

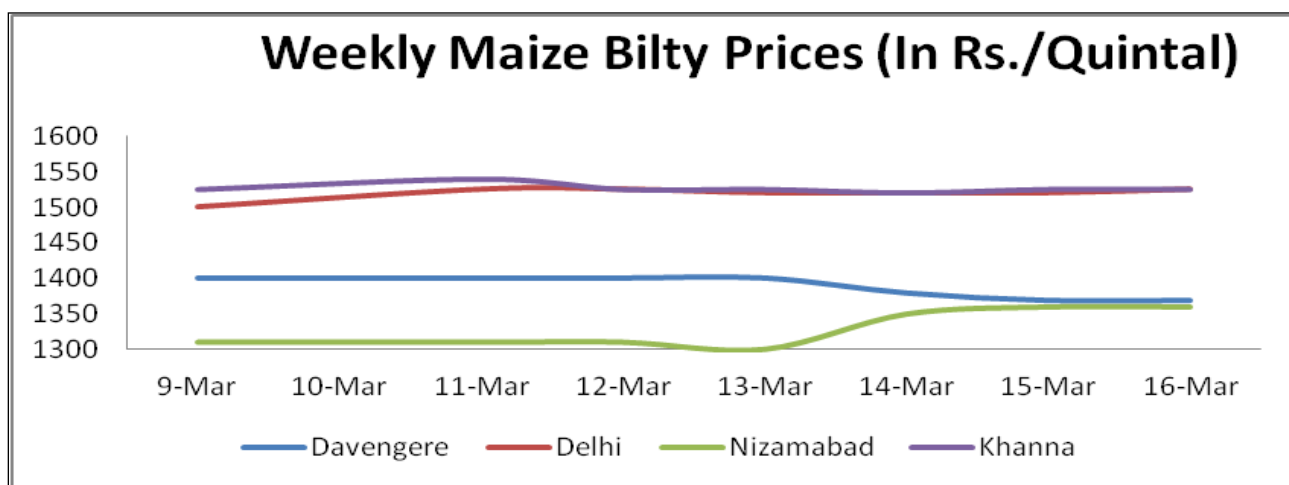
## EXECUTIVE SUMMARY

During the week, mixed sentiments witnessed in most of the major spot markets of maize.

In the Ahmadabad market of maize, crop arrival reported lower from Maharashtra. Around 15 day's stocks reported in the Ahmadabad market of maize which could diminish in the coming days due to increase in demand from poultry and starch industries and could support the prices in the short run. As per trade sources, minimum daily requirement of poultry feed makers is around 15,000 bags while only 6,000-7000 bags are arriving in the market. Local poultry feed makers demand reported at Rs. 1450-1470 per quintal while starch industry demand for corn at Rs. 1480-1540 per quintal during last week.

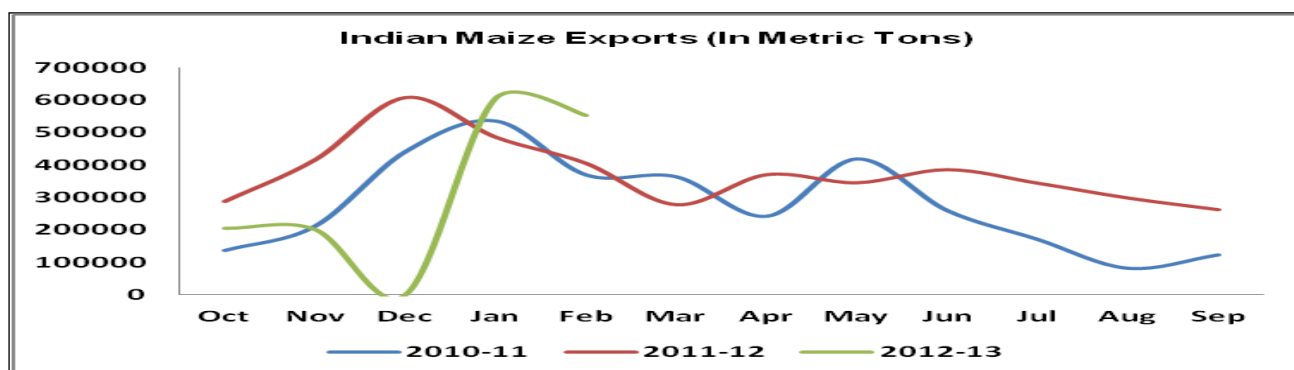
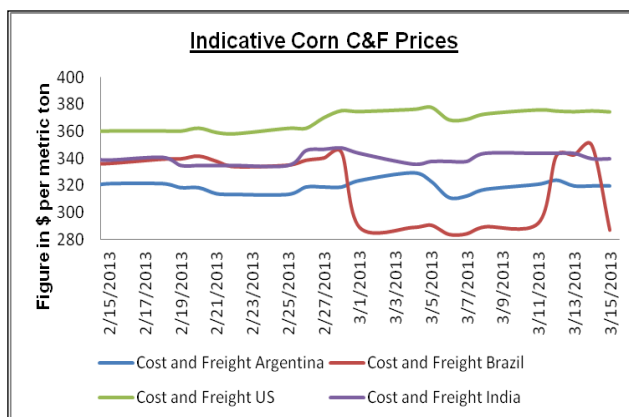
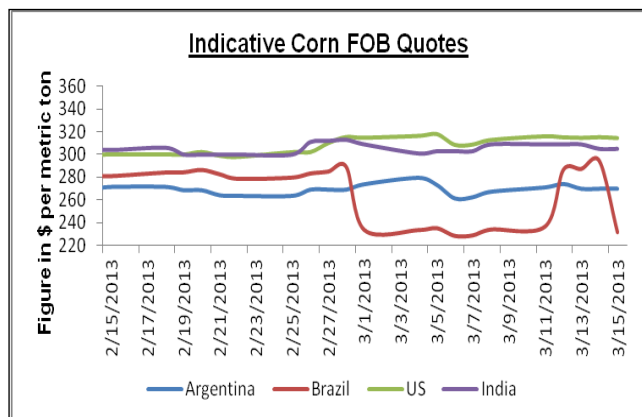
As per news sources, Indian traders have struck a rare deal to export 13,700 tons of corn to China at around \$275 per ton, free on board, for April shipment. This deal is on a trial basis as there are quarantine issues to be resolved. Another trader said that Indonesia is buying Indian corn around \$293/ton, cost and freight basis. Tight supply in the U.S. and shipment delays of several weeks from Brazil has pressed several importers in Southeast Asia to turn to India to meet immediate needs. (Source: Reuters)

Maize prices are hovering at around Rs 1300 per quintal on an average on pan India basis, increased by Rs. 16 per quintal from the last week.



## ON THE EXPORT FRONT:

Indian C&F Maize prices (~\$340) were 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 (~\$374.28) and getting stiff competition from Brazil C&F (~\$286.7) and Argentina Maize C&F prices (~\$319.78).



| Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 54.16) |           |        |        |                          |
|--|-----------|--------|--------|--------------------------|
|  | Argentina | Brazil | US     | India (Davengere Origin) |
| FOB  | 269.78    | 231.7  | 314.28 | 305                      |
| Incl Cost and Freight (C&F)                                      | 319.78    | 286.7  | 374.28 | 340                      |

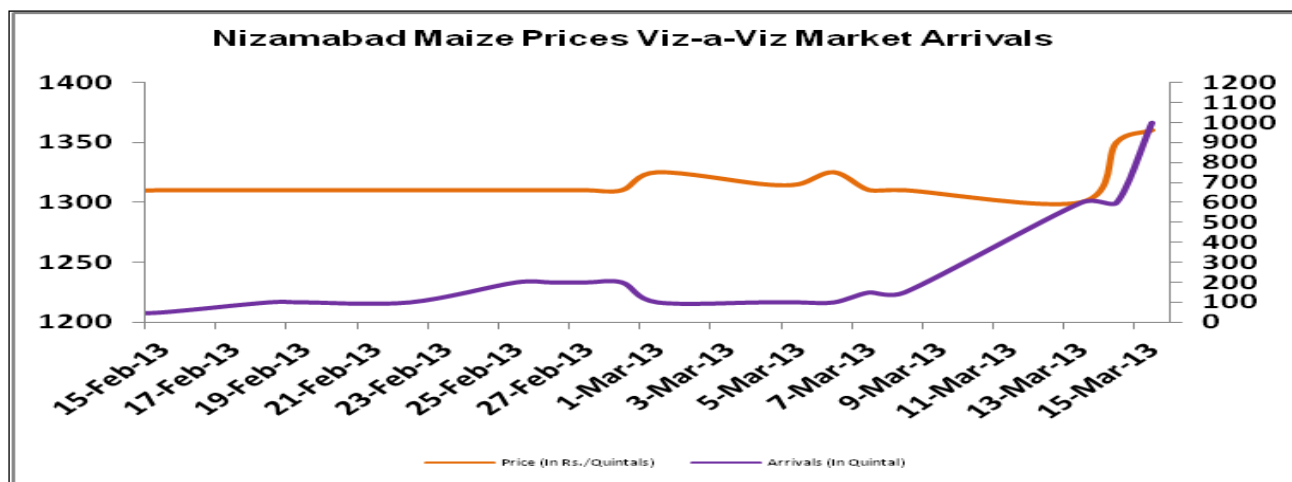
On the export front, in the current marketing year (Oct12-Sep13), total maize exports reported around 1.564 million tons during the October- February month. During Feb month, 0.552 million tons corn exports reported to Indonesia, UAE, Vietnam, Malaysia, Taiwan, China, Bahrain, Singapore, Philippines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

## CURRENT MARKET DYNAMICS:

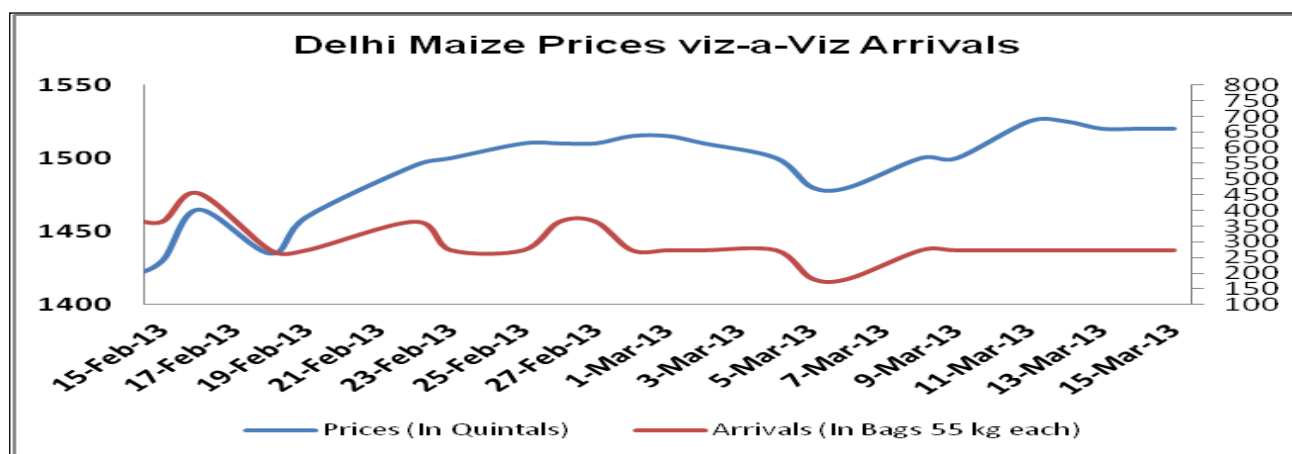
During the week, mixed sentiments witnessed in major maize spot markets. Here are the various key spot markets dynamics below:

**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.

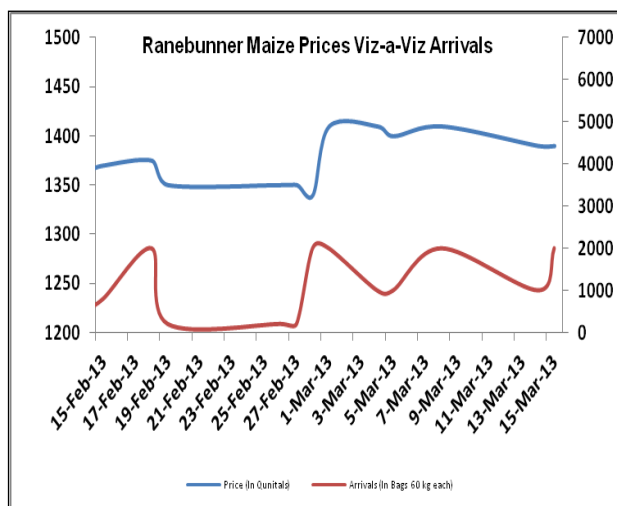
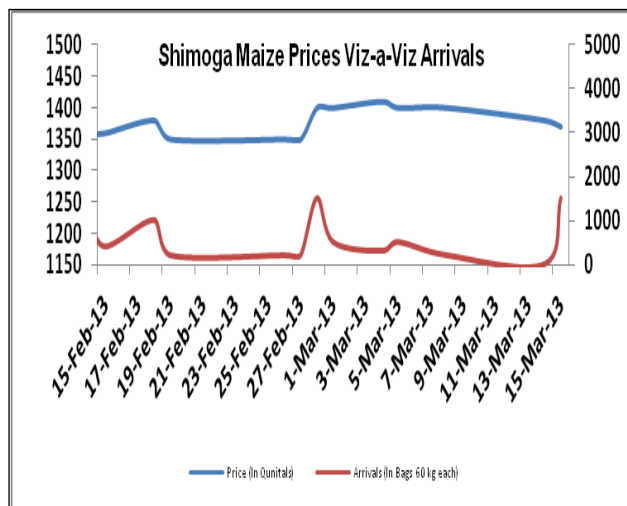
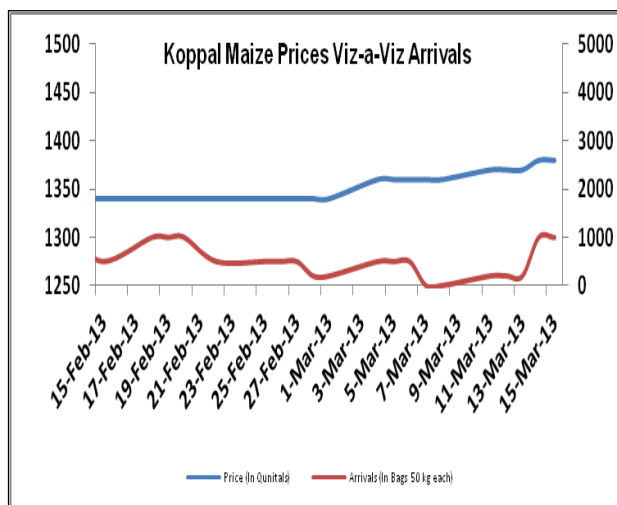
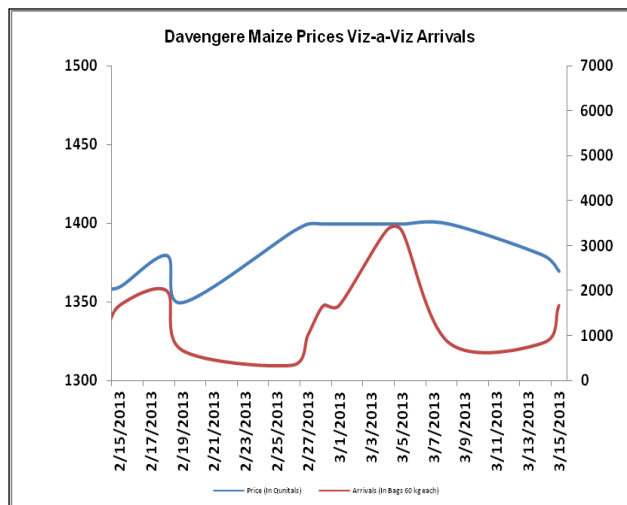
**Andhra Pradesh:** Currently, maize is moving towards Hyderabad at Rs. 1400 per quintal sourced from Nizamabad region of A.P. As per trade sources, around 25,000 tons of maize stock would be in the Nizamabad market.



**Delhi:** Sources revealed that maize could trade steady in the near term. As per trade sources, around 50,000 quintal of maize could be in the Delhi spot market.



**Karnataka:** As per trade sources, maize did not move towards Chennai and Mangalore during last week. In Karnataka, maize stock would be around 1 lakh tons which is little bit lower from last year.



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

| Destination | By Road (Rs/MT)               | By Rake (Rs/MT) |
|-------------|-------------------------------|-----------------|
| Delhi       | 15200<br>(UP origin)          |                 |
| Gujarat     | 14700<br>(Maharashtra Origin) |                 |
| Hydrabad    | 14000<br>(A.P. origin)        |                 |
| Kolkata     | 16000<br>(Bihar region)       |                 |

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

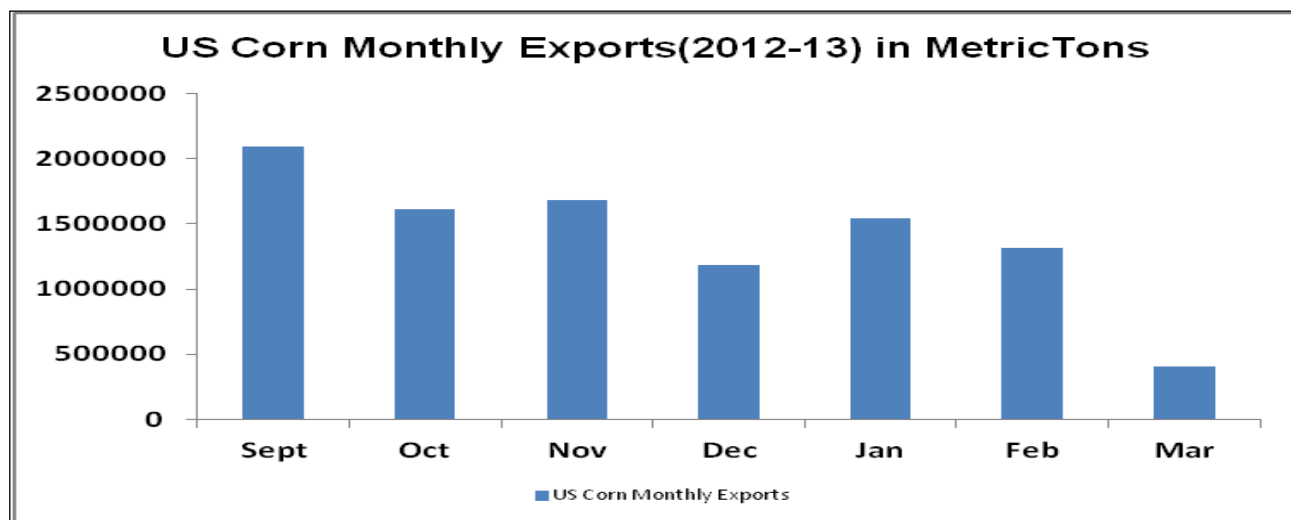
| Market     | Grade        | 15 March ,2013 | Week Ago | Month Ago | 2 Month Ago | Year Ago |
|------------|--------------|----------------|----------|-----------|-------------|----------|
| Delhi      | Hybrid       | 1520           | 1500     | 1430      | 1530        | -        |
| Davangere  | Bilty        | 1370           | 1400     | 1360      | 1400        | 1110     |
| Koppal     | Bilty        | 1380           | 1360     | 1340      | 1390        | 1100     |
| Shimoga    | Bilty        | 1370           | 1400     | 1360      | -           | -        |
| Ranebennur | Bilty        | 1390           | 1410     | 1370      | -           | -        |
| Bagalkot   | Hybrid/Local | 1301           | 1306     | -         | -           | -        |
| Gadag      | Local        | 1302           | -        | 1326      | -           | -        |
| Hubli      | Local        | -              | 1323     | -         | -           | -        |
| Naugachia  | Bilty        | -              | -        | -         | -           | -        |
| Nizamabad  | Bilty        | 1360           | 1310     | 1310      | 1370        | 1160     |
| Karimnagar | Local        | -              | 1350     | 1266      | -           | -        |
| Khammam    | Local        | -              | -        | 1245      | -           | -        |
| khanna     | Bilty        | 1525           | 1540     | 1450      | 1530        | -        |
| Ludhiana   | Bilty        | -              | -        | 1460      | 1550        | -        |
| Salem      | Hybrid/Local | -              | -        | -         | -           | -        |
| Sangli     | Bilty        | 1409           | 1416     | 1400      | 1429        | -        |
| Ahmedabad  | Feed         | 1480           | 1460     | 1440      | 1500        | 1340     |
|            | Starch       | 1540           | 1500     | 1490      | 1550        | 1350     |

## DOMESTIC MAIZE OUTLOOK:

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

## INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 9845167 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 11 percent to 408200 metric tons from the previous week and 24% from the prior 4-week average. Out of total weekly exports of 408200 MT reported by U.S to Japan (143,200 MT), China (109,000 MT), Mexico (76,800 MT), Cuba (25,500 MT), and Guatemala (20,600 MT).



Some Other major International Corn Highlights during the week are:

- As per European Trader, a Libya state grain buying agency in Benghazi is likely to purchase 20,000 tons of yellow corn through tender for arrival by Apr. 1. The tender closed earlier this week, offers are still being examined and no purchase has yet been made. (Source: Reuters)
- As per local meteorologist, Dry Argentine corn fields received little rain in recent days and could be hit by frost late this week. Argentina has begun harvesting corn crops. But the 2012/13 season has been affected by unusually hard rains that flooded wide farm areas early in the crop year and then a very dry January and February. (Source: Reuters)
- As per European Traders, South Korea's Major Feedmill Group (MFG) purchased 68,000 tons of corn is likely to be sourced from South America in a directly-negotiated deal at \$310.90 a ton c&f for June shipment and the seller was said to be Toepfer. The seller has

the option to select the origin but traders said they believed South America would be the source. (Source: Reuters)

- The Agriculture Minister of Argentina has released a statement that estimated the Argentina corn production at 27 million tons vs. the current USDA estimate of 26.50 million tons. (Source: Reuters)
- Research firm Allendale Inc has estimated that US farmers will sow 96.956 million acres of corn this season, slightly less than the 97.255 million acres that were planted last year. (Source: Reuters)

### INTERNATIONAL MAIZE OUTLOOK:

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U.S. corn prices increased during last week due to tight stock and firm export. However, increase in wheat usage in feeding rations and demand for wheat from some ethanol makers weighed on corn prices to the some extend.

| Maize CBOT Weekly Futures Price Listing (USD/Ton) |                |            |           |        |
|---|----------------|------------|-----------|--------|
|   | Contract Month | 14.03.2013 | 7.03.2013 | Change |
| Corn CBOT Prices                                  | 13-Mar         | 288.41     | 280.05    | 8.36   |
|   | 13-May         | 282.01     | 272.08    | 9.94   |
|   | 13-Jul         | 274.93     | 264.70    | 10.23  |
|   | 13-Sep         | 229.86     | 221.99    | 7.87   |
|   | 13-Dec         | 220.12     | 213.23    | 6.89   |

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**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 also indicates to bearish sentiment.
- However, RSI is moving in oversold region which might take correction in the near term.
- **Strategy:** Sell on rally and target would be 1290 for the near term.

**Maize NCDEX (April)**

| Support & Resistance |      |      |      |      |
|----------------------|------|------|------|------|
| S2                   | S1   | PCP  | R1   | R2   |
| 1261                 | 1284 | 1306 | 1338 | 1369 |

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