

### EXECUTIVE SUMMARY:

Overall steady to weak sentiments witnessed during last month due to sluggish export amid need based domestic demand of poultry and starch feed makers.

During the month of December, in the Khanna market of Punjab, the maize was quoted down by Rs. 50 per quintals in a range of Rs. 1450-1500 per quintal as compared to last month. Around 7 motors reported on daily basis, contained 14-15% moisture, sourced from Maharashtra and Himachal. Sources revealed that maize stock could be around 100 motors in the market. Meanwhile, in Ahmadabad region of Gujarat, poultry feed makers demand also reported down by Rs. 20 a quintal for corn in a range of Rs. 1230-1350 per quintal. However, starch feed makers demand reported firm by Rs. 20 per quintal as compared to last month, in a range of Rs. 1225-1370 per quintal, contained around 14-16% moisture, sourced from Maharashtra.

### INDIA MAIZE BALANCE SHEET

					<b>2013-14 Quarterly B/S</b>	
	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13*E</b>	<b>2013-14F</b>	<b>Oct-Dec'13 F</b>	<b>Jan-Mar'14 F</b>
<b>Opening Stocks</b>	0.48	0.99	1.20	0.15	0.15	4.61
<b>Production</b>	21.73	21.57	20.00	20.90	12.00	3.00
<b>Farmer's Release</b>	15.21	15.12	11.87	14.42	7.33	3.14
<b>Govt. Procurement</b>	0.05	0.02	1.00	0.50	0.30	0.20
<b>Pvt Trade Release</b>	15.16	15.10	10.87	13.92	3.49	6.48
<b>Seed Retention</b>			0.22	0.30	0.05	0.00
<b>Imports</b>	0.02	0.01	0.01	0.01	0.00	0.00
<b>Total Supply</b>	22.23	22.57	21.21	21.06	12.15	7.61
<b>Export</b>	3.34	4.47	4.76	3.00	0.53	0.80
<b>Domestic Consumption</b>	17.90	16.90	16.30	16.70	7.01	4.68
<b>Carry Out</b>	0.99	1.20	0.15	1.36	4.61	2.13

- *E= AW Estimates, F=AW Forecast*
- *All figures in million tons*
- *The seed has consumed 0.25 MN T IN OCT-DEC'13 AND 0.05 MN T IN APR-JUN'14 Quarter.*

**MAIZE RABI SOWING UPDATE:**

As per Ministry of Agriculture, maize have been sown in 5.792 lakh hectares as of 4th December, 2013-14 against 5.446 lakh hectares sown in 2012-13 for rabi season.

**State-wise Area Coverage of Maize as of 4th Dec'13**

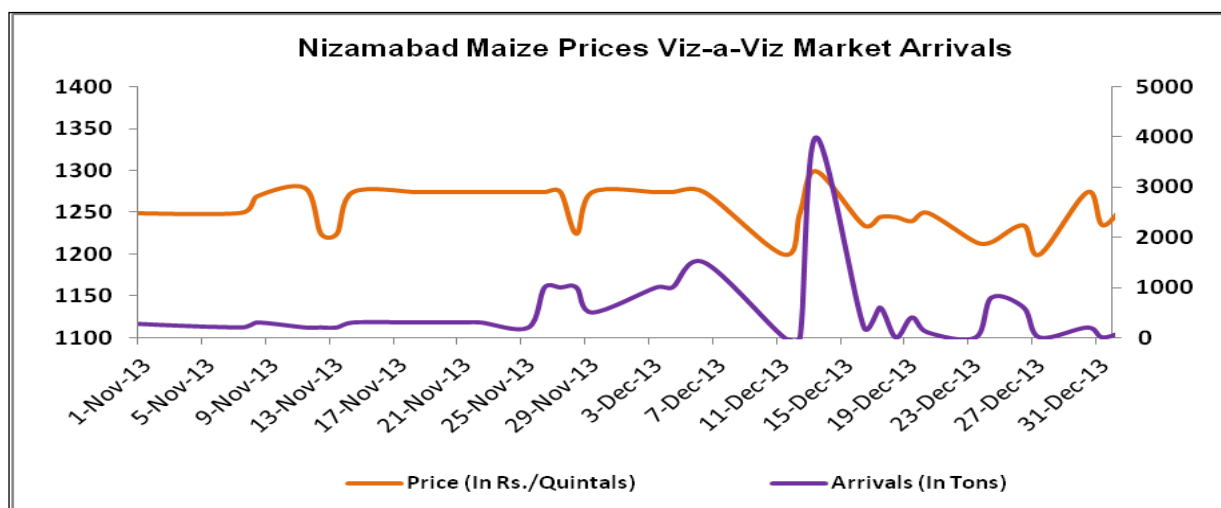
(Area in  
Lakh ha)

Sl. No.	State	Normal Area (DES)	Normal Area of Corresponding Week	Area Covered (SDA)				Difference in Area coverage (2013) with			
				2013 -14	2012 -13	2011 -12	2010 -11	Normal of Corresponding Week	2012 -13	2011 -12	2010 -11
1	2	3	4	5	6	7	8	9	10	11	12
<b>North West India</b>											
1	Uttar Pradesh	0.22	0.26	0.040	0.270	0.240	0.430	-0.22	-0.23	-0.20	-0.39
<b>Central India</b>											
1	Chhattisgarh	-	0.01	0.046	0.010	0.038	-	0.04	0.04	-	-
2	Gujarat	0.75	0.26		0.22		0.54	-0.26	-0.22	0.00	0.54
3	Maharashtra	1.26	0.82	1.494	1.082	0.839	0.765	0.68	0.41	0.66	0.73
4	Orissa	0.03	0.02	0.018	0.032	0.023	0.024	0.00	-0.01	0.00	0.01
<b>Southern Peninsula</b>											
1	Andhra Pradesh	3.08	1.19	1.130	1.220	1.340	0.980	-0.06	-0.09	-0.21	0.15
2	Karnataka	1.31	0.91	0.920	0.890	0.980	0.870	0.01	0.03	-0.06	0.05
3	Tamil Nadu	0.89	1.02	0.489	0.824	0.842	1.007	-0.54	-0.34	-0.35	0.52
<b>East &amp; North East India</b>											
1	Bihar	4.00	1.58	1.220	0.560	1.530	2.000	-0.36	0.66	-0.31	0.78
2	Jharkhand	0.12	0.05	0.020	0.020	0.050	0.070	-0.03	0.00	-0.03	0.05
3	West Bengal	0.56	0.11	0.220	0.180	0.190	0.000	0.11	0.04	0.03	0.22
	<b>Others</b>	0.07	0.07	0.12	0.138	0.072	0.007	0.05	-0.02	0.04	0.11

## STATE - WISE MARKET DYNAMICS

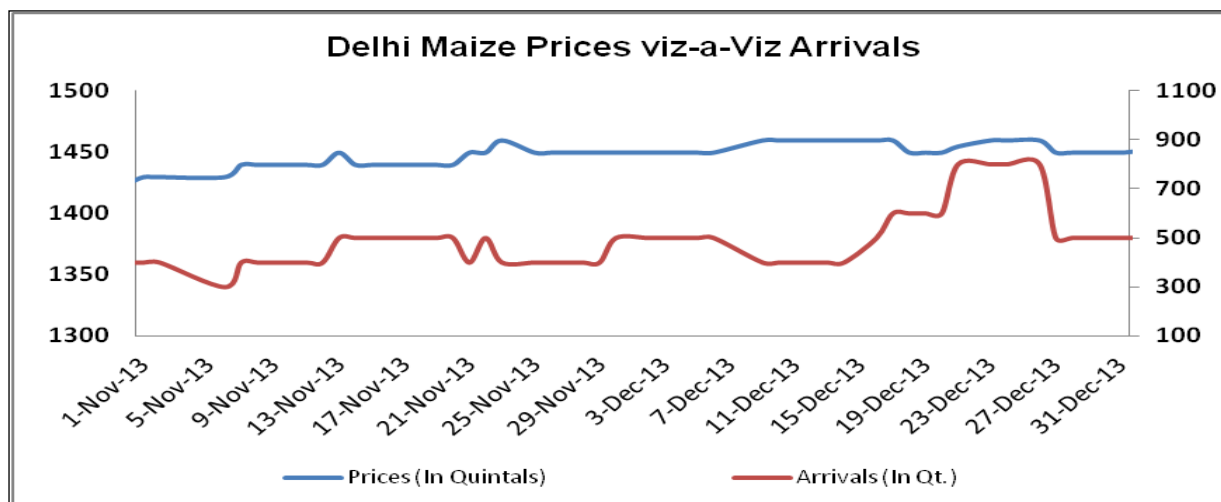
### ANDHRA PRADESH

As per trade sources, in A.P, total maize stock could be around 65,000 MT (included government stock 56,000 MT and local stockiest stock around 9,000 MT). In Nizamabad, crop arrivals reported lower as farmers have already sold their produce. In Nizamabad, maize stock could be around 20,000 MT (included government stock 18,000 MT and local stockiest stock around 2,000 MT). During the month, maize moved towards hyderabad at Rs. 1270 per quintal, sourced from warrangal and karimnagar.



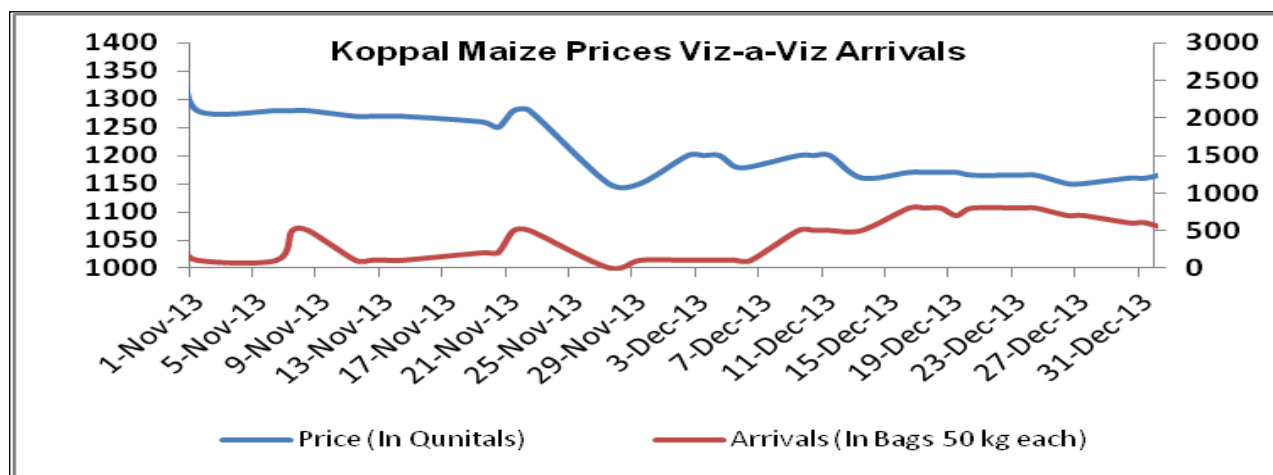
### DELHI

During the month of December, hybrid maize traded steady, in a range of Rs. 1450-1460 per quintal, sourced from U.P. Sources revealed that prices could trade steady to weak in the near term.



**KARNATAKA**

As per trade sources, during the month of December, Maize moved towards Bangalore and Kolkata at Rs. 1260-1350 per quintal and towards Chennai at Rs. 1325-1370 per quintal, sourced from Karnataka. Out of total confirmed 74 rakes from Koppal, Bagalkot & Rannebanure, Haveri, Munirabad & Chitradurga, 54 rakes have been loaded and remaining are in queue.

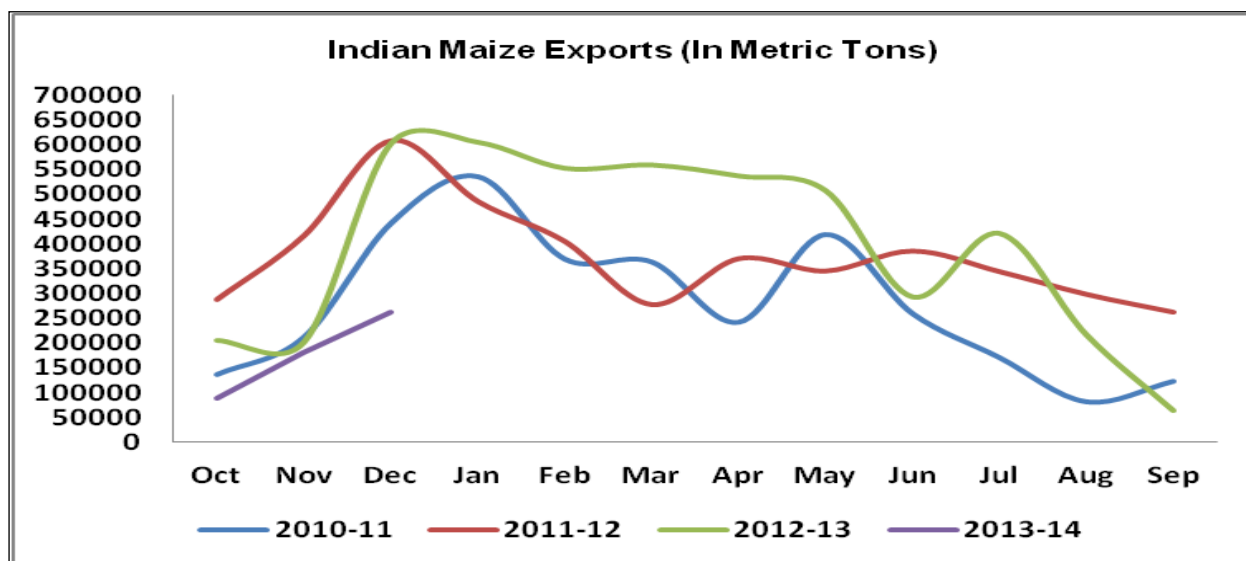
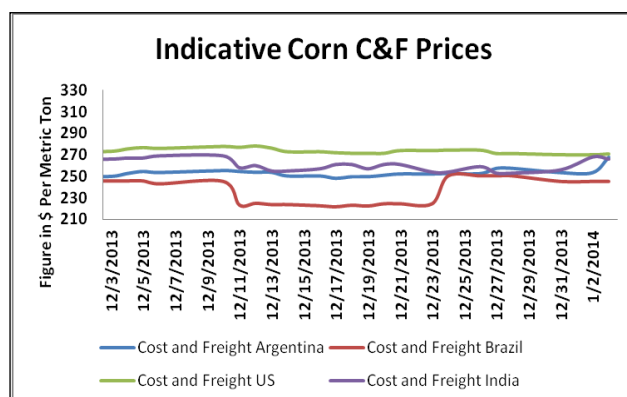
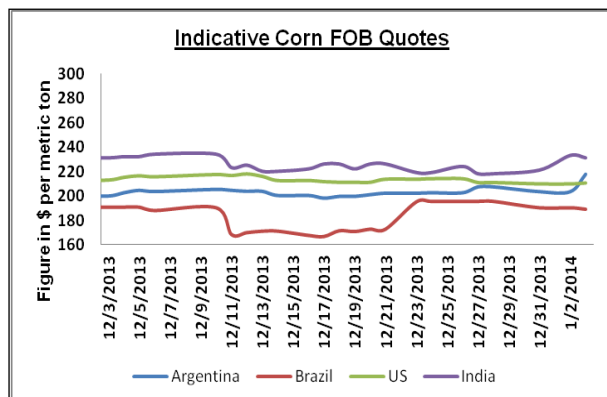


Month-wise Average prices of Maize at various markets					
Market	2013-Dec	2013-Nov	2012-Dec	% Change from Pre. Month	% Change from Pre. Year
Delhi (U.P. Origin)	1450	1450	1525	Unch	-4.92
Davangere	1200	1230	1400	-2.44	-14.29
Shimoga	1100	1320	1400	-16.67	-21.4
Bagalkot	1125	1116	-	0.81	-
Gadag	1095	1090	-	0.46	-
Nizamabad	1235	1275	1360	-3.14	-9.19
khanna	1480	1480	1600	Unch	-7.50
Ludhiana	1430	1500	1550	-4.67	-7.74
Sangli	1190	1200	1412	-0.83	-15.72
Gulabgh	1420	1420	-	Unch	N.A

**PRICE OUTLOOK:**

Maize is expected to feature steady to firm tone amid higher domestic demand from poultry and starch. Besides, export demand could also support to maize prices in the month of January.

### ON THE EXPORT FRONT:



As per IBIS data, During the month of December'13, 0.261 million tons corn exports reported to Malaysia, Vietnam, Taiwan, Indonesia, Nepal and Bangladesh mainly through Tondiarpet ICD, Kakinada Sea, Raxaul LCS, Chennai Sea, JNPT, Petrapole LCS and Vizag sea.

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 62.25)				
	Argentina	Brazil	US	India
<b>FOB</b>	217.76	189.15	210.8	231
<b>Cost and Freight (C&amp;F)</b>	267.76	245.35	270.8	266

**FUTURES MARKET ANALYSIS: NCDEX MAIZE (JANUARY WEEKLY FUTURE CHART)**

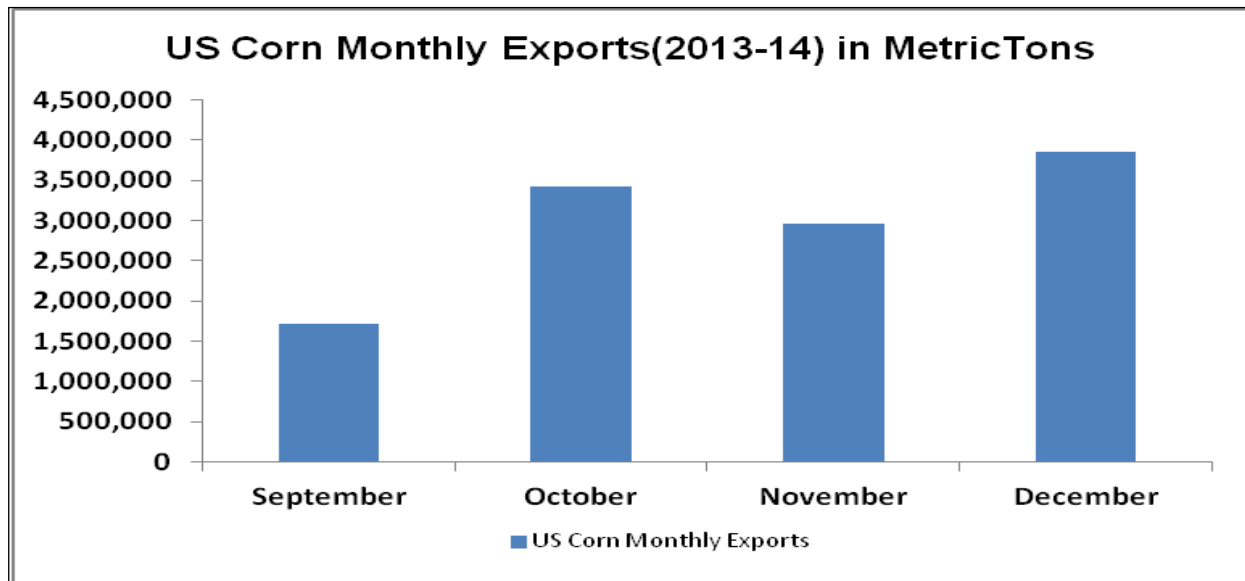

- Candlestick chart pattern reveals that prices could take correction in the market.
- RSI is moving up towards neutral zone.
- However, Prices closed below 9 and 18 days EMAs indicates to weak market.
- Strategy: Buy above 1194 and target1 and target2 would be 1210, 1230 for the near term.

**MAIZE NCDEX (JANUARY MONTHLY) (IN Rs/QTL)**

Support & Resistance				
S2	S1	PCP	R1	R2
1163	1175	1192	1244	1256

### INTERNATIONAL MARKET SCENARIO:

As per USDA, U.S. accumulated corn export figures reached to 11,347,679 metric tons for the 2013-14 marketing year which is higher by ~72% from the last marketing year during the same period but down by 37% from the last week. Exports of 8,44,400 MT were reported by U.S. to South Korea (198,900 MT), Japan (184,000 MT), China (154,900 MT), Mexico (120,500 MT), and Peru (62,500 MT) for the period Dec 20- Dec 26, 2013.



### INTERNATIONAL CORN HIGHLIGHTS

- As per Reuter news, preliminary Japanese government data shows that Japan's use of corn in animal feed production fell to 43.6% in the Oct'13 from 47.5% during the same month last year as users turned to alternatives such as sorghum.
- Informa Economics raised its outlook for 2014 corn seeding to 91.8 million acres, from 91.5 million previously estimated but below from 95.3 million acres in 2013. Also, projected corn production forecast for U.S for 2014/15 at 13.741 billion bushels, down from a record 13.989 billion bushels in 2013/14.
- As per Reuter, an official think-tank said that China's corn output in 2013 will rise 5.9 percent from the previous year to 217.7 million tons.
- As per USDA, World corn ending stocks are projected 1.87 million tons lower to 162.46 million tons from the last month forecast at 164.33 million tons and below an average of trade estimates at 163.30 million tons.
- As per China National Grain and Oils Information Center, China's corn imports are likely to reach 4.5 million to 5 million metric tons in 2013, slightly lower than last year's imports of 5.21 million tons. China has signed import orders of 4.5 million tons of corn from the U.S in the crop year of 2013-14 which began in October this year.
- The EU granted licenses to export 132,000 tons of corn bringing the total this season to 1.9 million tons compared to 501,000 tons at this stage a year ago.



January 05, 2014

As per Reuter news, below mentioned deals prevailed during the one month period:-

- As per Reuter, a group of Israeli private buyers has purchased about 95,000 tons of corn. Out of which 45,000 tons of corn was purchased at a premium of 132.50 cents c&f over the Chicago May corn contract and remained was purchased at 127 cents c&f over the May contract, to be sourced from the Black Sea region for the shipment between February and April 2014.
- As per Reuter, China has rejected a total of 545,000 tons of corn from the United States as of Dec 19, after detecting an unapproved genetically modified strain (GMO), the government's quarantine authority said on Friday.
- As per Reuter, European traders told that Korean importers on Tuesday agreed to accept early delivery of 195,000 tons of U.S.-origin corn as china concern goes on.
- As per USDA, Private exporters reported the sale of 278,384 tons of U.S. corn to Japan for delivery in next marketing year 2014-15 which will start on Sept. 1, 2014.
- As per Reuter, European traders told that South Korea's Korea Feed Association bought 65,000 tons of corn at \$229.95 a ton c&f from Dreyfus for arrival in January 2014.
- As per Reuter, Taiwan's maize industry procurement association MFIG purchased 60,000 tons of corn from Columbia Grain involving a combination of a flat price of \$255 a ton c&f and a basis price of 205.15 cents a bushel c&f over the Chicago May corn contract (Most was bought at the basis price) for the shipment between Feb. 6-20, 2014, from the U.S. Gulf or between Feb. 21 Mar. 7 from the Pacific north west coast.

<b>Maize CBOT Monthly Futures Price Listing (USD/MT)</b>				
	Contract Month	30.12.2013	29.11.2013	Change
Corn CBOT Prices	<b>Mar-14</b>	423.50	424.50	<b>-1.00</b>
	<b>May-14</b>	431.75	432.75	<b>-1.00</b>
	<b>Jul-14</b>	438.75	440.00	<b>-1.25</b>
	<b>Sep-14</b>	444.75	446.50	<b>-1.75</b>

#### OUTLOOK:

*During the month of December, Corn prices on CBOT market decreased on concerns over weakening Chinese export demand for corn and by products.*

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