

EXECUTIVE SUMMARY

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

As per trade sources, starch feed makers from South and Rudrapur is demanding maize in higher quantity.

As per news sources, Punjab government announces 75% subsidy on hybrid seeds of maize P 3396 and TX 369 in 10 districts of the state to encourage the farmers.

During the week, around 4-5 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1430-1525 per quintal on daily basis, contained 13-14% moisture level, sourced from Bihar. Higher poultry feed makers demand could keep prices firm in the market.

In Ahmadabad region of Gujarat, higher poultry and starch feed makers demand kept maize prices up by Rs. 25 and Rs. 50 per quintal respectively as compared to last week, sourced from Bihar and Rajasthan. Lower arrivals also support the firmness in the market. Poultry feed makers demand reported for corn in a range of Rs. 1570-1625 per quintal while starch feed makers demand reported for corn in a range of Rs. 1530-1600 per quintal.

MAIZE KHARIF SOWING UPDATE:

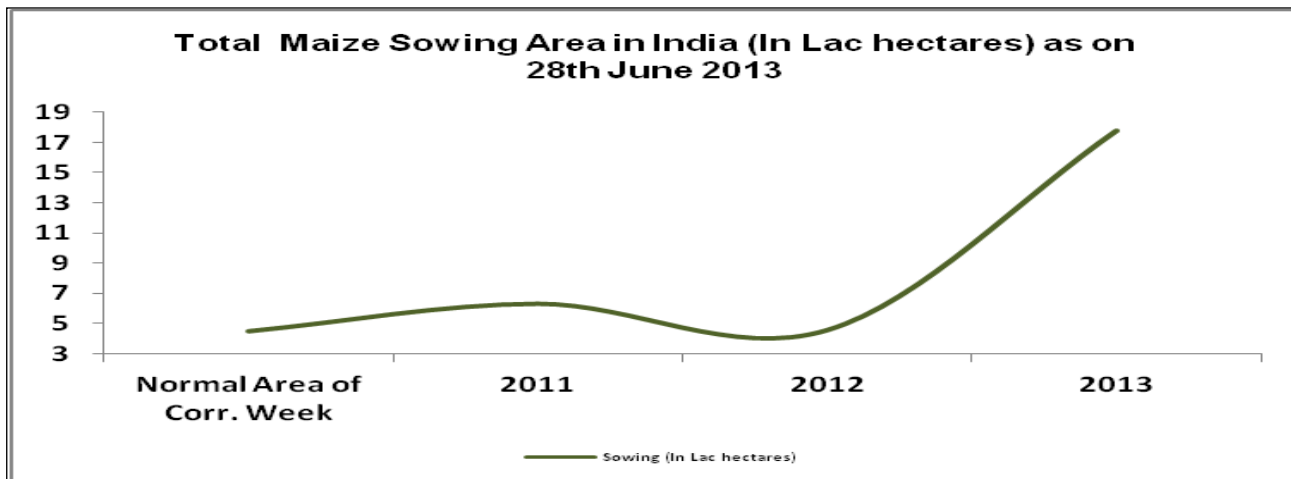
As far as sowing of maize is concerned, it is up from last year sowing figures owing to good rainfall in the maize growing regions. Farmers have planted maize in 17.799 lac hectares till 28th June 2013 higher than last year 4.556 lac hectares maize sowed at same period.

As per Agriwatch trade sources, maize area is likely to shift in cotton and soybean crop in the karimnagar, warrangal and khammam district of A.P. However, area in Mahboobnagar, Nizamabad could be same as compared to last year. Overall, maize crop area is 2.05 lakh hec till 28th June 2013 which is above from the normal area of corresponding week.

State-wise Area Coverage of Maize during Kharif 2013

(Area in Lakh
ha)

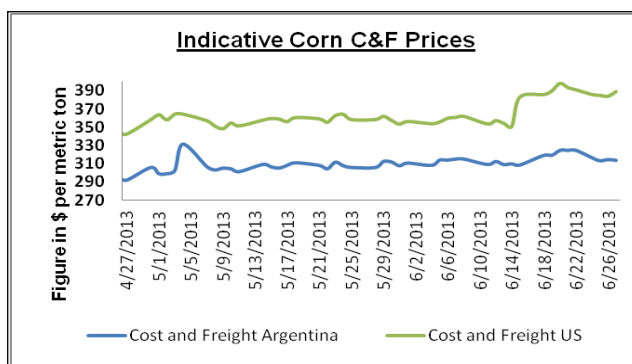
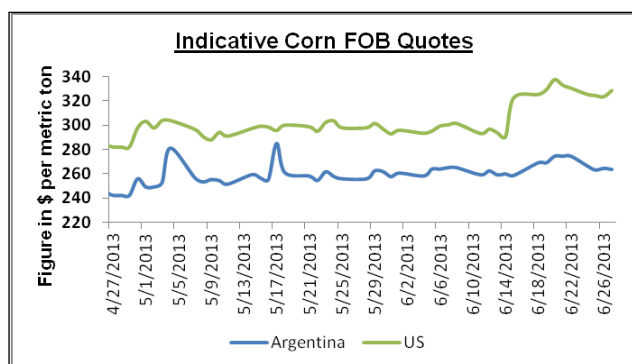
Sl. No.	State	Normal Area (DES)	Normal Area of Corresponding Week	Area Covered (SDA)				Difference in Area coverage (2013) with			
				2013	2012	2011	2010	Normal of Corresponding Week	2012	2011	2010
1	2	3	4	5	6	7	8	9	10	11	12
North West India											
1	Haryana	0.11	0.00	0.11	0.00	0.00	0.00	0.11	0.11	0.11	0.11
2	Himachal Pradesh	2.97	0.12	0.00	0.60	0.00	0.00	-0.12	-0.60	0.00	0.00
3	Jammu & Kashmir	3.10	0.38	0.00	0.66	1.24	0.00	-0.38	-0.66	-1.24	0.00
4	Punjab	1.40	0.27	0.00	0.65	0.69	0.00	-0.27	-0.65	-0.69	0.00
5	Rajasthan	10.76	0.44	2.82	0.00	0.00	0.00	2.38	2.82	2.82	2.82
6	Uttar Pradesh	7.56	0.29	1.53	0.22	0.40	0.20	1.24	1.31	1.13	1.33
7	Uttarakhand	0.29	0.13	0.10	0.00	0.15	0.18	-0.03	0.10	-0.05	-0.08
Central India											
1	Chhattisgarh	1.30	0.01	0.00	0.00	0.00	0.00	-0.01	0.00	0.00	0.00
2	Gujarat	4.13	0.11	0.70	0.09	0.00	0.00	0.59	0.61	0.70	0.70
3	Madhya Pradesh	8.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Maharashtra	6.52	0.02	2.95	0.00	0.01	0.00	2.93	2.95	2.94	2.95
5	Orissa	0.85	0.14	0.33	0.05	0.10	0.15	0.19	0.28	0.24	0.18
Southern Peninsula											
1	Andhra Pradesh	4.98	0.35	2.05	0.03	0.53	0.81	1.70	2.02	1.52	1.24
2	Karnataka	10.81	1.00	5.61	0.36	1.44	0.00	4.61	5.25	4.17	5.61
3	Kerala	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Tamil Nadu	1.65	0.01	0.00	0.00	0.00	0.00	-0.01	0.00	0.00	0.00
East & North East India											
1	Assam	0.19	0.02	0.15	0.10	0.00	0.00	0.13	0.05	0.15	0.15
2	Bihar	2.46	0.06	0.00	0.00	0.00	0.00	-0.06	0.00	0.00	0.00
3	Jharkhand	1.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	West Bengal	0.35	0.03	0.09	0.09	0.08	0.00	0.06	0.00	0.01	0.09
	Others	1.46	1.02	1.36	1.70	1.67	0.35	0.34	-0.34	-0.31	1.01



ON THE EXPORT FRONT:

As per Agriwatch trade sources, Bangladesh is demanding Indian corn at Rs. 1450 per quintal, sourced from Bihar which contained around 15% moisture. Around 405 rake business has been done during this season from the Bihar.

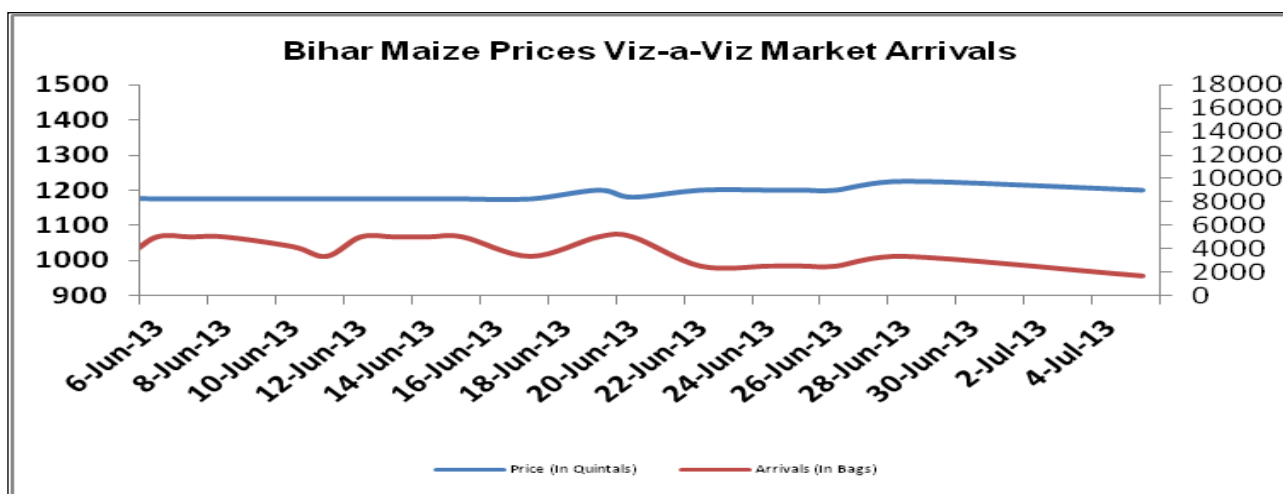
As per IBIS data, in the current marketing year (Oct'12-Sep'13), total maize exports were reported around 3.168 million tons during the October- May period. During May month, 0.507 million tons corn exports reported to Malaysia, Vietnam, Taiwan, Nepal, Yemen and China through Tondiarpet ICD, JNPT, Chennai Sea, Raxul LCS and Mundra port.



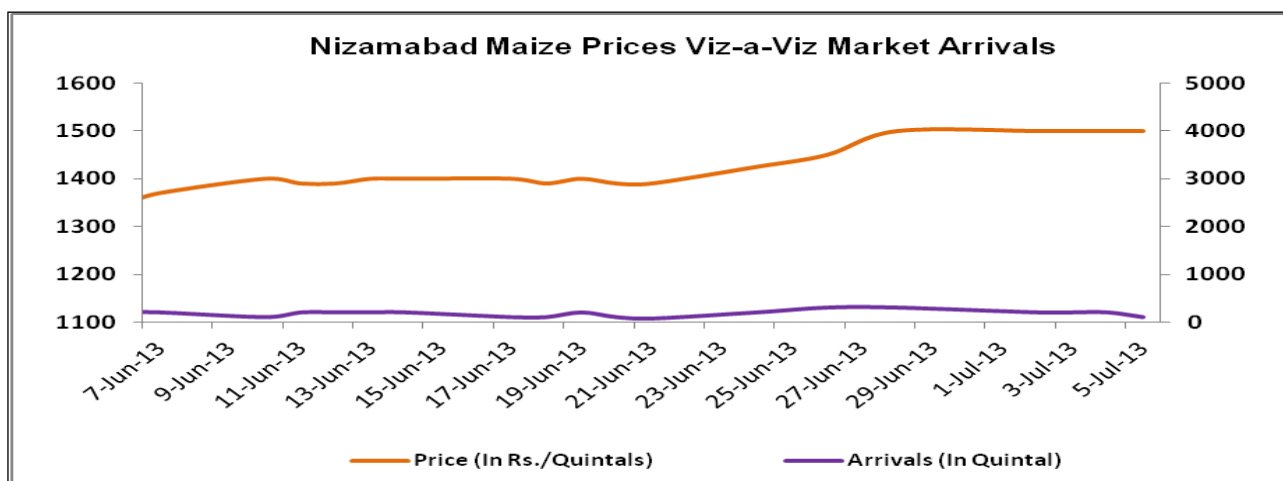
CURRENT MARKET DYNAMICS:

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

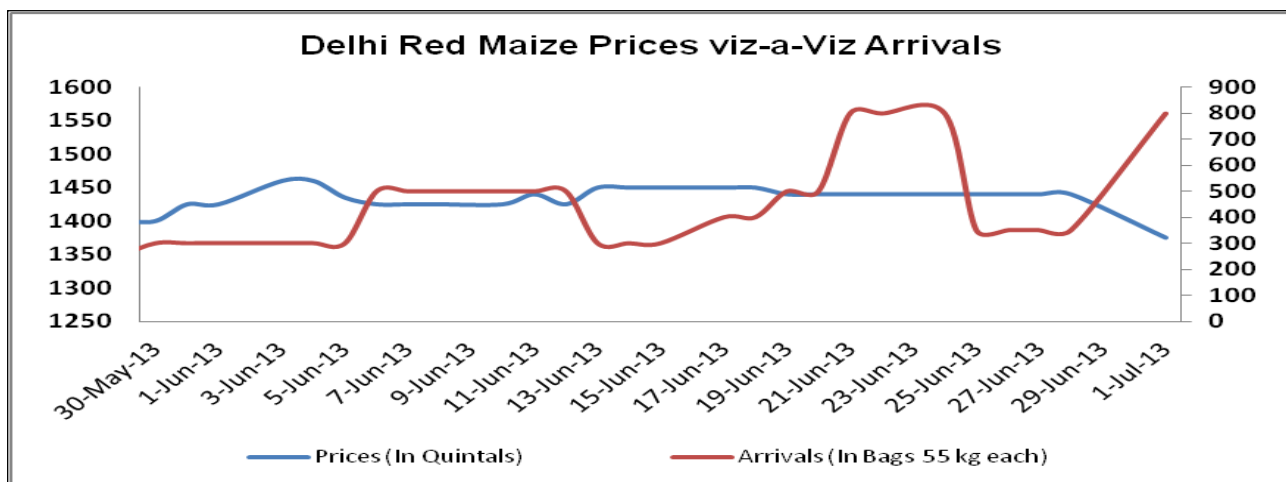
Bihar: Lower supply amid higher domestic and export demand kept prices of maize firm in the market. Maize is moving towards Bangladesh and Kolkata at Rs. 1450 per quintal, contained 15 % moisture. 2-3% fungus reported in the Bihar crop.



Andhra Pradesh: In Nizamabad region of A.P., around 4 lakh bags of maize could be in the hand of stockiest and farmers which was 2.5 lakh during last year same period. Sources revealed that in A.P., total maize stock could be around 18 lakh bags which were 22 lakh during last year same period. Prices could trade firm till the new crop arrivals which would arrive in the September month. Around 11.5 % moisture reported in the crop of A.P.



Delhi: During the week, red maize traded in range of Rs. 1325-1375 per quintal sourced from Bihar, contained 18-20 % moisture. Also, due to fungus and discolored quality it is trading lower. Meanwhile, hybrid maize traded in a range of Rs.1415-1450 per quintal sourced from U.P. contains 14%-15% moisture level. As per trade sources, around 50,000 quintal of maize stock could be in the Delhi spot market.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkatta	14500 (Bihar Origin)	
Bangladesh		14500 (Bihar Origin)
Delhi	13500 (Bihar Origin)	
Delhi	14500 (U.P. Origin)	
Punjab(Khanna)	14800 (Bihar Origin)	
Gujarat	16000 (Bihar Origin)	

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

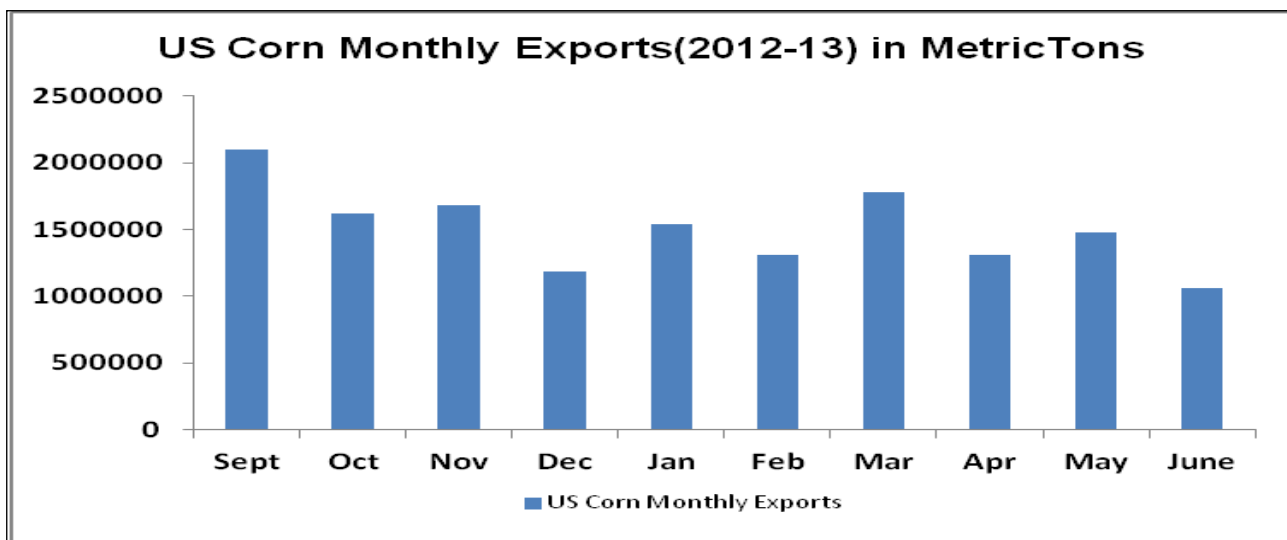
Market	Grade	5 July,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
New Delhi	Hybrid	1450	1470	-	1500	1150
	Red	-	1440	1435	1375	-
Davangere	Bilty	1563	-	-	-	1275
Shimoga	Bilty	1375	1370	1340	1330	-
Ranebennur	Bilty	-	-	-	-	-
Bagalkot	Hybrid/Local	-	-	1361	-	-
Gadag	Local	1302	1386	870	1283	-
Hubli	Local	-	-	1326	-	-
Naugachia	Bilty	1250	1225	1175	1050	1030
Nizamabad	Bilty	1500	1500	1350	1240	-
Karimnagar	Local	1416	1481	1346	1200	-
Khammam	Local	-	-	-	-	-
khanna	Bilty	1550	1570	1300	1450	-
Ludhiana	Bilty	1450	1525	-	-	-
Sangli	Bilty	1666	1630	1524	1368	1381
Ahmedabad	Feed	1580	1570	1440	1310	1270
	Starch	1575	1550	1500	1365	1300

DOMESTIC MAIZE OUTLOOK:

Higher export and domestic demand amid lack of quality arrivals of maize could keep maize prices at higher side. However, good sowing progress could weigh on the prices.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 15,056,414 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 up noticeably to 353,388 metric tons from the last week and 33% from the prior 4-week average. Out of total weekly exports of 353,388 MT for the period of Jun 21-27, 2013 reported by U.S to Japan (240,600 MT), Mexico (60,500 MT), Venezuela (31,900 MT), and the Dominican Republic (15,800 MT).



Some other major International Corn Highlights during the week are:

- As per Reuter news, EU has raised its outlook for 2013-14 corn production at 69.7 million tons against 66.2 million tons estimated previously.
- As per Reuter news, U.S. Department of Agriculture's attaché in China released a report estimating China's 2013/14 corn production at 210 million tons.
- As per Reuter news, Lanworth has improved its outlook for the 2013-14 US corn production figure to 13.9 billion bushels from 13.7 billion bushels. It has also estimated the world 2013-14 corn production at 961 million tons.
- As per Reuter news, Informa has lowered its 2013 corn yield projection for the US to 160.0 bushels per acre, from 160.9 bushels per acre previously but raised its forecast for the US corn crop this year by 181m bushels to 14.259bn bushels.
- As per Reuter news, an official think-tank said on Wednesday that China recently booked another three cargoes of U.S. corn at about \$272 CIF, 400 yuan (\$65.20) per ton cheaper than domestic corn, bringing total purchases of new U.S. corn to 2.8 million tons so far in the year.
- As per Reuter news, South Korea's largest animal feed maker Nonghyup Feed Inc. purchased 124,000 tons of corn. 55,000 tons was bought at \$242.24 a ton c&f from Agrifert to be sourced from the Black Sea region for arrival by Nov. 20 and 69,000 tons was bought at \$245.96 a ton c&f from Cargill to be sourced from Brazil for arrival by Nov. 30. Meanwhile,

Korea Feed Association Busan section purchased 55,000 tons of corn at \$247.00 a ton c&f for arrival by Nov. 20 and seller was Noble.

- As per the latest crop progress report released by USDA, Corn has silked by 3% as of 30th June, 2013 which is below 19% from the last year and 6% from the last 5 year average period. However, 67% corn crop is in good to excellent condition which is up 19% as compared to last year.

INTERNATIONAL MAIZE OUTLOOK:

Corn prices for July contract increased on CBOT market due to tight supply. However, corn prices for December contract decreased on favorable weather conditions.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	6.7.2013	28.6.2013	Change
Corn CBOT Prices	Jul-13	269.52	267.35	2.17
	Sep-13	206.94	215.40	-8.46
	Dec-13	193.36	201.13	-7.77
	Mar-14	198.18	205.36	-7.18
	May-14	201.23	208.31	-7.08

CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: Dec Contract)

- Candlestick chart pattern reveals bearish sentiment in the market.
- Strategy: Markets participants should sell CBOT corn December contract at current level and the target would be 489 U.S cents/bushels.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(August Contract Weekly Chart)

- Candlestick chart pattern reveals that prices could trade in a range of Rs. 1387-1438.
- 1346 seems like a strong support level.
- Prices closed above 9 and 18 days EMAs indicates to bullishness in the market.
- **Strategy:** Buy on dips and target would be 1438 for the near term.

Maize NCDEX (August)

Support & Resistance				
S2	S1	PCP	R1	R2
1346	1376	1408	1438	1472

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>
 © 2013 Indian Agribusiness Systems Pvt Ltd.