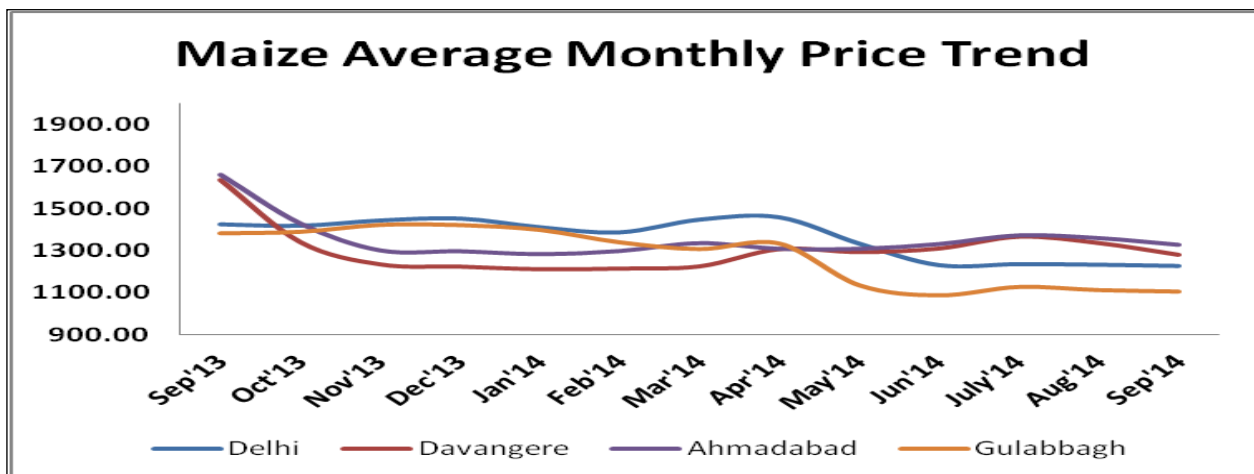


EXECUTIVE SUMMARY:

Maize prices remains under pressure with commencement of new arrivals from major growing states like Karnataka, Andhra Pradesh and Uttar Pradesh. More pressure will continue to build up with increase in arrivals. New arrivals, lack of demand from poultry sector and ample stock as carryout weigh on cash market fundamentals. Stockists too are not active as moisture level in the new crop is higher.

Major buying is expected by the end of October. However, government may procure maize in south India if prices rule below MSP. However crop size is as big as last year maize price in remote areas may rule lower. Overall outlook for maize in domestic market remains bearish. Indian crop size is pegged at 15.3 million tons.

There is no hope of export as Indian Maize is ruling higher than other exporting countries at present and there seems no respite at export front in the near and medium term.



During the month of September, in Ahmadabad region of Gujarat, poultry feed makers quotes for maize were down by Rs. 25 per quintal to Rs. 1300-1390 per quintal while starch feed makers quotes were down by Rs. 50 per quintal as compared to last month, in a range of Rs. 1290-1340 per quintal, sourced from U.P.

At the time, Maize is moving towards Kolkata at Rs. 1250-1275 per quintal, sourced from Naugachia region of Bihar. Meanwhile, it is moving towards Bangalore, Nammakal and Chitradurga at Rs. 1280 per quintal, 1320 per quintal and Rs. 1230 per quintal respectively, sourced from Davangere.

The world maize market is facing glut like situation this year and ample availability of surplus stock would not allow exporters to offer maize at higher price. IGC has increased its global corn production forecast by 1 million tons to 974 million tons for 2014-15. However it is lower by 0.9 million ton, it is more than sufficient to cover exiting demand of the world market.

Production forecasts for the U.S., EU and Russia are raised due to good yield potential but corn production forecast for China was lowered by 5 million tons to 215 million tons from the previous

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month due to drought damage. Global corn ending stocks are projected at 189.91 million tons for 2014/15, higher by 2.09 million tons from the last month forecast.

Over all scenario remains bearish for 2014-15 as wheat crop too is at record level and it would not allow maize market to re cover. Both are used as feed meal.

INDIA MAIZE BALANCE SHEET

			2014-15 Quarterly B/S			
	2013-14E	2014-15F	Oct-Dec'14 F	Jan-Mar'15 F	Apr-Jun'15 F	July-Sep 15 F
Opening Stocks (MMT)	2.17	2.48	2.48	6.71	3.66	3.80
Production (MMT)	21.86	21.22	12.24	3.06	4.74	1.18
Farmer's Release (MMT)	15.71	15.26	7.48	3.21	3.21	1.37
Govt. Procurement (MMT)	1.09	1.09	0.49	0.60		
Pvt. Trade Release (MMT)	14.61	14.17	3.36	6.23	2.75	1.83
Seed Retention (MMT)	0.24	0.23	0.04	0.00	0.20	0.00
Imports (MMT)	0.01	0.01	0.00	0.00	0.00	0.01
Total Supply (MMT)	24.04	23.71	14.72	3.06	4.74	1.19
Export (MMT)	3.70	3.70	0.65	1.20	1.44	0.40
Domestic Consumption (MMT)	17.86	17.53	7.36	4.91	3.16	2.10
Total Demand (MMT)	21.56	21.23	8.01	6.11	4.60	2.51
Ending Stock (MMT)	2.48	2.48	6.71	3.66	3.80	2.48

- *E= AW Estimates, F=AW Forecast*

- *All figures in million tons*

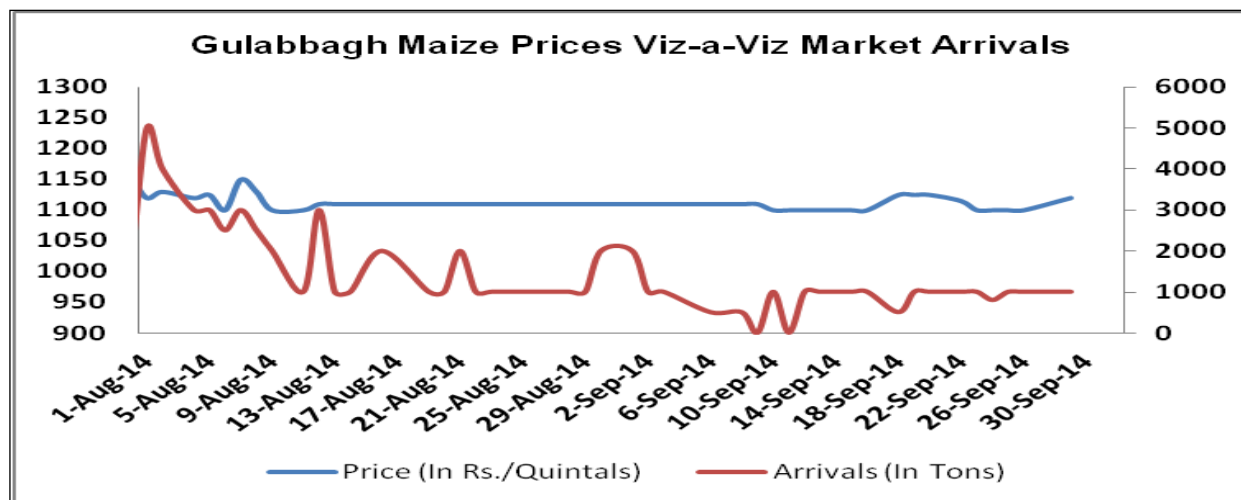
MAIZE- PRELIMINARY PRODUCTION ESTIMATES & WEATHER

States	Area in '000 Ha. (last year)	Cumulative Rainfall Distribution % (1st Jun to 30th Sep'14)	Current Period of sowing	Sowing Data as per Government as of 26th Sep'14 ('000 hectares)	5 year Av. Prod ('000 tons)	Production Forecast ('000 tons)	Area under Normal condition
Andhra Pradesh	622	-29.00%	Jun first week	587.9	1627.9	1656.04	95.00%
Bihar	467	-17.00%	Jun mid week	431	551.7	830.01	92.00%
Gujarat	349	-10.00%	July Mid Week	318	535.7	402.18	91.00%
Karnataka	1299	7.00%	Jun first week	1228	3365.6	3149.29	95.00%
West Madhya Pradesh	1003	-12.00%	July First Week to Mid Week	1055	1205.1	1410.17	105.00%
Maharashtra	955.5	-14.00%	July First Week to Mid Week	797.1	1933.8	1896.17	83.00%
East Rajasthan	966.6	0.00%	July Mid Week	912.1	1579	1252.86	94.00%
Uttar Pradesh	813	-47.00%	July First Week to Mid Week	715	1126.7	1019.68	90.00%
All India	8224.8			7839	15360.2	15305.5	

- It Is Preliminary Estimates; However, Production May Deviate +/- 5% According To The Weather Development And Overall Rainfall Situation.

STATE - WISE MARKET DYNAMICS

BIHAR

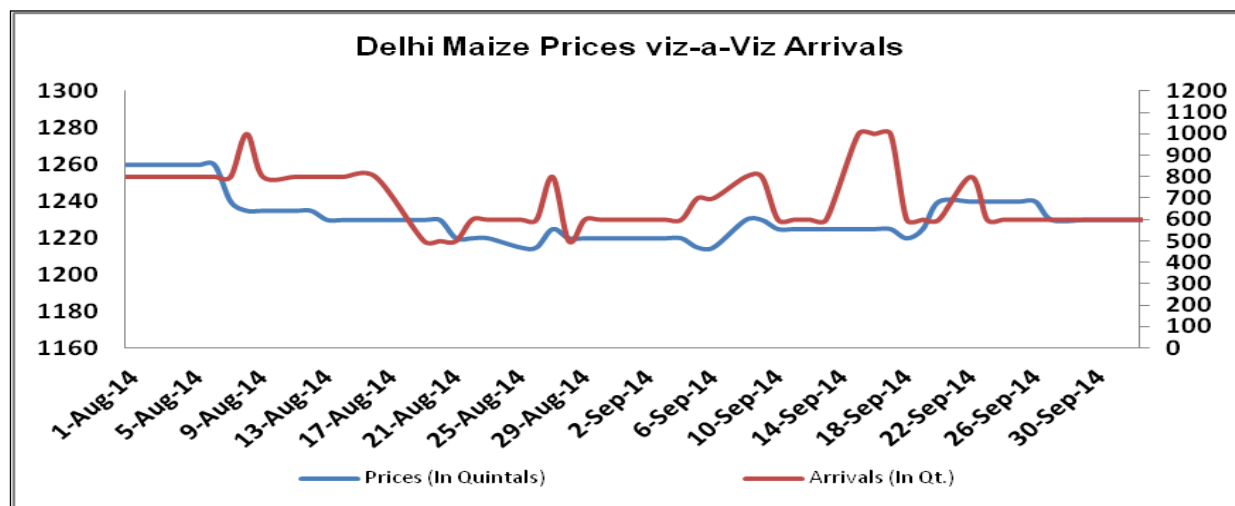


As per trade sources, maize is moving towards Kolkata at Rs. 1250-1275 per quintal on delivered basis sourced from Naugachia region of Bihar. Higher carry forward stock amid lower export demand could keep prices under pressure.

ANDHRA PRADESH

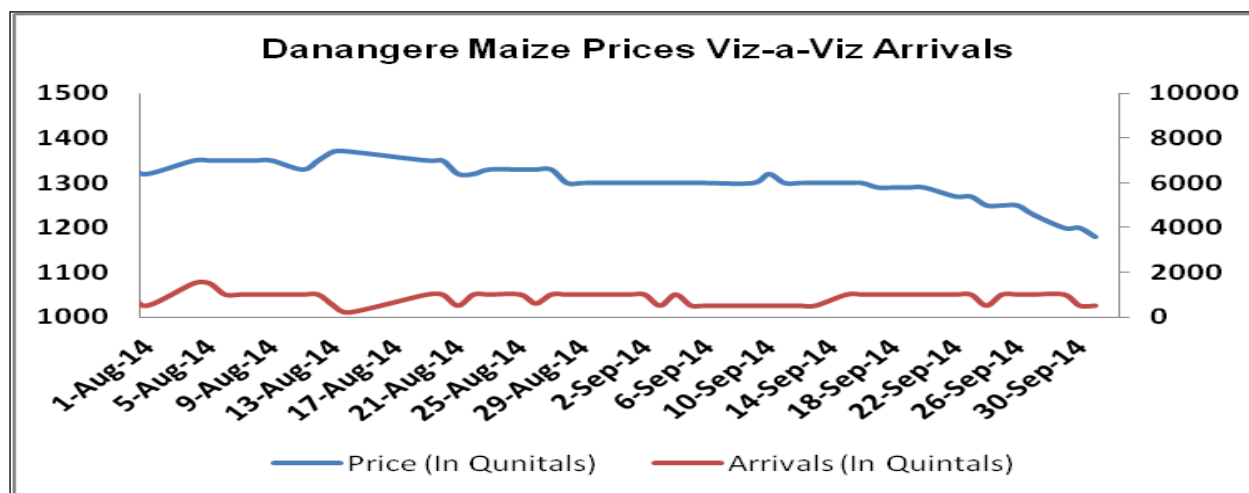
As per trade sources, government of A.P. has quantity of maize around 0.20 million tons at this time. Last month, it released around 3 lakh bags at the MSP. Besides, private traders have around 0.1 million tons stock of maize; under which, in nizamabad, private traders have around 0.0079 million tons stock. New crop arrivals have started in the market, contained around 14-21% moisture. However, these are lower in quantity and are likely to increase from mid October. Prices are likely to trade down due to sluggish poultry feed makers demand amid new crop arrival pressure.

DELHI



In Delhi, hybrid maize is quoting at Rs. 1230 per quintal, sourced from U.P. Sources revealed that maize could trade steady to weak for the near term on the expectation of arrival pressure in the market.

Karnataka



As per trade sources, government of Karnataka has stock of maize around 0.30 million tons. Currently, maize is moving towards Bangalore, Nammakal and Chitradurga at Rs. 1280 per quintal, 1320 per quintal and Rs. 1230 per quintal respectively, sourced from Davangere. New crop arrivals have started in the market, contained around 25-30% moisture. However, these are lower in quantity and are likely to increase from mid October. Prices are likely to trade down due to sluggish poultry feed makers demand amid new crop arrival pressure.

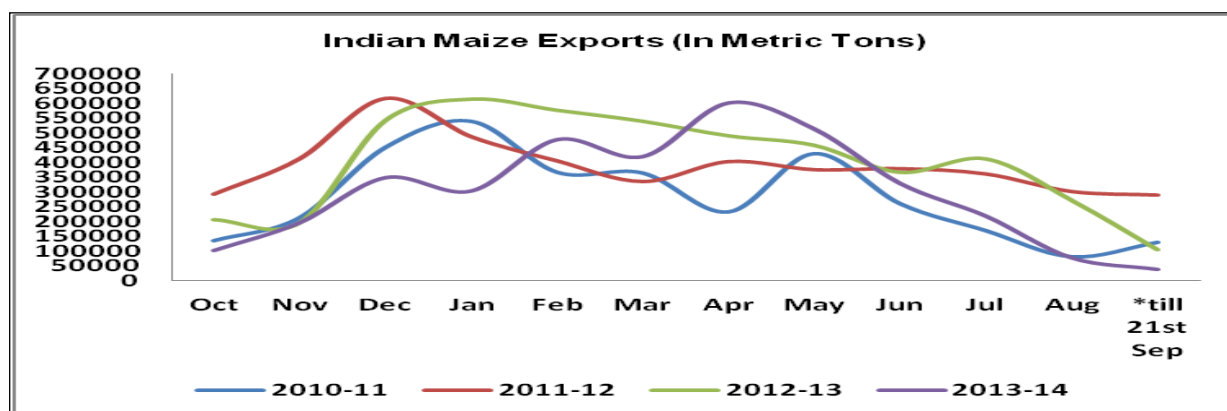
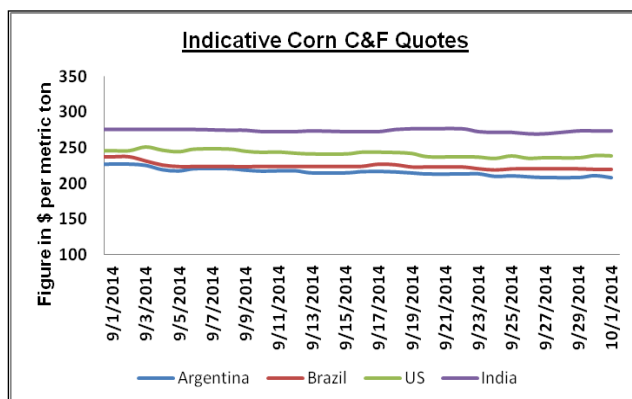
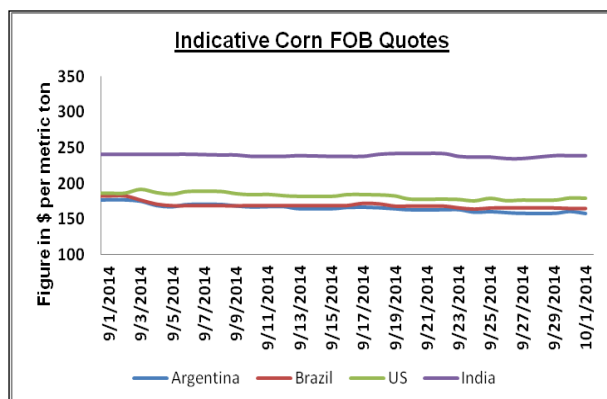
Market	2014-Sept	2014-Aug	2013-Sept.	% Change from Prev. Month	% Change from Prev. Year
Delhi (U.P. Origin)	1228	1220	1429	0.66	-14.07
Davangere	1280	1300	1635	-1.54	-21.71
Shimoga	1304	1350	1456	-3.41	-10.44
Bagalkot	1129	1405	1535	-19.64	-26.45
Gadag	1187	1129	1241	5.14	-4.35
Nizamabad	1197	NA	1591	-	-24.76
Khanna	1228	NA	1311	-	-6.33
Ludhiana	1230	1200	1350	2.50	-8.89
Sangli	1360	1480	1750	-8.11	-22.29
Gulabgh	1108	1110	1383	-0.18	-19.88

PRICE OUTLOOK:

For the month of October, we expect that maize prices could be in range with weak bias likely to continue. Higher carry forward stock amid sluggish export and domestic demand of poultry feed makers with the new crop arrival pressure could keep prices under pressure.

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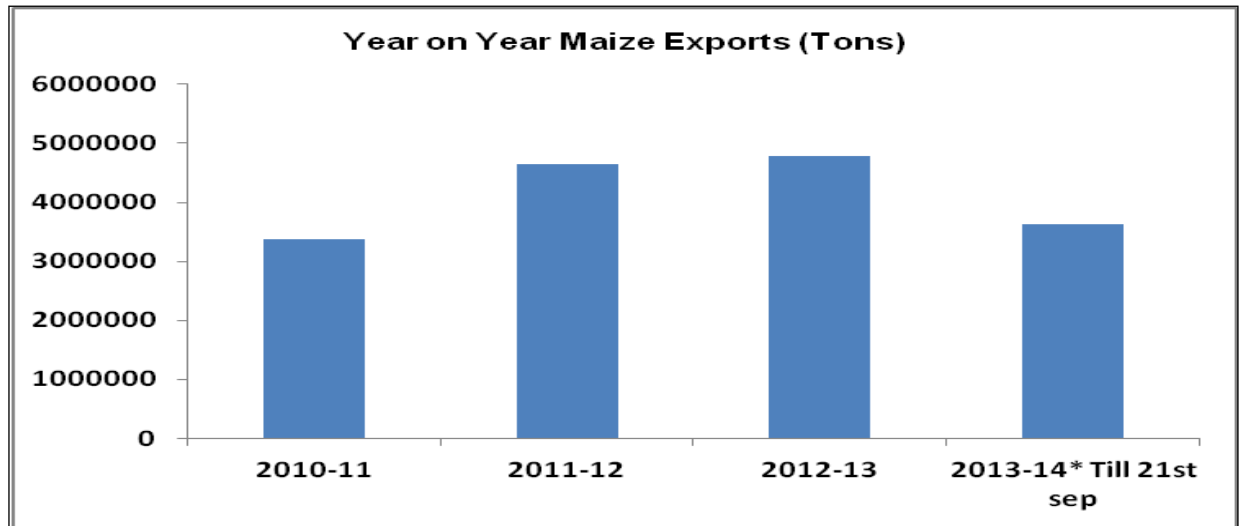
ON THE EXPORT FRONT:



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 61.7511)				
	Argentina	Brazil	US	India
FOB	158	165.05	179	239
Cost and Freight (C&F)	208	220.05	239	274

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YEAR ON YEAR MAIZE EXPORTS



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FUTURES MARKET ANALYSIS: NCDEX MAIZE (NOVEMBER CONTINUOUS WEEKLY FUTURE CHART)



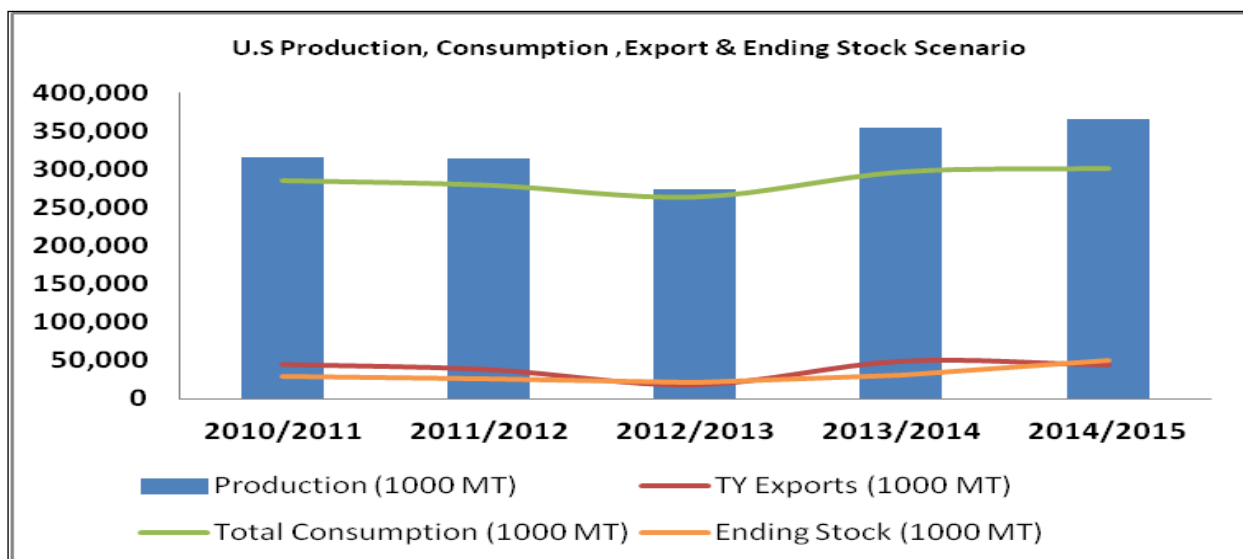
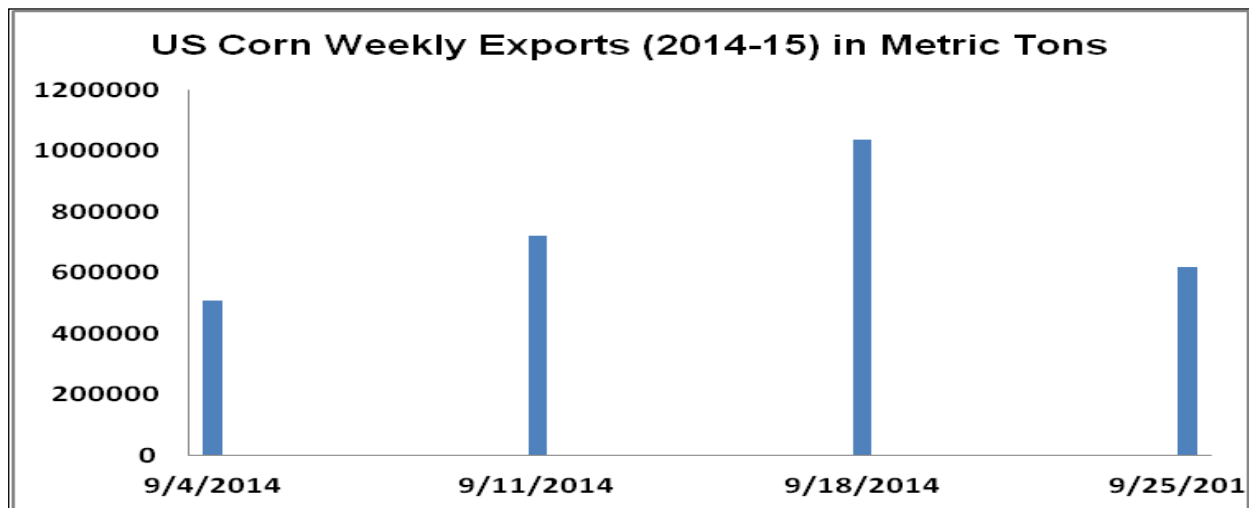
- Candlestick chart pattern reveals bearish situation in the market.
- RSI is moving down in oversold region.
- Prices closed below 9 and 18 days EMAs.
- Strategy: Sell around 1053 and target1 and target2 would be 1015, 996.

Support & Resistance				
S2	S1	PCP	R1	R2
950	994	1075	1149	1202

INTERNATIONAL MARKET SCENARIO:

U.S.

As per USDA, U.S accumulated corn export figures reached to 30,76,944 metric tons for the 2014-15 marketing year. Exports of 6,20,400 MT reported by U.S to Japan (232,000 MT), Mexico (147,800 MT), Colombia (111,700 MT), South Korea (68,000 MT), and Canada (40,800 MT) for the period September 19-25, 2014.

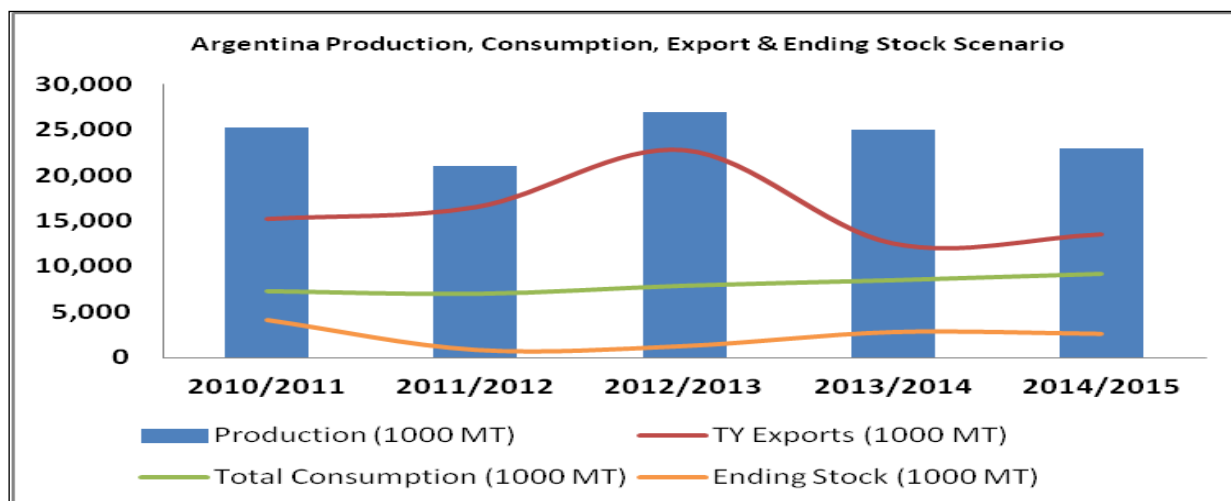


- As per USDA, corn ending stocks for U.S are forecasted higher by 4.912 million tons to 50.844 million tons for 2014/15 from the last month forecast. While, Global corn ending stocks are projected at 189.91 million tons for 2014/15, higher by 2.09 million tons from the last month forecast.
- As per the latest crop progress report released by USDA, 96% crop of corn has been dented, above 1% from the last year but below 1% from the last 5 year average period. 60% crop has matured; same from the last year but below 10% from the last 5 year average period. Besides, 12% crop has been harvested, above 1% from the last year

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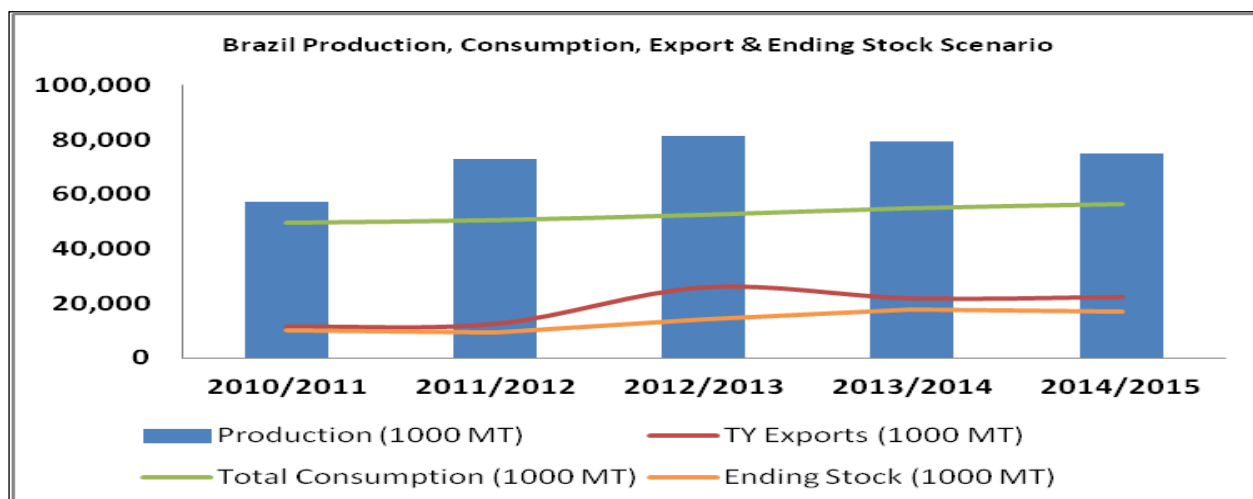
but below 11% from the last 5 year average period. 74% corn crop is in good to excellent condition as of 28th September, 2014, same from the last week but higher by 19% from the last year.

ARGENTINA



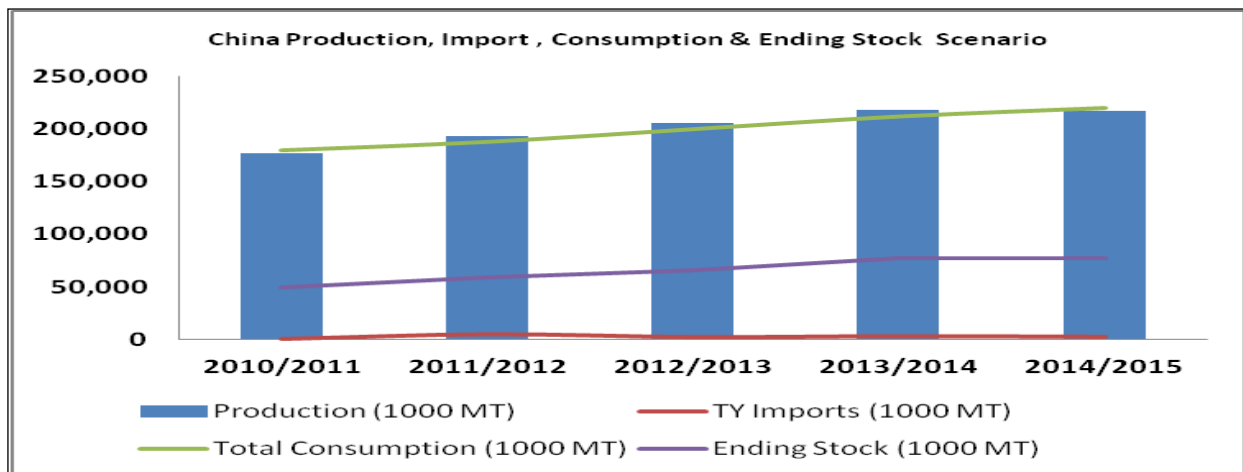
- As per Reuters news, Argentina is likely to produce lower corn this season due to low international prices, high inflation and stringent export regulations. Besides, As per Rosario grains exchange, Argentina's farmers will reduce the country's corn planting area for the 2014/15 season by 16 percent to 3.7 million hectares compared with the previous season as high inflation fuels production costs. (Source: Reuters)
- USDA decreased its ending stock estimates for Argentina by 1.9 million tons to 2.635 million tons from the previous month estimates for 2014/15 as it reduced its production estimates with the increase in consumption.

BRAZIL



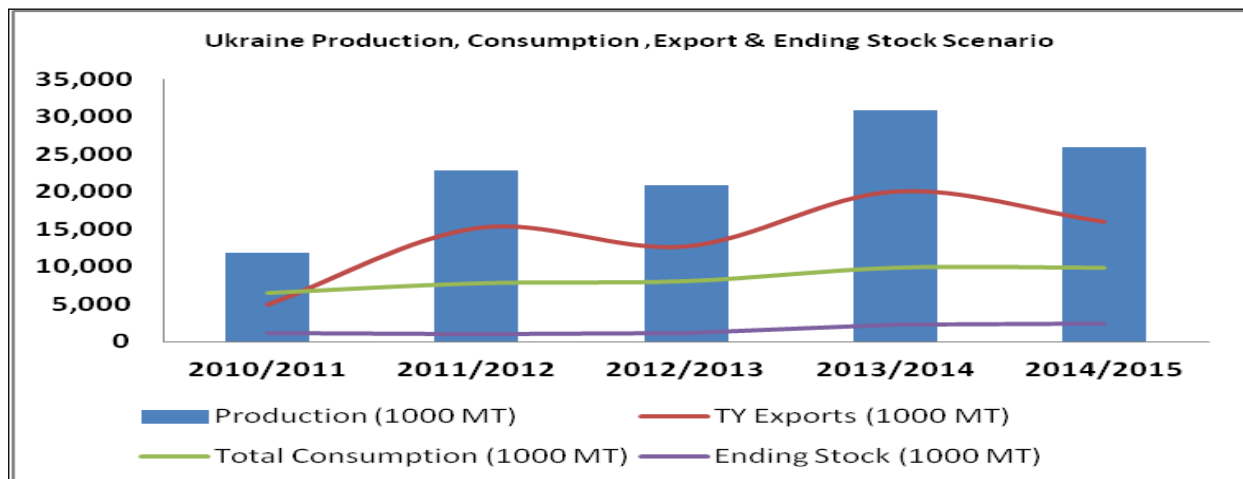
- USDA increased its ending stock estimates for 2014/15 by 1.3 million tons to 17.05 million tons by increase in production forecast for 2014/15 from the last month.

CHINA



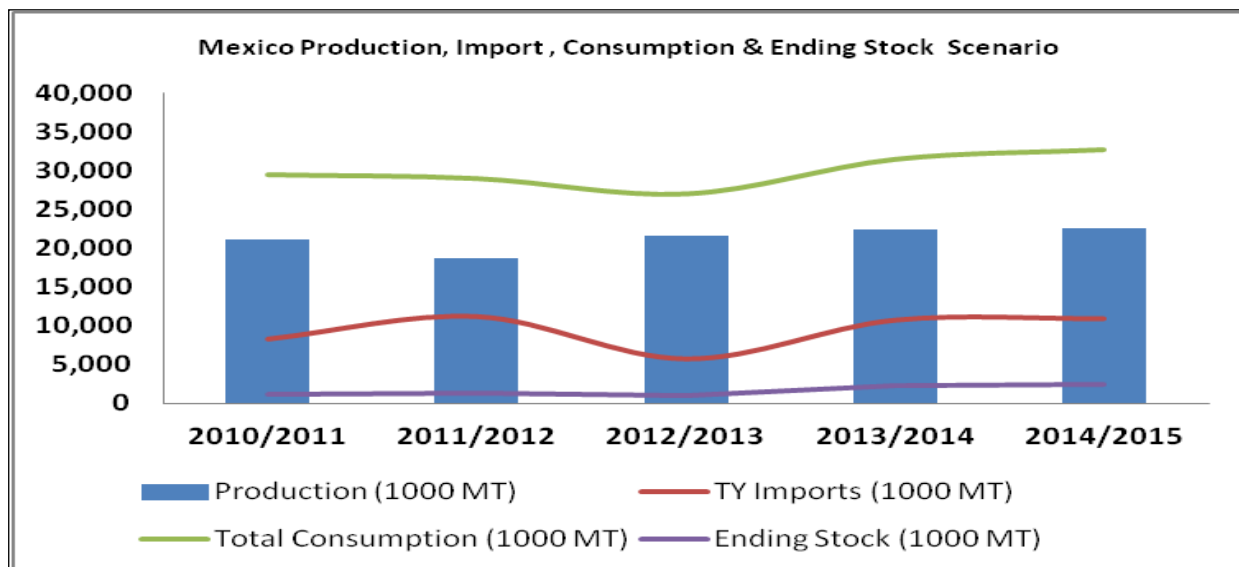
- USDA decreased its corn ending stock forecast by 1 million tons to 77.36 million tons by decrease in production forecast from the last month for 2014/15.
- The CNGOIC cut its estimate for China's 2014 corn output by 8.5 million tons to 213.8 million tons from last month estimate after drought damaged corn crops in three northeast provinces; down 2.2 percent from the last year. (Source: Reuters)

UKRAINE



- USDA kept unchanged its corn ending stock forecast at 2.391 million tons for Ukraine for 2014-15 from the last month.

MEXICO



- USDA kept unchanged its corn ending stock forecast for Mexico at 2.411 million tons for 2014/15 as compared to last month forecast.

INTERNATIONAL CORN HIGHLIGHTS

- The International Grains Council raised its forecast for the 2014/15 global corn production by 1 million tons to 974 million tons from the previous month forecast but still below the prior season's record of 983 million tons harvest. Production forecasts for the U.S., EU and Russia are raised due to good yield potential but corn production forecast for China was lowered by 5 million tons to 215 million tons from the previous month due to drought damage.
- Preliminary Japanese government data shows that Japan's use of corn in animal feed production rose to 45.4% in the July'14 from 41.9% during the same month last year as users' reliance on alternatives such as sorghum, wheat and barley decreased. (Source: Reuters)

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

- European traders told that an importer in the United Arab Emirates has purchased about 40,000 tons of yellow corn at around \$200 a ton c&f; likely to sourced from South America or the United States for the shipment between Feb to May 2015. (Source: Reuters)
- European traders told that a group of Israeli private buyers purchased about 70,000 tons of corn at a premium of 121.5 cents a bushel c&f over the Chicago December corn contract and 108.5 cents a bushel c&f over the Chicago March corn contract. Shipment period for a first cargo of 30,000 tons was Nov. 25 to Dec. 15, 2014 and for a second one of 40,000 tons, shipment period was Dec. 25, 2014, to Jan. 20, 2015. Further, a group of Israeli private buyers bought 80,000 tons of corn, likely to be sourced from

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Ukraine. One 40,000 tons corn consignment was purchased at a premium of 128 cents a bushel c&f over the Chicago December corn contract for the shipment Nov. 20 to Dec. 10. Another 40,000 tons corn consignment was purchased at 120.5 cents a bushel c&f over the Chicago March corn contract, for shipment between Dec. 20, and Jan. 10. (Source: Reuters)

- As per Korean traders, The Korea Feed Association in Busan purchased 60,000 tons of corn from Vitol at \$205.94 a ton c&f, and the price included surcharges for extra port unloading, scheduled to arrive on Feb. 20, 2015. Besides, South Korea's Korea Corn Processing Industry Association purchased 55,000 tons of corn from Bunge at \$210.42 a ton C&F for Feb. 10, 2015 arrival. (Source: Reuters)

Maize CBOT Monthly Futures Price Listing (USD/MT)				
	Contract Month	30.9.2014	29.8.2014	Change
Corn CBOT Prices	Dec-14	128.22	143.57	-10.69
	Mar-15	133.23	148.68	-10.39
	May-15	136.58	151.93	-10.10
	July-15	139.33	154.59	-9.87

OUTLOOK:

Corn prices on CBOT market decreased on the expectation of record U.S. crop harvest and a rising dollar that made the grain less competitive in global markets.

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