

## EXECUTIVE SUMMARY

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

In Ahmadabad region of Gujarat, maize crop contains around 14-22% moisture. During the week, Poultry feed makers quoted maize down by Rs. 100 per quintal in a range of Rs. 1300-1320 per quintal. Starch feed makers also quoted maize down by Rs. 80 per quintal in a range of Rs.1250-1300 per quintal, sourced from Maharashtra.

During the week, in the Khanna market of Punjab, the maize was quoted steady at Rs. 1450 per quintal as compared to last week. On daily basis, Arrivals of maize reported around 6 motors, contained 14-15% moisture. As per trade sources, maize stock could be around 150 motors in the market.

In Maharashtra, new crop arrivals have started but contain high moisture level. Sources revealed that quality maize crop arrivals are expected in the mid of November.

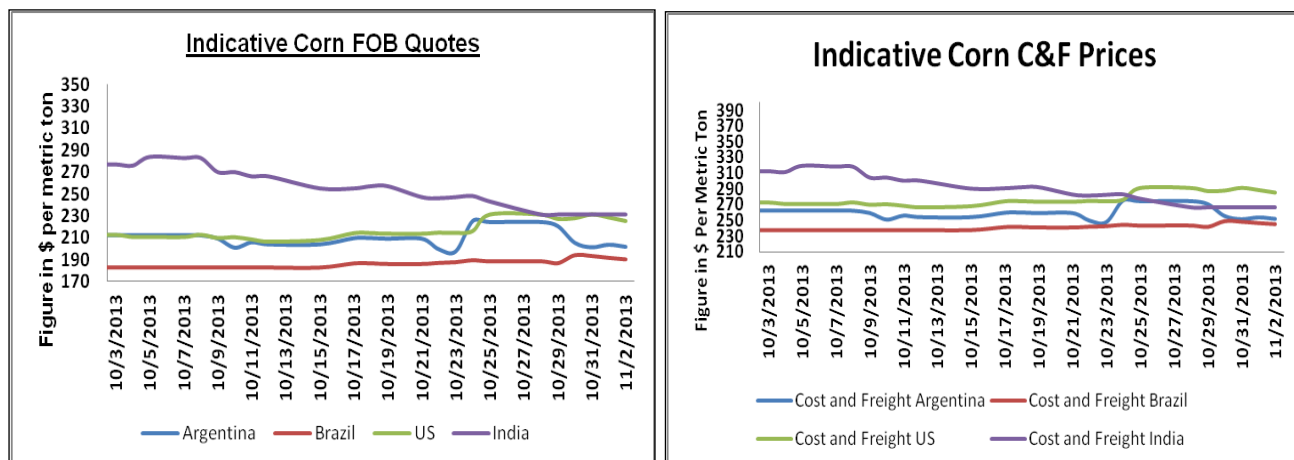
## BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

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Destination	By Road (Rs/MT)	By Rake (Rs/MT)
<b>Kolkata</b>	15000 (Bihar Origin)	
<b>Delhi</b>	14300 (U.P. Origin)	
<b>Chennai</b>		13600 (Karnataka Origin)
<b>Gujarat</b>	12800 (Maharashtra Origin)	

## ON THE EXPORT FRONT:

During the week, Kolkata feed millers demand reported steady at Rs.1500 per quintal. Also, maize is moving towards Chennai sourced from Koppal region of Karnataka. 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.

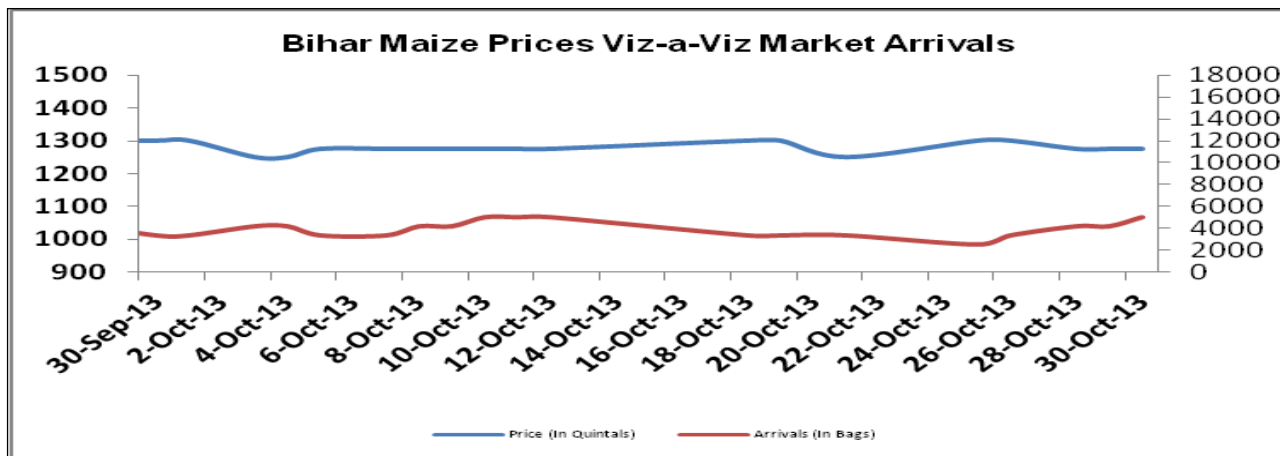


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 61.75)				
	Argentina	Brazil	US	India
<b>FOB</b>	201.8	189.9	224.92	231
<b>Cost and Freight (C&amp;F)</b>	251.8	244.9	284.92	266

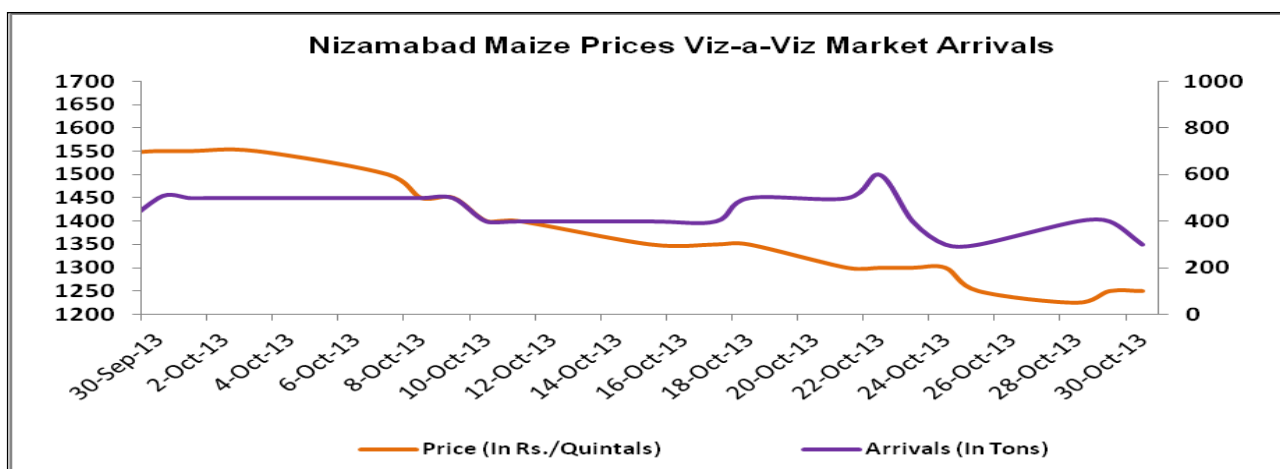
## CURRENT MARKET DYNAMICS:

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

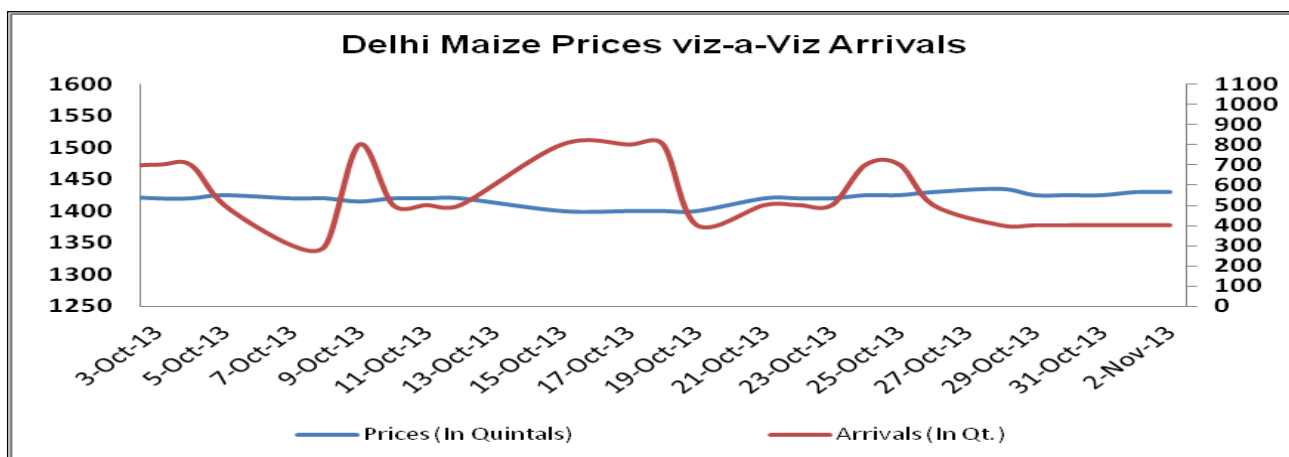
**Bihar:** During the week in review, Kolkata feed millers demand reported steady at Rs.1500 per quintal. We expect that bihar market could trade under pressure as maize sowing has started in the Bihar for the rabi season. Also, carry forward stock that could be around 20% of produced, also weigh on the market sentiments.



**Andhra Pradesh:** Sources revealed that maize could trade higher on the concern over lower crop quality arrivals in A.P. as crop has damaged around 30% due to higher rainfall. Jadcherla market in Mahabubnagar district of A.P. is getting huge buying order from across the Tamil Nadu and supporting the prices of maize. Around 50 rakes of maize have been booked for future shipments.

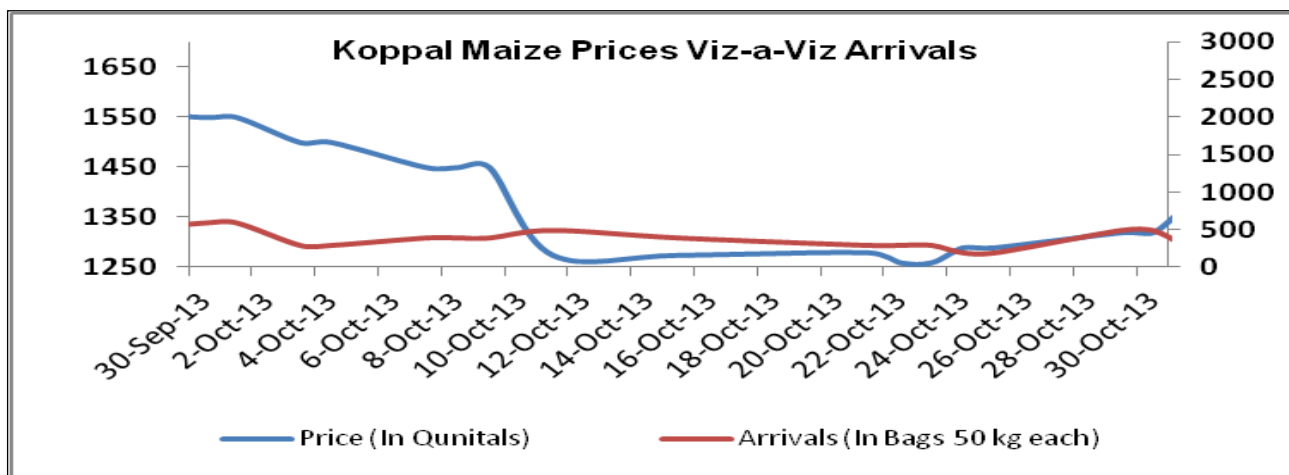


**Delhi:** During the week, hybrid maize traded up by Rs. 5 per quintal to Rs.1435 per quintal as compared to last week, sourced from U.P. Sources revealed that prices could trade steady to firm in the near term amid higher feed makers demand.



## KARNATAKA

In Davengere, maize crop contain 14-22% moisture, local demand quoted at Rs. 1360 per quintal. Some crop damage reported due to rainfall. Also, fungus is also affecting the crop quality.



**MAIZE SPOT MARKET PRICES (RS. /QUINTAL)**

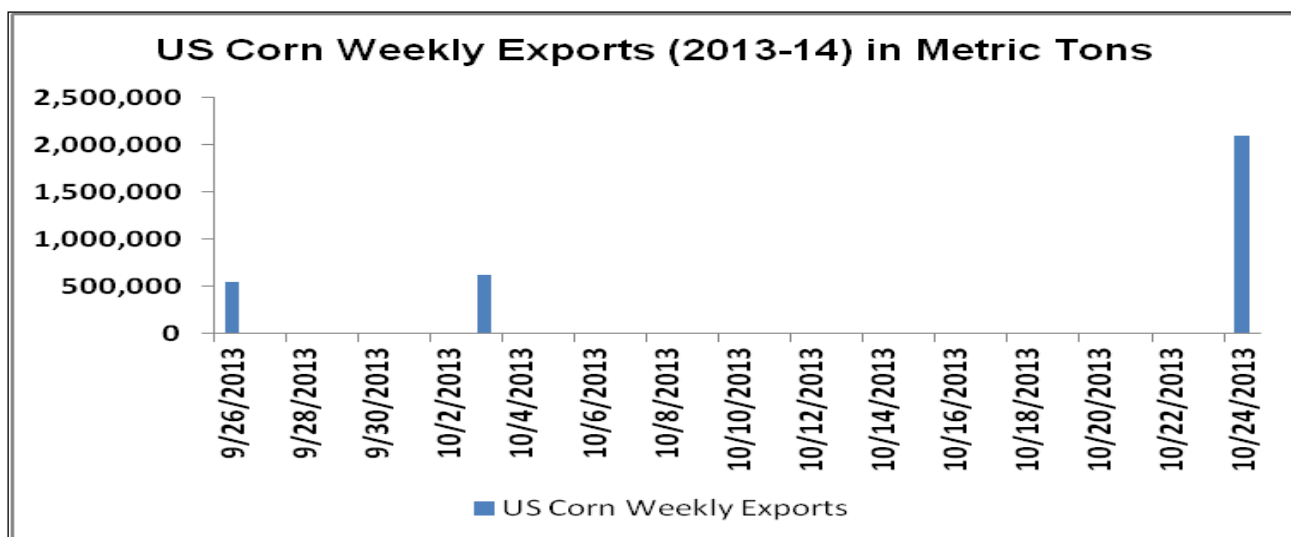
Market	Grade	31 Oct, 2013	Week Ago	Month Ago	2 Month Ago	Year Ago
New Delhi	Hybrid	1425	1425	1425	1450	1380
Davangere	Bilty	1370	-	-	-	1350
Shimoga	Bilty	1310	1440	1460	1450	1300
Ranebennur	Bilty	-	-	-	-	1305
Bagalkot	Hybrid/Local	1221	1215	1577	-	-
Gadag	Local	1190	-	-	-	-
Hubli	Local	-	-	-	-	-
Naugachia	Bilty	-	1300	1300	1300	-
Nizamabad	Bilty	-	1250	1550	1575	1270
Karimnagar	Local	-	-	-	1540	-
Khammam	Local	-	-	-	-	-
khanna	Bilty	1450	1450	1480	1450	1350
Ludhiana	Bilty	1500	1500	1450	1460	1425
Sangli	Bilty	1321	1336	1669	1441	1374
Ahmedabad	Feed	1320	1300	1600	1670	1310
	Starch	1250	1280	1500	1525	1380

**DOMESTIC MAIZE OUTLOOK:**

*Despite the new crop arrival pressure, maize prices could trade steady on quality concern. Procurement by government agencies and continuous domestic feed makers demand could also support to Maize prices.*

### INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S. accumulated corn export figures reached to 44,27,744 metric tons for the 2013-14 marketing year which is higher by ~19% from the last marketing year during the same period. Exports of 20,94,386 MT were reported by U.S. to Mexico (708,300 MT), China (677,900 MT), Japan (255,600 MT), Colombia (123,300 MT), and Saudi Arabia (68,200 MT) for the period October 18- October 24, 2013.



As per the latest IGC report, the 2013-14 world corn production is forecasted at record 948 million tons, up by 5 million tons from the previous month forecast and higher by 85 million tons from the last year. Amid generally strong demand for animal feed, maize consumption is expected to rise by ~6%, and trade is also set to expand by ~6% y/y to a new record. Carryover stocks are seen recovering to a 13-year high at 152 million tons.

IGC Global Corn Estimate					
	2012-13 E	2013-14(forecast)			
		26th Sep	31st Oct	% change MOM	% change YOY
Production	863	943	948	0.53%	9.85%
Trade	96	100	102	2.00%	6.25%
Consumption	868	917	922	0.55%	6.22%
Carryover Stock	126	148	152	2.70%	20.63%
YOY change	-5		26		

- Figures in million tons

Some other major International Corn Highlights during the week are:

- As per Reuter, an official think-tank said that China is likely to import 5 million tons of corn in 2013, higher by 2 million tons as compared to 2012/13 marketing year. As per China National Grain and Oils Information Center, about 100,000 tons of U.S. corn is set to arrive at Chinese ports in October, followed by 800,000 tons in November.
- As per the latest crop progress report released by USDA as on 28<sup>th</sup> October, 2013, 98% crop of corn has matured, below 2% from the last year but higher by 1% from the last 5 year average period. 59% crop of corn has harvested, below 32% from the last year. 62% corn crop is in good to excellent condition, higher by 2% from the previous week.
- As per Reuter, Argentina's government estimated corn area at 5.7 million hectares and expect that corn production would be around 30 million tons for 2013/14. The rains helped reactivate the planting of corn in various productive regions. However, USDA expected grains powerhouse Argentina to produce 26 million tons of corn. Through Thursday, farmers had planted 25 percent of the surface area slated for corn in the 2013/14 season, 6 percentage points higher than last week, but 14 percentage points lower than last year.

### **INTERNATIONAL MAIZE OUTLOOK:**

***Corn prices on CBOT market decreased on the expectation of record large U.S corn crop.***

<b>Maize CBOT Weekly Futures Price Listing (USD/Ton)</b>				
	<b>Contract Month</b>	<b>31.10.2013</b>	<b>24.10.2013</b>	<b>Change</b>
<b>Corn CBOT Prices</b>	<b>Dec-13</b>	168.56	173.28	<b>-4.72</b>
	<b>Mar-14</b>	172.89	178.10	<b>-5.21</b>
	<b>May-14</b>	176.14	181.45	<b>-5.31</b>
	<b>Jul-14</b>	178.79	184.50	<b>-5.71</b>
	<b>Sep-14</b>	181.35	187.06	<b>-5.71</b>

**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**



**(December Contract Weekly Chart)**

- Candlestick chart pattern reveals that prices could go down in the market.
- RSI is moving down in neutral zone support to bearishness.
- **Strategy:** Sell below 1263 and target would be 1247 for the near term.

**Maize NCDEX (December)**

Support & Resistance				
S2	S1	PCP	R1	R2
1220	1246	1256	1276	1289

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