

EXECUTIVE SUMMARY

Mixed sentiments prevailed in most of the major spot markets of maize during last week.

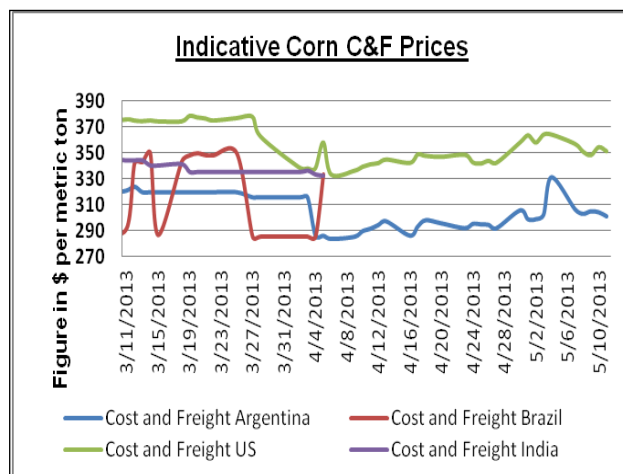
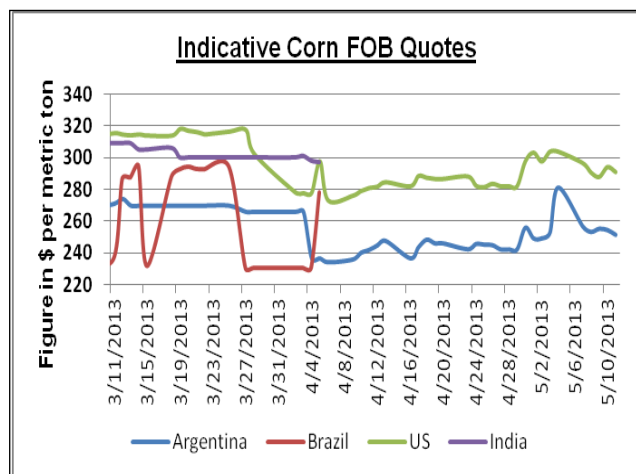
As per sources, around 37 rakes have moved from Bihar towards various destinations. Cloudy weather conditions prevailed across maize growing regions in Bihar which urge the prices to go up in spot markets. Arrivals have come down in Gulab bagh market to 4000 bags per day as reported.

In the Ahmadabad market of Gujarat, weak demand for maize from poultry industry was reported. In the Koppal market of Karnataka, no arrivals have been reported in the last few weeks.

ON THE EXPORT FRONT:

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 54.24)				
	Argentina	Brazil	US	India (Davengere Origin)
FOB	251.28	NA	291.21	NA
Incl Cost and Freight (C&F)	301.28	NA	351.21	NA

Exports are not being made by India currently as competing nations are quoting lower corn prices.



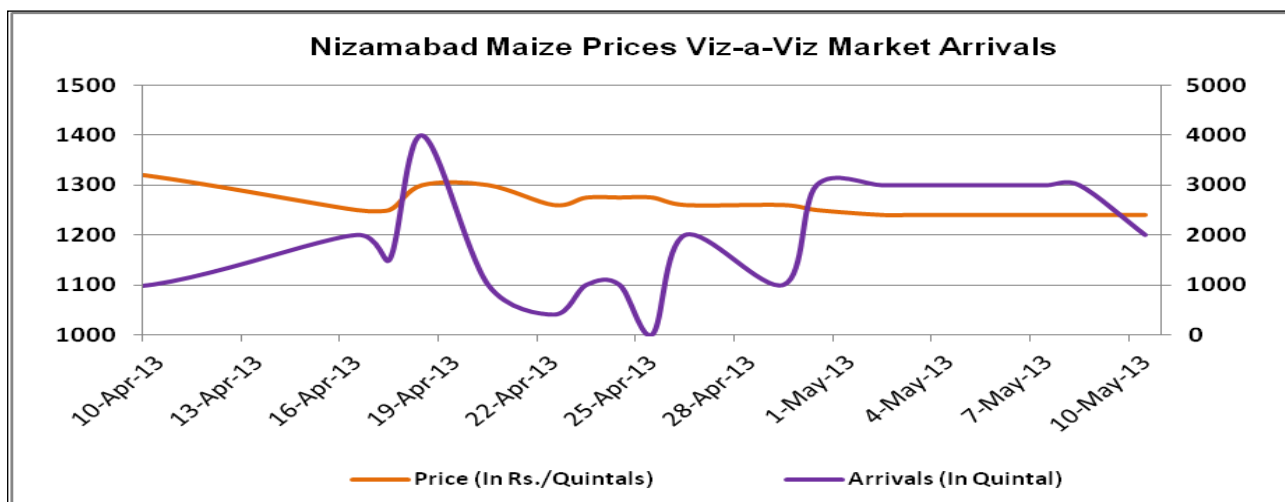
As per IBIS data, in the current marketing year (Oct'12-Sep'13), total maize exports were reported around 2.12 million tons during the October- March period. During March month, 0.559 million tons corn exports reported to Indonesia, Vietnam, Malaysia, China, Taiwan, Singapore through JNPT Sea, Tondiarpet ICD, Chennai Sea, Tuticorin Sea, Krishnapatnam Sea port.

CURRENT MARKET DYNAMICS:

During the week, mixed sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics were as under:

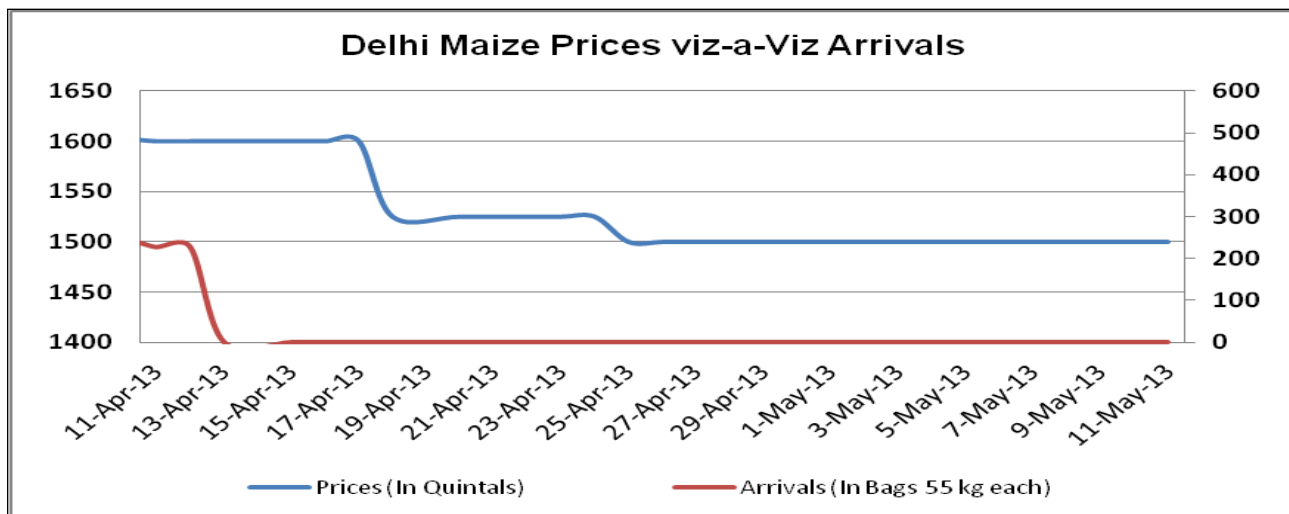
Bihar: In Bihar market, despite the lower arrivals, maize prices remained steady as compared to last week.

Andhra Pradesh: Despite the lower arrivals, maize prices traded steady during last week. As per trade sources, stock position in the market is about 3 lakh bags. Demand from Hyderabad was also reported lower.



Karnataka: In the Koppal market of Karnataka, no arrivals have been reported during the week.

Delhi: In the Delhi market, good demand is reported in maize from poultry industry of Punjab and Haryana, and from starch industry in Gujarat. However, moisture content was reportedly slightly on the higher side.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkatta	13000 (Bihar origin)	
Gujarat	13100 (Maharashtra Origin)	

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	10 May ,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1500	1500	1600	1525	-
Davangere	Bilty	1337	-	1360	1400	1105
Koppal	Bilty	-	-	1370	1370	1100
Shimoga	Bilty	1340	-	1360	1400	-
Ranebennur	Bilty	-	-	1365	1410	-
Bagalkot	Hybrid/Local	1212	-	1300	1311	-
Gadag	Local	1271	1280	1283	1302	-
Hubli	Local	-	-	1276	1333	-
Naugachia	Bilty	-	1050	1450	-	920
Nizamabad	Bilty	1240	1240	1330	1310	1120
Karimnagar	Local	-	1200	1265	1350	-

Khammam	Local	-	-	-	1325	-
khanna	Bilty	1450	1450	1500	1540	-
Ludhiana	Bilty	-	-	-	-	-
Salem	Hybrid/Local	-	-	-	-	-
Sangli	Bilty	1378	1370	1395	1417	-
Ahmedabad	Feed	1290	1310	1430	1470	1200
	Starch	1330	1365	1490	1520	1220

DOMESTIC MAIZE OUTLOOK:

Indian corn prices are likely to trade weak due to dull export demand as global corn prices remain weak and new crop arrivals from Bihar. However, slight gains may be seen in near term on likely improvement in CBOT prices.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 12,713,577 metric tons for the 2012-13 marketing year which is lowered by ~54% from the last marketing year during the same period. Corn exports were down by 52 percent to 192100 metric tons from the previous week and 41% from the prior 4-week average. Out of total weekly exports of 192100 MT reported by U.S to Mexico (83,200 MT), Japan (54,100 MT), Venezuela (30,000 MT), Costa Rica (9,100 MT), and Taiwan (7,700 MT).



Some other major International Corn Highlights during the week are:

- As per the latest WASDE report released by USDA, corn production for 2013-14 is projected at 14.1 billion bushels, up 3.4 billion from 2012-13. Further, U.S. corn exports for 2013/14 are projected 550 million bushels higher at 1.3 billion bushels.
- As per WASDE report, Brazilian corn production will likely decline to 72 million tons while the trade was looking for an increase to 74.70 million tons. Argentina production was pegged at 27 million tons, up from 26.50 previously.
- According to Brazil's Agriculture Ministry, Brazil has approved the purchase of up to 3 million tons of local corn this year to build public stocks as the country is expected to harvest about 78 million tons this year.
- As per Reuters' news, traders have reported that two South Korean feed making groups have purchased a total of 138,000 tons of corn for September arrival. The Feed Leaders Committee (FLC) bought 68,000 tons of optional-origin corn at \$277.49 per ton on a C&F basis and Major Feedmill Group (MFG) has bought 70,000 tons of corn, likely to be sourced from South America, at \$278.99 a ton C&F.
- Brazil's 2012-13 corn crop is expected to finish harvesting in the coming months and output expected is about 78.0 million tons, up from CONAB's April forecast of 77.45 million tons.
- FCStone and IMEA have forecasted that the second of Brazil's two corn crops would yield 40.6 million tons, taking Brazil's total 2012-13 corn output of 76.88 million tons.
- As per Reuters' news, traders have reported that South Korea's Korea Corn Processing Industry Association (KOCOPIA) was seeking 55,000 tons of corn via a tender on Thursday for delivery by Aug 15. Also reported, South Korea's Feed Leaders Committee (FLC) seeking a total of 140,000 tons of corn via tender on Thursday.
- Lanworth has raised its estimate of Brazil's 2012-13 corn production from 77.1 million tons to 78.5 million tons due to heavy rains in key production areas in April.
- Ukraine's Agriculture Ministry has revised its forecasts for the 2013 maize sown area to 4.73 million hectares from 4.46 million previously on acreage shift from barley.
- As per Reuters' news, European traders have reported that Korea Feed Association (KFA) has bought 69,000 tons of corn in an international tender likely to be sourced from South America for shipment between July 29 and Aug 17.

INTERNATIONAL MAIZE OUTLOOK:

As per Reuter news, Corn prices on CBOT market fell after the government forecast a record crop that would bolster U.S. stocks to more than 2 billion bushels at the end of next season, above trade expectations, despite reduced yields due to late planting.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	10.5.2013	3.5.2013	Change
Corn CBOT Prices	May-13	270.70	274.54	-3.84
	Jul-13	250.43	260.56	-10.13
	Sep-13	218.25	229.76	-11.51
	Dec-13	208.41	220.02	-11.61
	Mar-13	212.54	223.96	-11.42

CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: July Contract)

- Candlestick chart pattern reveals range bound movement in the market.
- **Strategy:** Markets participants should buy CBOT corn around 632 U.S cents/bushels and the target would be 647 U.S cents/bushels.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(June Contract Weekly Chart)

- Candlestick formation reveals that prices could move in a range of Rs. 1127-1160.
- Prices are expected to remain weak in the near term but may get support from rise in CBOT.
- **Strategy:** Sell near 1160 level and target would be 1127 for the near term.

Maize NCDEX (June)

Support & Resistance				
S2	S1	PCP	R1	R2
1094	1127	1142	1180	1198

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