

EXECUTIVE SUMMARY

Overall steady to weak sentiments featured in most of the major spot markets of maize during last week.

As per 4th advance estimate released by ministry of Agriculture on 22nd July, 2013, maize production is estimated at 22.23 million tons for 2012-13.

In Ahmadabad region of Gujarat, poultry and starch feed makers demand decreased by Rs. 35 and Rs. 20 per quintal respectively as compared to last week, sourced from U.P. and Bihar. Poultry feed makers demand reported down for corn in a range of Rs. 1500-1550 per quintal. Starch feed makers demand also reported down for corn in a range of Rs. 1400-1500 per quintal.

During the week, on daily basis, around 7 motors of maize moved towards Khanna market of Punjab in the range of Rs. 1300-13500 per quintal, contained around 14% moisture, sourced from Bihar.

MAIZE KHARIF SOWING UPDATE:

As per sowing report by Ministry of agriculture, maize sowing has increased from last year owing to good rainfall in the maize growing regions. Farmers have planted maize in 65.68 lac hectares till 17th July 2013.

State-wise Area Coverage of Maize during Kharif 2013

(Area in Lakh ha)

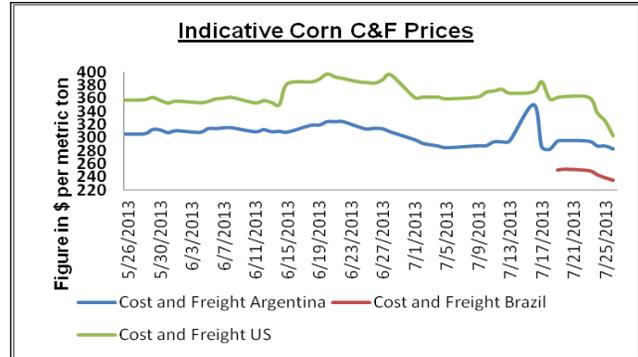
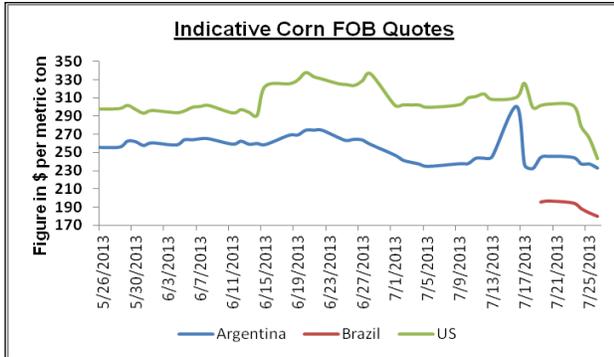
Sl. No.	State	Normal Area (DES)	Normal Area of Corresponding Week	Area Covered (SDA)				Difference in Area coverage (2013) with			
				2013	2012	2011	2010	Normal of Corresponding Week	2012	2011	2010
1	2	3	4	5	6	7	8	9	10	11	12
North West India											
1	Haryana	0.11	0.11	0.17	0.06	0.12	0.13	0.06	0.11	0.05	0.04
2	Himachal Pradesh	2.97	2.74	2.97	2.94	2.90	2.92	0.23	0.03	0.07	0.05
3	Jammu & Kashmir	3.10	1.70	2.04	1.90	1.99	1.84	0.34	0.13	0.04	0.20

4	Punjab	1.40	1.43	1.48	1.28	1.45	1.50	0.05	0.20	0.03	-0.02
5	Rajasthan	10.76	8.32	9.02	7.20	9.02	6.64	0.71	1.83	0.00	2.38
6	Uttar Pradesh	7.56	6.71	6.80	4.95	6.90	7.05	0.09	1.85	0.10	-0.25
7	Uttarakhand	0.29	0.26	0.35	0.22	0.30	0.29	0.09	0.13	0.05	0.06
Central India											
1	Chhattisgarh	1.03	1.09	1.01	0.82	0.75	1.01	-0.09	0.19	0.26	0.00
2	Gujarat	4.13	2.05	2.12	1.68	0.40	2.92	0.08	0.44	1.72	-0.80
3	Madhya Pradesh	8.49	7.68	9.08	7.57	8.10	7.82	1.40	1.51	0.98	1.26
4	Maharashtra	6.52	4.05	8.00	4.77	3.85	5.16	3.95	3.23	4.15	2.84
5	Orissa	0.85	1.27	1.29	1.38	1.59	1.15	0.02	0.09	0.30	0.14
Southern Peninsula											
1	Andhra Pradesh	4.98	3.13	4.63	3.09	3.35	3.79	1.50	1.54	1.28	0.84
2	Karnataka	10.81	6.50	8.47	3.62	7.53	7.06	1.97	4.85	0.94	1.41
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	0.12	0.04	0.10	0.17	0.08	-0.09	0.06	0.13	-0.05
East & North East India											
1	Assam	0.19	0.02	0.19	0.10	0.00	0.00	0.17	0.09	0.19	0.19
2	Bihar	2.46	2.23	3.38	2.54	2.42	2.51	1.15	0.84	0.96	0.87
3	Jharkhand	1.98	1.27	2.76	1.66	1.65	0.99	1.49	1.10	1.11	1.77
4	West Bengal	0.35	0.43	0.16	0.18	0.47	0.56	-0.27	0.02	0.31	-0.40
	Others	1.46	1.08	1.36	1.79	0.00	1.28	0.28	0.44	1.36	0.07

ON THE EXPORT FRONT:

As per Agriwatch trade sources, Bangladesh is demanding Indian corn in a range of Rs. 1555-1560 per quintal, sourced from Bihar.

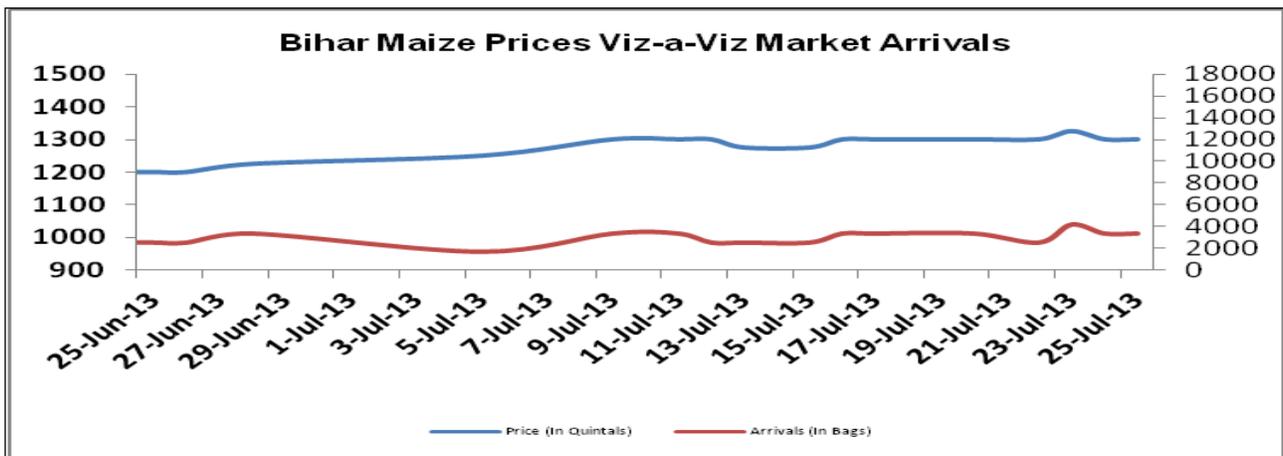
As per IBIS data, in the current marketing year (Oct'12-Sep'13), total maize exports were reported around 3.461 million tons during the October'12- Jun'13 period. During the month of June, 0.292 million tons corn exports reported to Malaysia, Nepal, Taiwan, Vietnam, Yemen and Indonesia through Raxul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



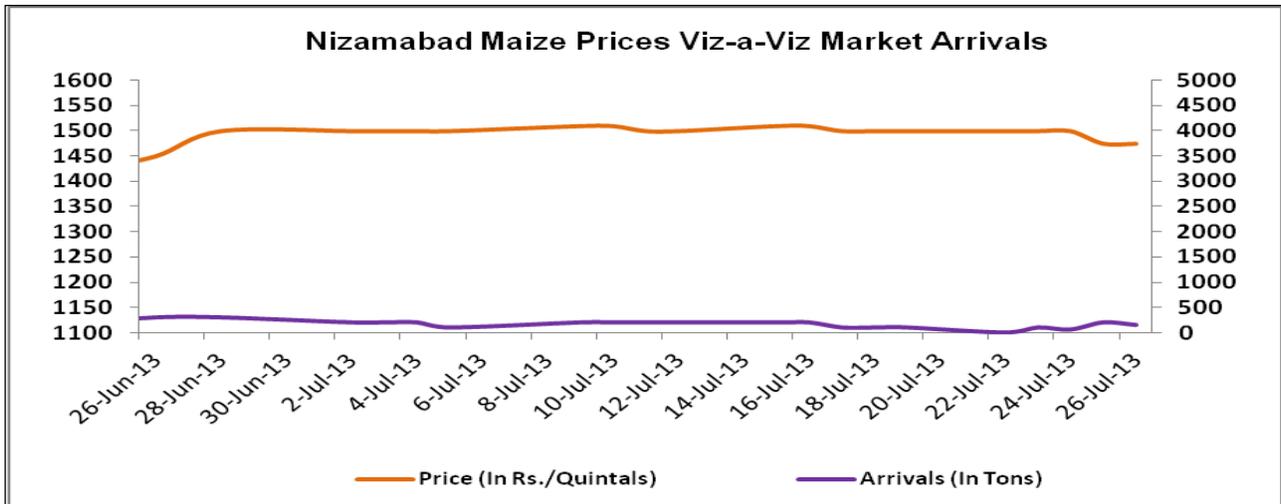
CURRENT MARKET DYNAMICS:

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

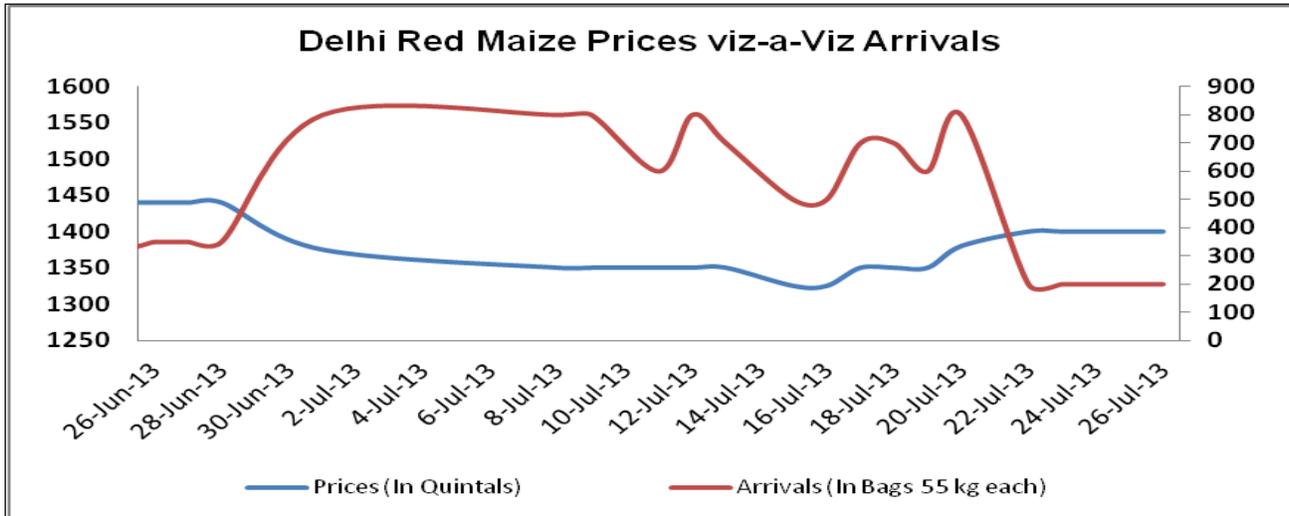
Bihar: During the week, Kolkata feed millers demand reported in a range of Rs. 1500-1250 per quintal.



Andhra Pradesh: In Nizamabad region of A.P., around 3 lakh bags of maize could be in the hand of stockiest and farmers and in A.P., total maize stock could be around 17 lakh bags which is same from the last year during same period.



Delhi: During the week, hybrid maize traded at Rs.1425 per quintal sourced from U.P. contains 14%-15% moisture level. Sources revealed that prices could trade steady in the near term.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkatta	15250 (Bihar Origin)	
Delhi	14250 (U.P. Origin)	
Delhi	14000 (Bihar Origin)	
Punjab(Khanna)	13500 (Bihar Origin)	
Gujarat	15000 (U.P. Origin)	

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

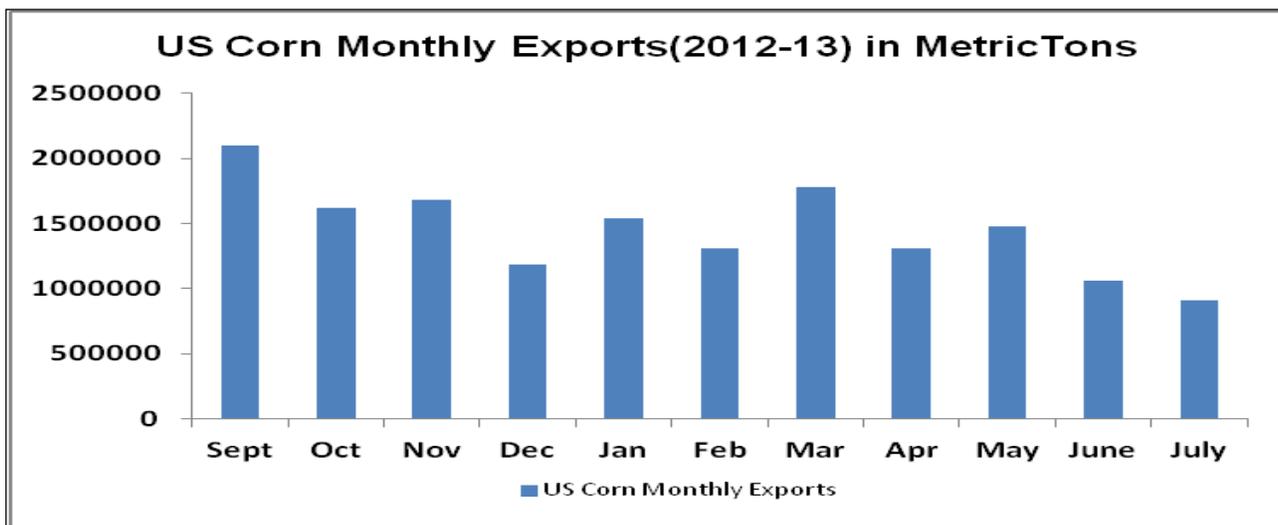
Market	Grade	26 July,2013	Week Ago	Month Ago	2 Month Ago	Year Ago
New Delhi	Hybrid	1425	1425	1415	-	1380
	Red	1400	-	1440	1375	-
Davangere	Bilty	1560	-	-	-	-
Shimoga	Bilty	1430	1410	1370	1340	-
Ranebennur	Bilty	-	-	-	1330	-
Bagalkot	Hybrid/Local	1420	1457	-	1255	-
Gadag	Local	-	-	-	1302	-
Hubli	Local	-	-	-	-	-
Naugachia	Bilty	1300	1300	1200	1100	1175
Nizamabad	Bilty	1475	1500	1450	1270	-
Karimnagar	Local	1350	-	1380	1233	-
Khammam	Local	-	-	-	-	-
khanna	Bilty	1450	1450	1560	1315	1380
Ludhiana	Bilty	1430	1430	1525	-	1260
Sangli	Bilty	1594	1606	1620	1433	1553
Ahmedabad	Feed	1500	1550	1530	1450	1550
	Starch	1400	1500	1520	1450	1550

DOMESTIC MAIZE OUTLOOK:

Maize prices are likely to trade steady to weak. Higher acres as well as better yield prospects due to favourable weather conditions in maize growing belts lead to higher production, weighing on market sentiments. Sluggish export demand due to poor quality arrivals also weigh on the market.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. corn export figures reached to 15,969,409 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 41% to 239,887 metric tons from the last week and 19% from the prior 4-week average. Out of total weekly exports of 239,887 for the period of July 12- 18, 2013 reported by U.S. to Japan (99,600 MT), Mexico (65,100 MT), Venezuela (48,000 MT), and Colombia (16,700 MT).



Some other major International Corn Highlights during the week are:

- As per Reuter news, European traders told that South Korea's Major Feedmill Group has purchased 60,000 tons of corn at \$235.95 a ton c&f plus \$1.50 a ton surcharge for unloading at a second port for the arrival in Jan 2014. Seller was Vitol.
- As per the Indonesian Feed mills Association, Indonesia's corn imports are likely to increase from the previous year to 2.8 million tons in 2013 due to higher demand of animal feed makers amid expectation of lower domestic production by 2.8% to 18.84 million tons this year. Indonesia gets about 60 percent of its imports of the grain from Argentina and the United States, with India an alternative supplier.
- As per European traders, Taiwan Sugar Corp. has purchased 23,000 tons of U.S. origin corn at the flat price of \$318.58 a ton c&f free out (CFFO) Kaohsiung from ADM for the shipment between Aug. 17-31 from the U.S. Gulf or between Sept. 1-15 from the U.S. Pacific North West coast,

- As per Reuter news, European Traders told that South Korea's Feed Leaders Committee purchased 120,000 tons of feed corn. Out of which 60,000 tons was bought from Agrifert at \$235.86 a ton c&f for Dec. 25 arrival and 60,000 tons from Mitsui at \$237.40 a ton c&f for Jan. 25, 2014. There is an extra charge of \$1.50 a ton unloading at an additional port. Meanwhile, Korea Feed Association bought 69,000 tons of corn from Cargill at \$242.70 a ton c&f for arrival by Jan. 25, 2014.
- As per the latest crop progress report released by USDA, Corn has silked by 43% as of 21st July, 2013 which is below 41% from the last year and 13% from the last 5 year average period. However, 63% corn crop is in good to excellent condition which is up 37% as compared to last year.
- As per Reuter news, The Department of Agriculture said on Wednesday that exporters sold 106,400 tons of U.S. corn to Mexico. Out of 106,400 tons, 11,000 tons for the 2012/13 marketing year and 95,400 tons for the 2013/14 marketing year, this starts on Sept. 1.

INTERNATIONAL MAIZE OUTLOOK:

Corn prices decreased on CBOT market due to good weather prospects in U.S Midwest and spillover pressure from falling soy.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	25.7.2013	18.7.2013	Change
Corn CBOT Prices	Sep-13	195.23	212.94	-17.71
	Dec-13	188.44	197.1	-8.66
	Mar-14	193.36	201.92	-8.56
	May-14	196.50	204.97	-8.47
	July-14	198.96	-	-

CBOT CORN FUTURES OUTLOOK:



(CBOT Corn Chart: Dec Contract)

- Candlestick chart pattern reveals that prices could trade down in the market.
- Strategy: Markets participants should sell CBOT corn December contract at current level and the target would be 469 U.S cents/bushels.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(August Contract Weekly Chart)

- Candlestick chart pattern reveals that prices could go down in the market.
- Prices closed below 9 and 18 days EMAs indicates to bearishness in the market.
- However, decrease in prices with lower volumes and OI indicates to consolidation in the market.
- **Strategy:** Sell at current level and target would be 1278 for the near term.

Maize NCDEX (August)

Support & Resistance				
S2	S1	PCP	R1	R2
1137	1218	1300	1373	1447

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