

EXECUTIVE SUMMARY

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

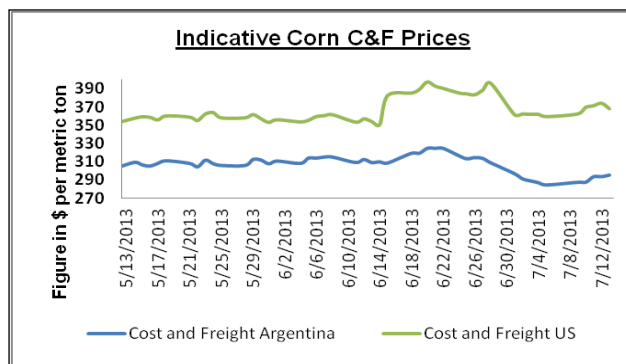
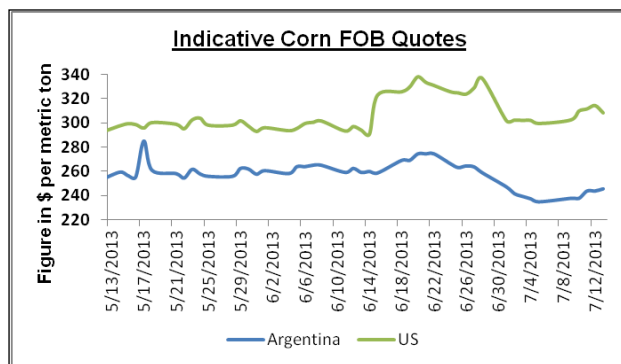
In Ahmadabad region of Gujarat, poultry and starch feed makers demand was steady as compared to last week, sourced from U.P. Poultry feed makers demand reported for corn in a range of Rs. 1580-1625 per quintal while starch feed makers demand reported for corn in a range of Rs. 1540-1600 per quintal. As per trade sources, Ahmadabad traders have 1 month poultry feed and 2 month starch feed stock in quantity.

First 3 days of last week, market arrivals were disrupted in the khanna market of Punjab due to rainfall. Rest of the days, around 6-7 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1400-1450 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.

ON THE EXPORT FRONT:

As per Agriwatch trade sources, Bangladesh is demanding Indian corn in a range of Rs. 1500-1525 per quintal, sourced from Bihar which contained around 14-15% moisture.

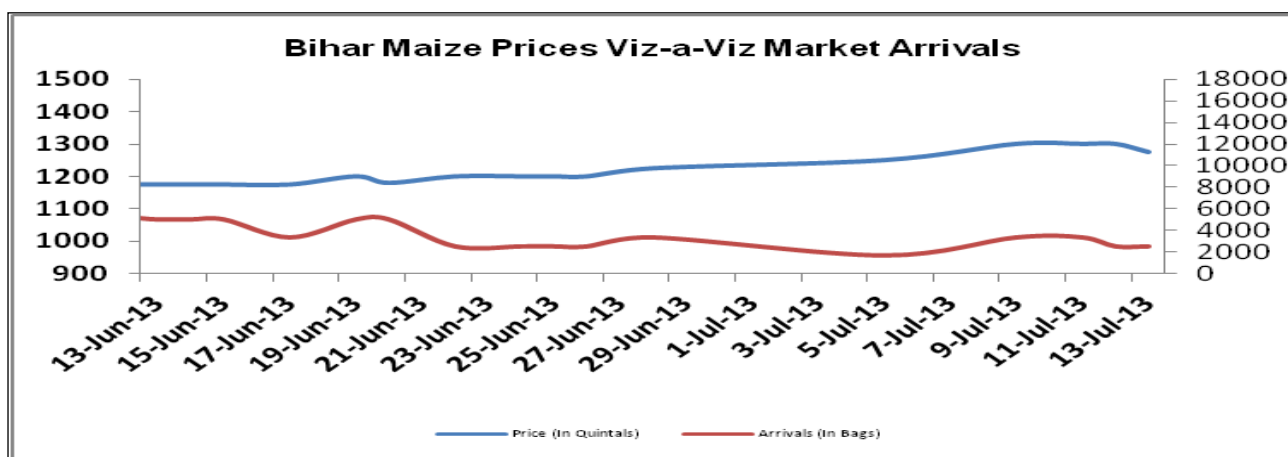
As per IBIS data, in the current marketing year (Oct'12-Sep'13), total maize exports were reported around 3.461 million tons during the October'12- Jun'13 period. During the month of June, 0.292 million tons corn exports reported to Malaysia, Nepal, Taiwan, Vietnam, Yemen and Indonesia through Raxul LCS, JNPT Tondiarpet ICD, Kolkata Sea, Chennai Sea, and Mundra port



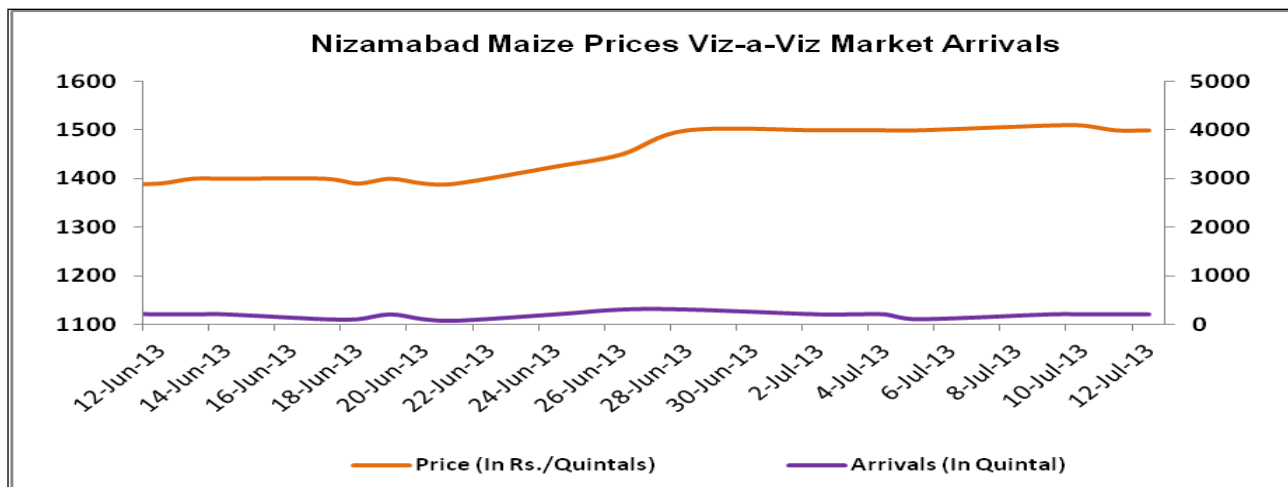
CURRENT MARKET DYNAMICS:

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

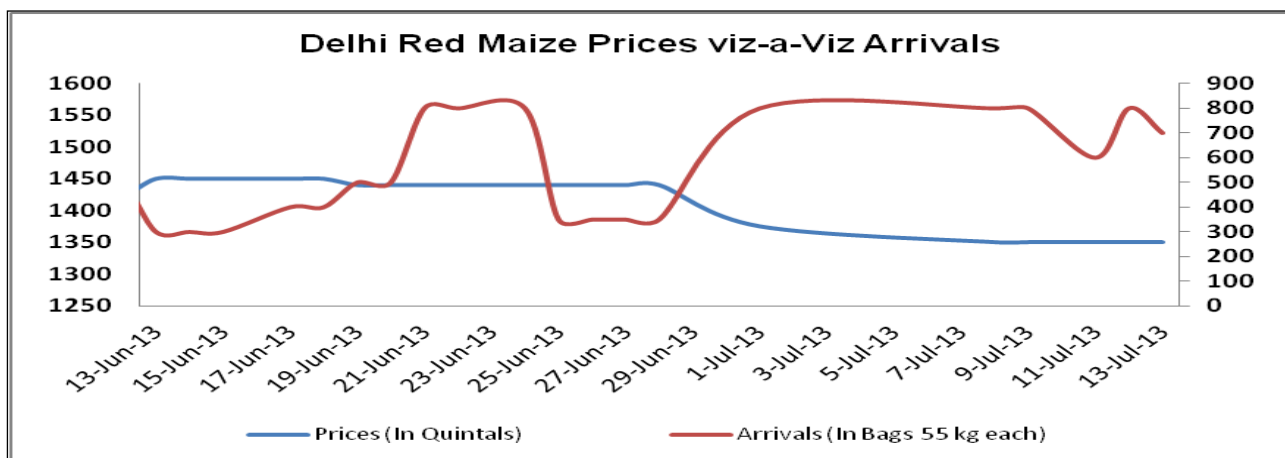
Bihar: Lower supply amid higher domestic and export demand kept prices of maize firm in the market. Maize is moving towards Bangladesh in a range of Rs. 1500-1525 per quintal, contained around 14-15 % moisture. Meanwhile, Kolkata feed millers demand reported at Rs. 1500 per quintal.



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 down in range of Rs. 1300-1350 per quintal sourced from Bihar, contained 17-18 % moisture. Meanwhile, hybrid maize traded steady in a range of Rs.1430-1450 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	15000 (Bihar Origin)	
Bangladesh		15250 (Bihar Origin)
Delhi	13500 (Bihar Origin)	
Delhi	14300 (U.P. Origin)	
Punjab(Khanna)	14000 (Bihar Origin)	
Gujarat	15750 (U.P. Origin)	

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	12 July,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
New Delhi	Hybrid	1450	1450	-	1500	1525
	Red	1350	-	1425	1320	-
Davangere	Bilty	1533	1563	1447	1347	1120
Shimoga	Bilty	1390	1375	1400	1340	-
Ranebennur	Bilty	1480	-	-	-	-
Bagalkot	Hybrid/Local	-	-	1501	1320	-
Gadag	Local	-	1302	-	1272	-
Hubli	Local	-	-	1409	1245	-
Naugachia	Bilty	1300	1250	1175	1050	1075
Nizamabad	Bilty	1500	1500	1390	-	-
Karimnagar	Local	-	1416	1357	-	-
Khammam	Local	-	-	-	-	-
khanna	Bilty	1500	1550	1405	1425	-
Ludhiana	Bilty	1480	1450	1400	-	-
Sangli	Bilty	1625	1666	1569	1380	1424
Ahmedabad	Feed	1600	1580	1470	1300	1350
	Starch	1575	1575	1500	1300	1390

DOMESTIC MAIZE OUTLOOK:

Maize prices are trading sideways. One side, higher export and domestic demand amid lack of quality arrivals of maize support maize prices to move up. On the other side, good sowing progress restricts the gains.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 15,322,246 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 25% to 265,800 metric tons from the last week but unchanged from the prior 4-week average. Out of total weekly exports of 265,800 MT for the period of Jun 28- July 4, 2013 reported by U.S to Mexico (117,500 MT), Japan (87,000 MT), Venezuela (26,000 MT), and Jamaica (15,700 MT).



Some other major International Corn Highlights during the week are:

- As per Reuter news, China's Sinograin bought more than 1 million tonnes of U.S. new-crop corn for shipment after September in the 2013/14 year as U.S. new-crop corn is cheap and it can be substituted with domestic wheat in animal feed production.
- As per Reuter news, European traders told that Taiwan's MFIG purchasing group has bought 60,000 tons of corn to be sourced from Brazil for the shipment between Sept. 21-Oct. 5 and seller was said to be Mitsui. MFIG purchased 8,000 tons at the outright price of \$265.10 a ton c&f and the other 52,000 tons at a premium of 149.75 cents a bushel c&f over the Chicago December corn contract.
- As per Reuter news, European traders told that South Korea's Major Feedmill Group purchased 120,000 tons of optional-origin corn through tender, sourced optionally from the United States, South America or east Europe. 60,000 tons was purchased at \$243.83 a ton c&f for arrival by Dec. 15. A further 60,000 tons was purchased at \$241.17 a ton c&f for arrival by Dec. 25. Seller was said to be Toepfer.
- As per Reuter news, European traders told that Taiwan's MFIG purchasing group has purchased 60,000 tons of corn. Out of which 5,000 tons of corn bought at the outright price of \$269.43 a ton c&f and a further 55,000 tons was bought at a premium of 178.40 cents a bushel c&f over the Chicago December corn contract for the shipment between Sep 1 -15. Seller was CJ International and origin was said to be Brazil
- As per Reuter news, government crop supply agency Conab slightly raised its forecast for the country's record 2012/2013 corn to 79.1 million tons from its June forecast at 78.5-million-tons.

- As per the latest crop progress report released by USDA, Corn has silked by 6% as of 7th July, 2013 which is below 40% from the last year and 14% from the last 5 year average period. However, 68% corn crop is in good to excellent condition which is up 28% as compared to last year.

INTERNATIONAL MAIZE OUTLOOK:

Corn prices increased on CBOT market on the forecast of hot and dry weather in the U.S Midwest.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	12.7.2013	6.7.2013	Change
Corn CBOT Prices	Jul-13	276.11	269.52	6.59
	Sep-13	214.71	206.94	7.77
	Dec-13	200.44	193.36	7.08
	Mar-14	205.26	198.18	7.08
	May-14	208.21	201.23	6.98

CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: Dec Contract)

- Candlestick chart pattern reveals that prices could trade firm in the market.
- Strategy: Markets participants should buy CBOT corn December contract at 506 level and the target would be 511 U.S cents/bushels.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(August Contract Weekly Chart)

- Candlestick chart pattern reveals range bound movement in the market.
- 1386 seems like a strong support level.
- Prices closed above 9 and 18 days EMAs indicates to bullishness in the market.
- However, increase in prices with lower volumes and OI indicates to weak market.
- **Strategy:** Buy at around 1413 and target would be 1436 for the near term.

Maize NCDEX (August)

Support & Resistance				
S2	S1	PCP	R1	R2
1365	1386	1420	1436	1462

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