

EXECUTIVE SUMMARY

Overall steady to weak sentiments witnessed in most of the major spot markets of maize during last week. New crop arrivals have started in the markets. However, they are lower in quantity and contains high moisture at this time.

In Ahmadabad region of Gujarat, poultry feed makers demand reported down by Rs. 100 per quintal for corn in a range of Rs. 1450-1650 per quintal. Starch feed makers demand also reported down by Rs. 25 per quintal and quoted around 1440-1500 per quintal, sourced from Bihar and U.P.

During the week, in the Khanna market of Punjab, the maize was quoted firm by Rs. 25 per quintals to Rs. 1350 per quintal as compared to last week. Around 7-8 motors reported on daily basis. Sources revealed that maize stock could be around 150-200 motors in the market.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkatta	15000 (Bihar Origin)	
Delhi	14250 (U.P. Origin)	
Punjab(Khanna)		13500 (Bihar Origin)
Gujarat	14600 (Bihar Origin)	

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 82.248 lakh hectares as of 2nd October, 2013 against 74.901 lakh hectares sown in 2012-13.

State-wise Area Coverage of Maize as of 2nd Oct'13

(Area in
Lakh ha)

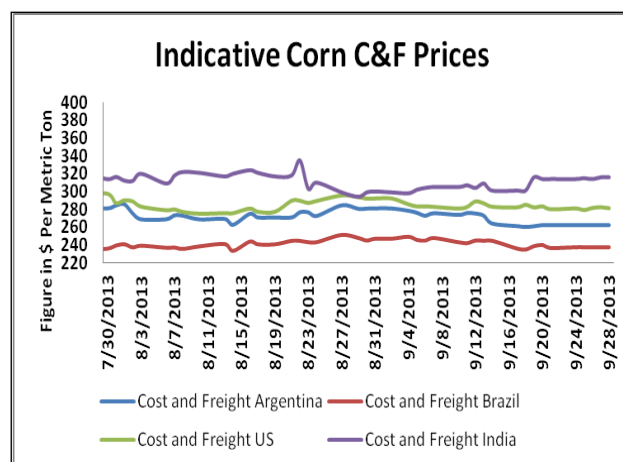
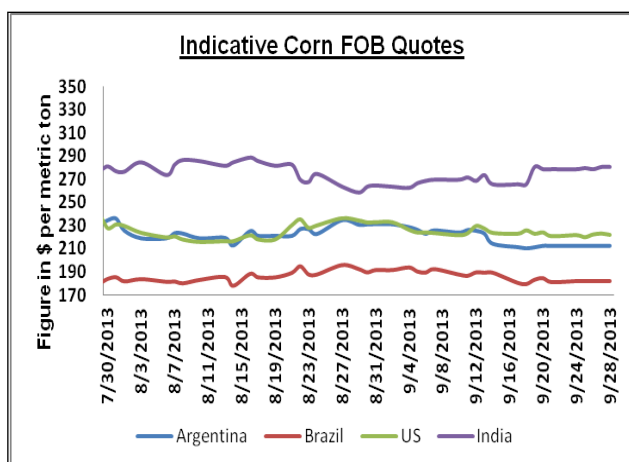
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4	Tamil Nadu	1.65	0.63	0.46	0.44	0.62	0.57	-0.17	0.01	-0.16	-0.12
East & North East India											
1	Assam	0.19	0.13	0.19	0.10	0.15	0.14	0.06	0.09	0.04	0.05
2	Bihar	2.46	3.20	4.67	4.02	3.16	3.07	1.47	0.65	1.51	1.60
3	Jharkhand	1.98	2.08	2.56	2.50	2.34	1.97	0.48	0.06	0.22	0.59
4	West Bengal	0.35	0.50	0.45	0.43	0.57	0.56	-0.05	0.02	-0.12	-0.11
	Others	1.46	1.59	1.44	1.82	1.78	1.78	-0.15	-0.38	-0.34	-0.35

As per first advance estimate released by ministry of Agriculture on 24th September, 2013, maize production is estimated at 17.78 million tons during kharif for 2013-14. However, Agriwatch maize production is estimated at 16.4 million tons during kharif for 2013-14.

ON THE EXPORT FRONT:

During the week, Kolkata feed millers demand reported steady at Rs.1500 per quintal. As per IBIS data, During the month of September'13, 0.062 million tons corn exports reported to Malaysia, Nepal, Singapore, Bahrain and Bangladesh through Tondiarpet ICD, Mundra Sea, Chennai Sea, Raxul LCS, Vizag Sea, Kolkata Sea and JNPT port.

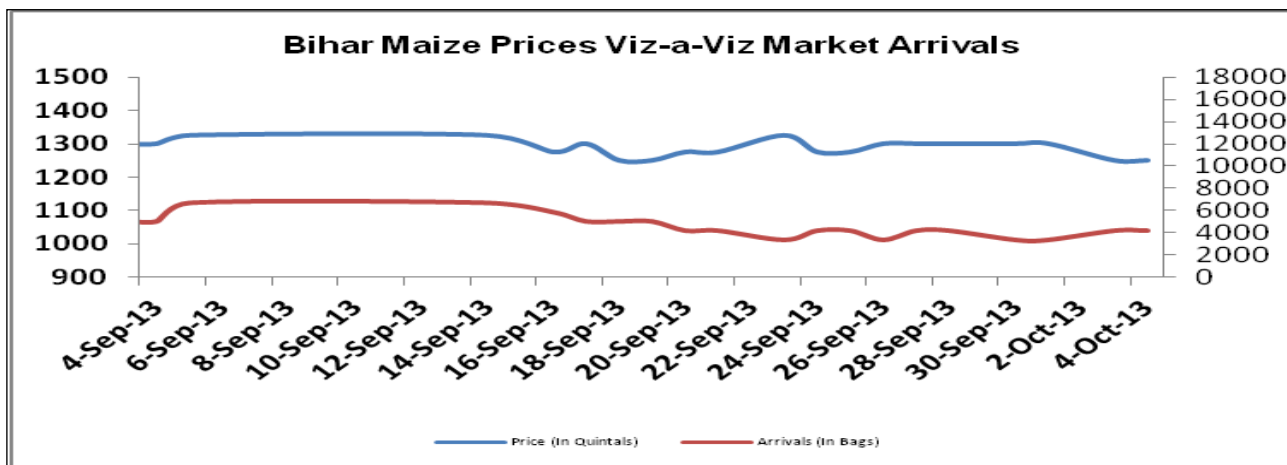


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 61.4)				
	Argentina	Brazil	US	India
FOB	NA	NA	210.3	276
Cost and Freight (C&F)	NA	NA	270.3	311

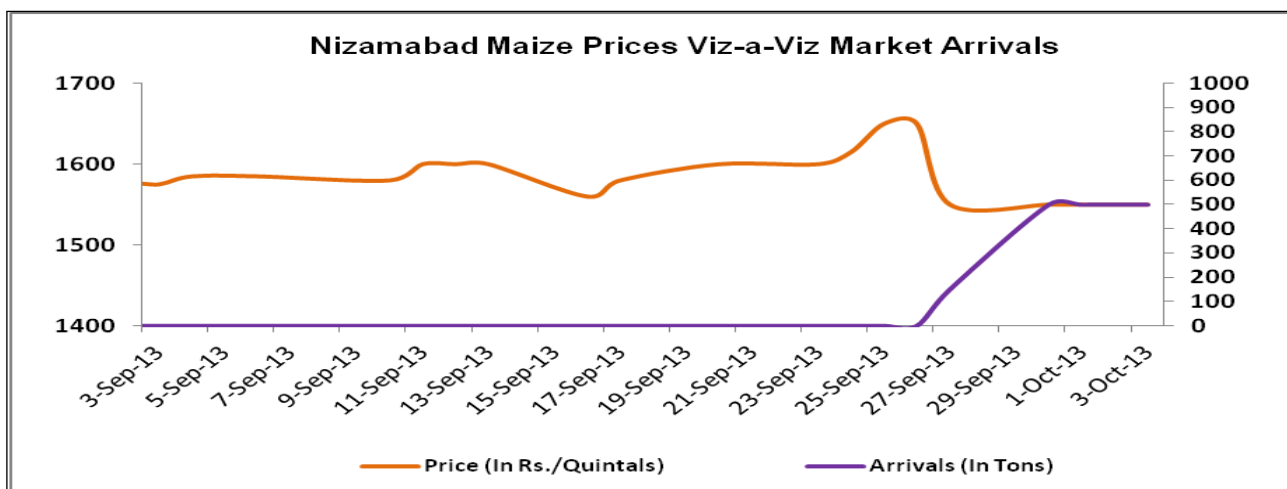
CURRENT MARKET DYNAMICS:

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:

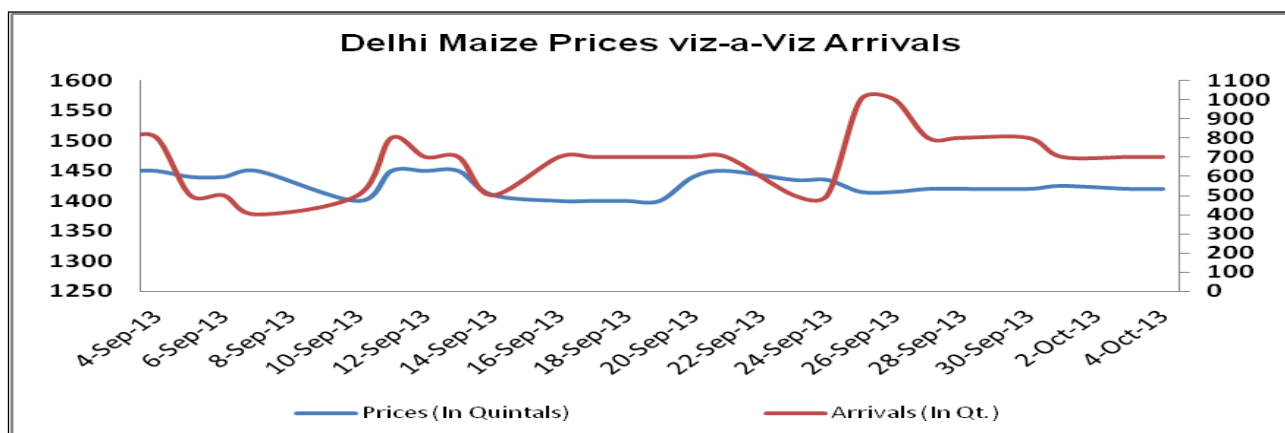
Bihar: During the week in review, Kolkata feed millers demand reported steady at Rs.1500 per quintal. As per trade sources, maize stock could be around 40% of produced in the Bihar. Starch feed makers are demanding higher quantity of damaged quality. Further, traders are waiting for demand from Bangladesh as this is the huge buyer of that quality.



Andhra Pradesh: In A.P., new crop arrivals of maize have started in the market which contains 18% moisture. On Daily basis, around 500 tons of maize is arriving in the nizamabad market.



Delhi: During the week, hybrid maize traded down by Rs. 10 per quintal in a range of Rs.1415-1425 per quintal, sourced from U.P. Sources revealed that prices could go down in the near term as supply increase in the market.



MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	4 Oct, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
New Delhi	Hybrid	1420	1420	1450	-	1280
	Red	-	-	-	-	-
Davangere	Bilty	-	1700	-	-	1400
Shimoga	Bilty	-	-	1450	-	1390
Ranebennur	Bilty	-	-	-	1430	1410
Bagalkot	Hybrid/Local	-	-	1501	1500	-
Gadag	Local	-	-	-	1252	-
Hubli	Local	-	-	1401	-	-
Naugachia	Bilty	1250	1300	1300	1325	1250
Nizamabad	Bilty	-	1550	1585	1440	1420
Karimnagar	Local	-	1466	1520	-	-
Khammam	Local	-	-	-	-	-
khanna	Bilty	1450	1450	1425	1420	1325
Ludhiana	Bilty	1450	1425	1460	1400	1340
Sangli	Bilty	1561	1779	1644	1573	1460
Ahmedabad	Feed	1600	1725	1670	1550	1470
	Starch	1450	1500	1550	1400	1425

DOMESTIC MAIZE OUTLOOK:

Prices of maize could trade steady to weak tone as new crop arrivals have started in the market. Meanwhile, expectations of higher production also weigh on the market.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per the latest IGC report, the 2013-14 world corn production is forecasted at 943 million tons, down by 2 million ton from the previous month forecast but still higher by 9.27% from the last year. Amid generally strong demand for animal feed and industrial products, maize consumption is expected to rise by ~5%, and trade is also set to expand by ~5% y/y to a five-year high. The projection for world stocks is trimmed by 2 million tons to 148 million tons as compared to last month, but, at 148m, carryovers will be well above average, and major exporter stocks are now placed at a 26-year high.

IGC Global Corn Estimate					
	2012-13 E	2013-14(forecast)			
		30th Aug	26th Sep	% change MOM	% change YOY
Production	863	945	943	-0.21%	9.27%
Trade	96	100	100	Unch	4.17%
Consumption	872	917	917	Unch	5.16%
Carryover Stock	121	150	148	-1.33%	22.31%
YOY change	-9		26		

- Figures in million tons

Some other major International Corn Highlights during the week are:

- As per Reuter news, Informa Economics raised its U.S. 2013 corn yield estimate to 158.8 bpa from 157.6, and raised its production forecast to 14.010 billion bushels from 13.889 billion.
- As per Reuter news, European traders told that a group of Israeli private buyers has purchased about 40,000 tons of corn in a tender which closed on Wednesday, at a premium of 73 cents a bushel c&f over the Chicago March 2014 corn contract, for the shipment between December 2013 and January 2014, likely to be sourced from Ukraine. Meanwhile, South Korea's Feed Leaders Committee purchased 63,000 tons of corn, likely to be sourced from the Black Sea region, at \$235.99 a ton c&f for arrival by Mar. 20, 2014. Seller was said to be Cargill. Also, South Korea's largest feed maker Nonghyup Feed Inc. purchased 52,000 tons of corn in a direct deal from Quadra at \$234.65 a ton c&f for arrival by March 5, 2014.
- As per USDA, corn stock reported at 824 million bushels on Sept. 1, 2013, down 17 percent from the last year but 21 percent higher than the average trade estimate. Of the total stocks, 275 million bushels are stored on farms, down 12 percent from a year earlier. Off-farm stocks, at 549 million bushels, are down 19 percent from a year ago. The June - August

2013 indicated disappearance is 1.94 billion bushels, compared with 2.16 billion bushels during the same period last year.

- As per the latest crop progress report released by USDA as on 30th September, 2013, 96% dent reported in corn, below 4% from the last year and 1% from the last 5 year average period. 63% crop of corn has matured, below 30% from the last year. Also, 12% crop of corn has harvested, below 40% from the last year and 11% from the last 5 year avg. period. 55% corn crop is in good to excellent condition, above 30% as compared to last year.
- As per Reuter news, Fan Zhenyu, deputy general manager of corn division at COFCO Co. Ltd said that China is likely to rely more on imports and its self-sufficiency ratio for corn could hit 93 percent by 2018 and 90 percent by 2020.

INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT market decreased after USDA quarterly stock report shows higher than the average private trade estimate.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	03.10.2013	26.9.2013	Change
Corn CBOT Prices	Dec-13	172.89	179.78	-6.89
	Mar-14	177.91	184.80	-6.89
	May-14	181.15	187.94	-6.79
	Jul-14	184.01	190.40	-6.39
	Sep-14	186.27	191.49	-5.22

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(November Contract Weekly Chart)

- Candlestick chart pattern reveals bearish sentiment in the market.
- RSI is moving down in neutral zone support to bearishness.
- Prices closed below 9 and 18 days EMAs.
- **Strategy:** Sell below 1261 and target would be 1242 for the near term.

Maize NCDEX (November)

Support & Resistance				
S2	S1	PCP	R1	R2
1214	1235	1257	1279	1302

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