | 1400        | -        |
| Bagalkot   | Hybrid/Local | 1306          | 1312     | 1316      | -           | -        |
| Gadag      | Local        | -             | 1251     | 1326      | -           | -        |
| Hubli      | Local        | 1323          | 1351     | 1306      | -           | -        |
| Naugachia  | Bilty        | -             | -        | -         | -           | -        |
| Nizamabad  | Bilty        | 1310          | 1325     | 1325      | 1365        | -        |
| Karimnagar | Local        | 1350          | 1353     | 1270      | -           | -        |
| Khammam    | Local        | -             | -        | -         | -           | -        |
| khanna     | Bilty        | 1540          | 1450     | 1480      | 1500        | -        |
| Ludhiana   | Bilty        | -             | 1460     | 1460      | 1550        | -        |
| Salem      | Hybrid/Local | -             | -        | -         | -           | -        |
| Sangli     | Bilty        | 1416          | 1405     | 1418      | 1410        | -        |
| Ahmedabad  | Feed         | 1460          | 1470     | 1460      | 1510        | 1300     |
|            | Starch       | 1500          | 1510     | 1530      | 1565        | 1315     |

### DOMESTIC MAIZE OUTLOOK:

***Indian corn prices could trade steady in the near term. However, if new fresh export enquiries encounter, may support gains.***

### INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 9436966 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 24 percent to 367200 metric tons from the previous week and 27% from the prior 4-week average. Out of total weekly exports of 367200 MT reported by U.S to Mexico (88,700 MT), Japan (88,000 MT), Saudi Arabia (70,000 MT), China (54,500 MT), and Taiwan (34,100 MT).



Some Other major International Corn Highlights during the week are:

- USDA kept its corn ending stock estimates unchanged at 632 million bushels for 2012-13 which is below trade estimates for 643 million bushels. (Source: Reuters)
- As per European Traders, Israeli private buyers purchased about 50,000 tons of corn in a tender for 70,000 tons, closed on Thursday. Meanwhile, a private buyer in United Arab Emirates purchased 20,000 tons of corn from South America for the shipment in April and May through tender for the same volume which closed this week (Source: Reuters)
- As per news sources, South Korea's largest feedmaker Nonghyup Feed (NOFI) purchased earlier this week 69,000 tons of corn in a direct deal with Cargill at 105.00 cents a bushel c&f over the Chicago July corn contract. It is for arrival by July 30. The deal was made after

NOFI made no purchase in corn tender for 140,000 tons due to higher prices. (Source: Reuters)

- UkrAgroConsult forecast higher maize production of Ukraine in 2013 by 1.2 million tons to 21.2 million tons from the previous forecast due to a larger sowing area and higher grain yields. (Source: Reuters)
- Informa Economics has raised its estimate of Brazil's corn crop to 71.6 million tons from 70.3 million tons previously. The firm kept its estimate of Argentina's 2012-13 corn production unchanged at 25 million tons.

### INTERNATIONAL MAIZE OUTLOOK:

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***Sluggish export demand for U.S corn and improving crop weather in Argentina and U.S is weighing on U.S. corn prices.***

| Maize CBOT Weekly Futures Price Listing (USD/Ton) |                |           |            |        |
|---|----------------|-----------|------------|--------|
|   | Contract Month | 7.03.2013 | 28/02/2013 | Change |
| Corn CBOT Prices                                  | 13-Mar         | 280.05    | 283.2      | -3.15  |
|   | 13-May         | 272.08    | 276.9      | -4.82  |
|   | 13-Jul         | 264.70    | 269.52     | -4.82  |
|   | 13-Sep         | 221.99    | 229.37     | -7.38  |
|   | 13-Dec         | 213.23    | 229.37     | -16.14 |

**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**

**(April Contract Weekly Chart)**

- Candlestick formation reveals range bound movement in the market.
- Prices closed 9 and 18 days EMAs indicates to bearish sentiment.
- RSI is moving in oversold region which might take correction in the near term.
- **Strategy:** Sell on rally and target would be 1313 for the near term.

**Maize NCDEX (April)**

| Support & Resistance |      |      |      |      |
|----------------------|------|------|------|------|
| S2                   | S1   | PCP  | R1   | R2   |
| 1275                 | 1297 | 1321 | 1335 | 1351 |

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