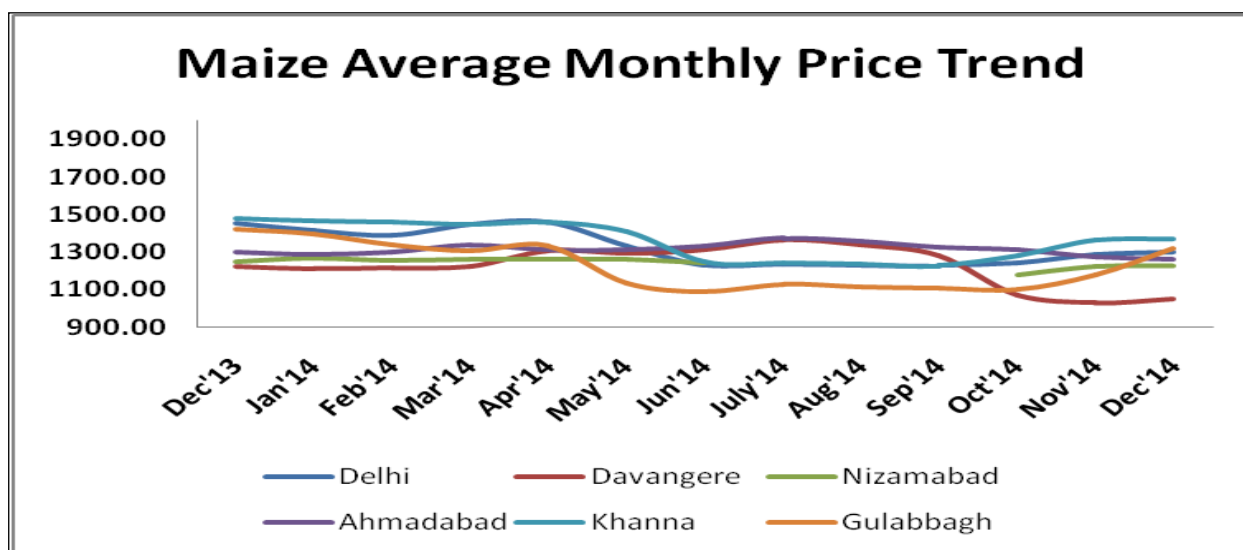


### EXECUTIVE SUMMARY:

Indian export parity has turned into positive. We expect that Indian maize could trade slightly firm in the February month due to fresh export and domestic demand of poultry feed makers.

At this time, Maize is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1230 per quintal, Rs. 1230 per quintal, Rs. 1150 per quintal, Rs. 1200 per quintal and Rs. 1240 per quintal respectively, sourced from Davangere.

As per ministry of agriculture, maize have been sown in 12.22 lakh hectares as on 2nd January, 2015 during Rabi season, lower by 0.42 lakh hectares as compared to last year. As weather conditions are favourable for maize crop; we expect that will help to get the better yield as compared to last year and lead to production also.



During the month of December, in Ahmadabad region of Gujarat, poultry feed makers quotes for maize were firm by Rs. 15 per quintal to Rs. 1375 per quintal while starch feed makers quotes were firm by Rs. 25 per quintal to Rs. 1375 per quintal as compared to last month, sourced from U.P. Prices are likely to increase further due to increase in demand from poultry feed makers.

**INDIA MAIZE BALANCE SHEET**

			<b>2014-15 Quarterly B/S</b>			
	<b>2013-14E</b>	<b>2014-15F</b>	<b>Oct-Dec'14 F</b>	<b>Jan-Mar'15 F</b>	<b>Apr-Jun'15 F</b>	<b>July-Sep 15 F</b>
Opening Stocks (MMT)	2.17	2.28	2.28	6.69	3.60	3.72
Production (MMT)	21.86	20.90	11.94	2.98	4.78	1.20
Farmer's Release (MMT)	15.71	15.04	7.29	3.13	3.24	1.39
Govt. Procurement (MMT)	1.09	1.09	0.49	0.60		
Pvt. Trade Release (MMT)	14.61	13.95	3.26	6.06	2.78	1.85
Seed Retention (MMT)	0.24	0.27	0.07	0.00	0.20	0.00
Imports (MMT)	0.01	0.01	0.00	0.00	0.00	0.01
<b>Total Supply (MMT)</b>	<b>24.04</b>	<b>23.19</b>	<b>14.22</b>	<b>2.98</b>	<b>4.78</b>	<b>1.21</b>
Export (MMT)	3.90	3.47	0.22	1.20	1.53	0.53
Domestic Consumption (MMT)	17.86	17.41	7.31	4.87	3.13	2.09
<b>Total Demand (MMT)</b>	<b>21.76</b>	<b>20.88</b>	<b>7.53</b>	<b>6.08</b>	<b>4.66</b>	<b>2.62</b>
<b>Ending Stock (MMT)</b>	<b>2.28</b>	<b>2.31</b>	<b>6.69</b>	<b>3.60</b>	<b>3.72</b>	<b>2.31</b>

- *E= AW Estimates, F=AW Forecast*
- *All figures in million ton*

<b>Consumption Break Up For 2014-15 (Figures in MMT)</b>	
Poultry & Cattle feed	10.45
Starch & Brewery	4.54
Human Consumption	1.65
Seed	0.269
Shortage & Wastage	0.5

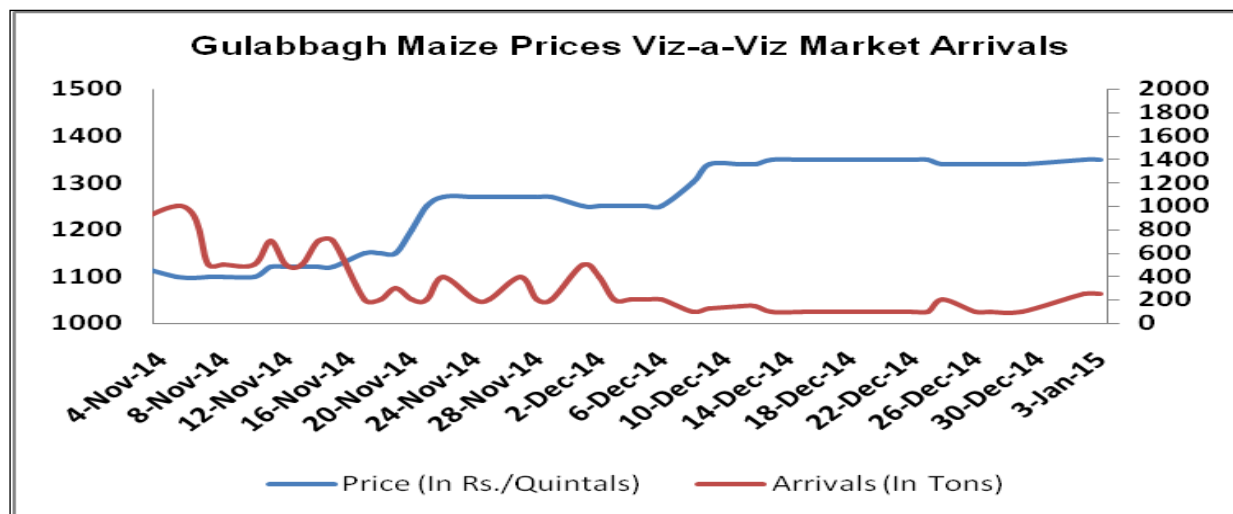
**STATE WISE CROP SITUATION AS ON 2ND JAN, 2015 (AREA IN LAKH HECTARES)**

State	Normal Area	Current Year	Previous Year	Absolute change
Andhra Pradesh	3.36	2.17	2.48	-0.31
Arunachal Pradesh	0.07	0.01	0.06	-0.05
Bihar	4.10	3.96	4.00	-0.04
Gujarat	0.92	0.88	1.09	-0.21
Jharkhand	0.11	0.04	0.04	0.00
Karnataka	1.26	0.84	0.96	-0.12
Maharashtra	1.33	1.73	2.11	-0.39
Odessa	0.03	0.08	0.07	0.01
Tamil Nadu	0.99	1.71	1.25	0.46
Uttar Pradesh	0.24	0.09	0.05	0.04
West Bengal	0.75	0.36	0.22	0.14
Others	0.05	0.36	0.31	0.05
All-India	13.20	12.22	12.63	-0.42

(SOURCE: MINISTRY OF AGRICULTURE)

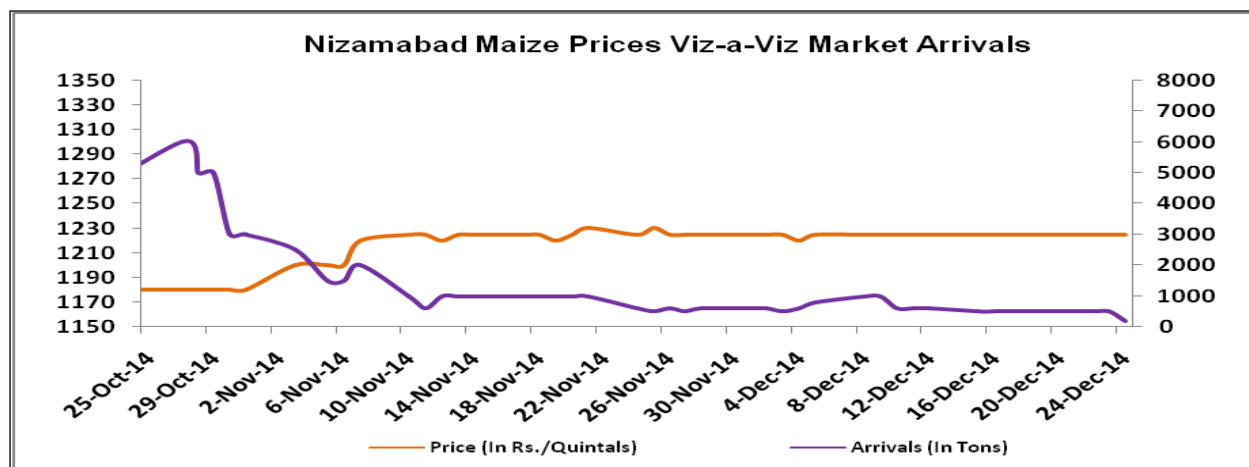
## STATE - WISE MARKET DYNAMICS

### BIHAR



In Gulabbagh mandi, maize bilty traded slightly firm by Rs. 10 per quintal to Rs. 1350 per quintal as compared to last week. Maize is moving towards Kolkata at Rs. 1525 per quintal on delivered basis sourced from Naugachia region of Bihar. Maize could trade slightly firm amid good demand from Kolkata feed makers.

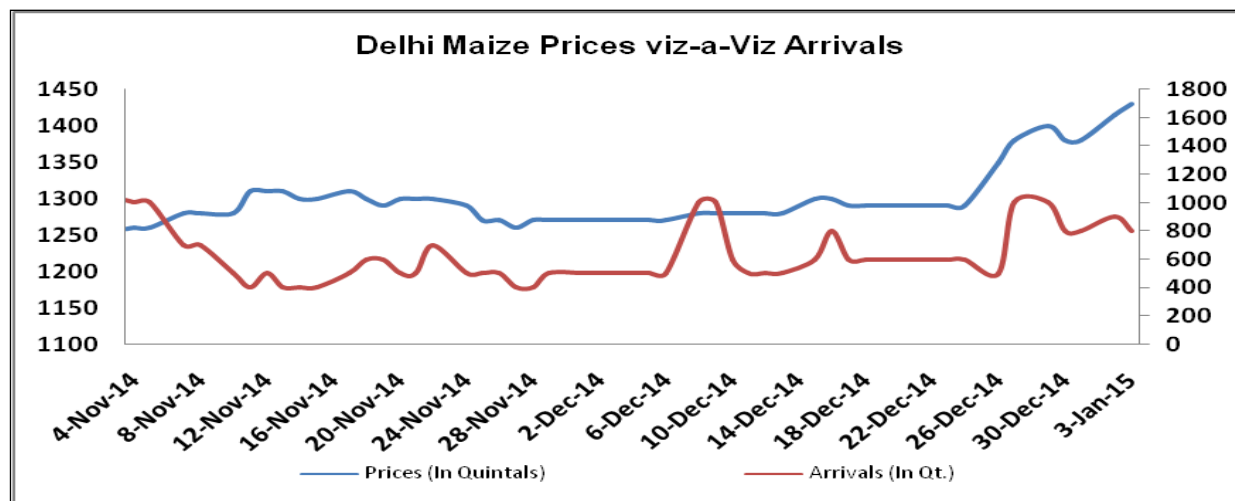
### ANDHRA PRADESH



In Nizamabad, new crop of maize would arrive in the last week of February. Sources revealed that government of A.P. has quantity of maize around 0.05 million tons and private traders have stock 0.005 million tons at this time.

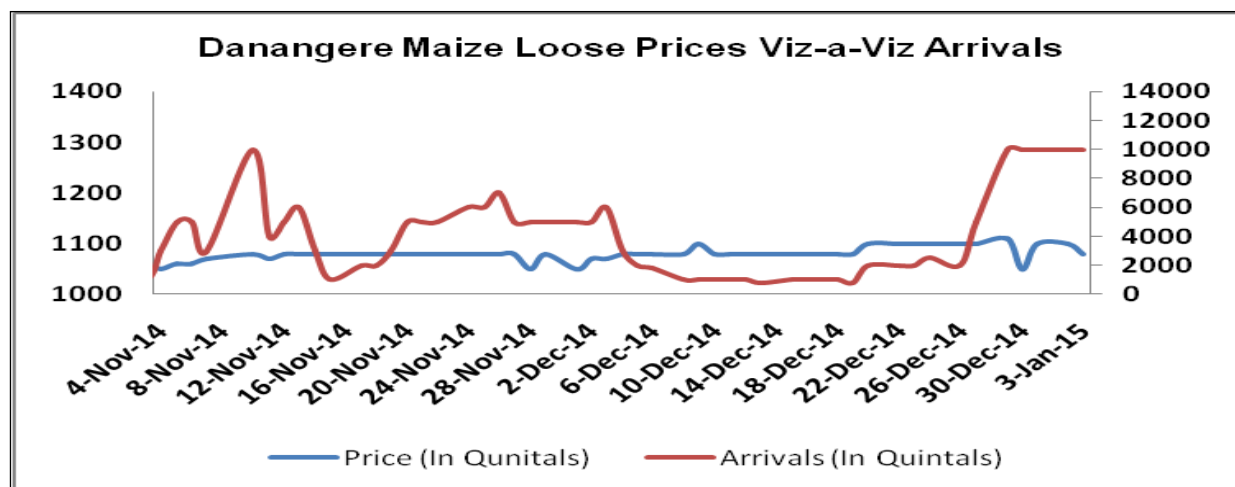
January 5th, 2015

## DELHI



In Delhi, hybrid maize traded firm by Rs. 50 per quintal to Rs 1430 per qtl. as compared to last week, sourced from U.P. Sources revealed that stock of maize could be around 2000 quintal. Maize could trade slightly firm in the near term due to lower stock in the market

## Karnataka



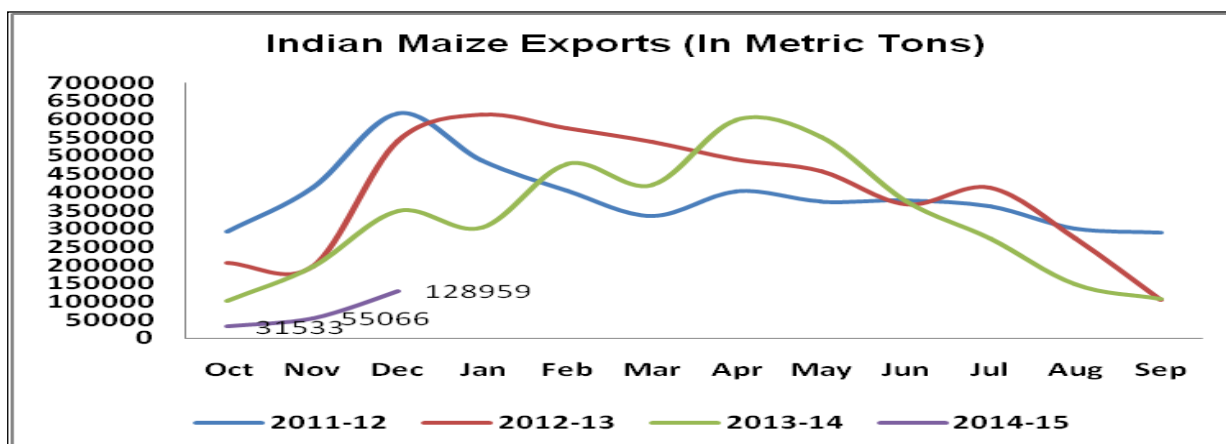
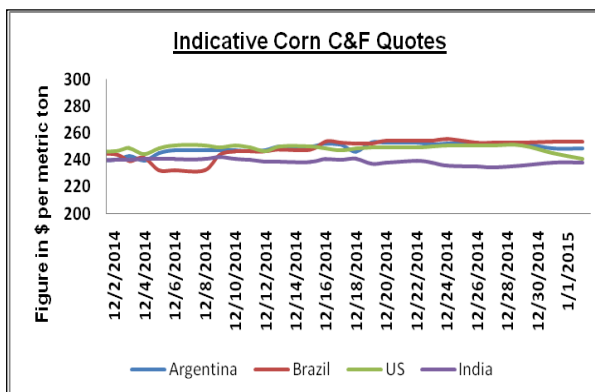
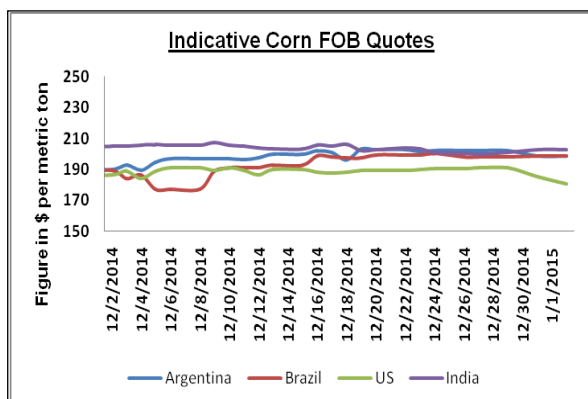
Maize crop contains 14-16% moisture. It is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1230 per quintal, Rs. 1230 per quintal, Rs. 1150 per quintal, Rs. 1240 per quintal and Rs. 1230 per quintal respectively, sourced from Davangere. Maize could trade firm amid higher demand.

Month-wise Average prices of Maize at various markets					
Market	2014- December	2014- November	2013- December	% Change from Prev. Month	% Change from Prev. Year
Delhi (U.P. Origin)	1380	1270	1450	8.66	-4.83
Davangere(Loose)	1050	1080	1150	-2.78	-8.70
Shimoga	1050	1050	1100	Unch	-4.55
Bagalkot	1125	1121	1125	0.36	Unch
Gadag	1082	1062	1095	1.88	-1.19
Nizamabad	1225	1225	1235	Unch	-0.81
Khanna	1350	1390	1480	-2.88	-8.78
Ludhiana	1300	1300	1430	Unch	-9.09
Sangli	1263	1210	1190	4.38	6.13
Gulabbagh	1340	1270	1420	5.51	-5.63

#### PRICE OUTLOOK:

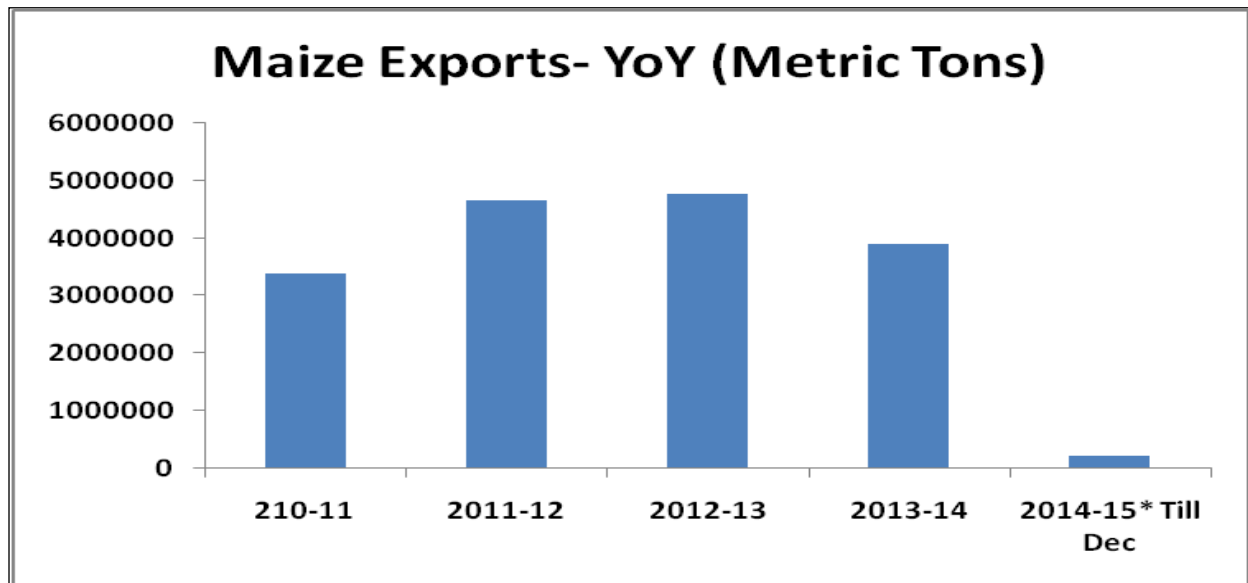
For the month of January, we expect market to trade slightly firm on the expectation of fresh domestic and export demand.

January 5th, 2015

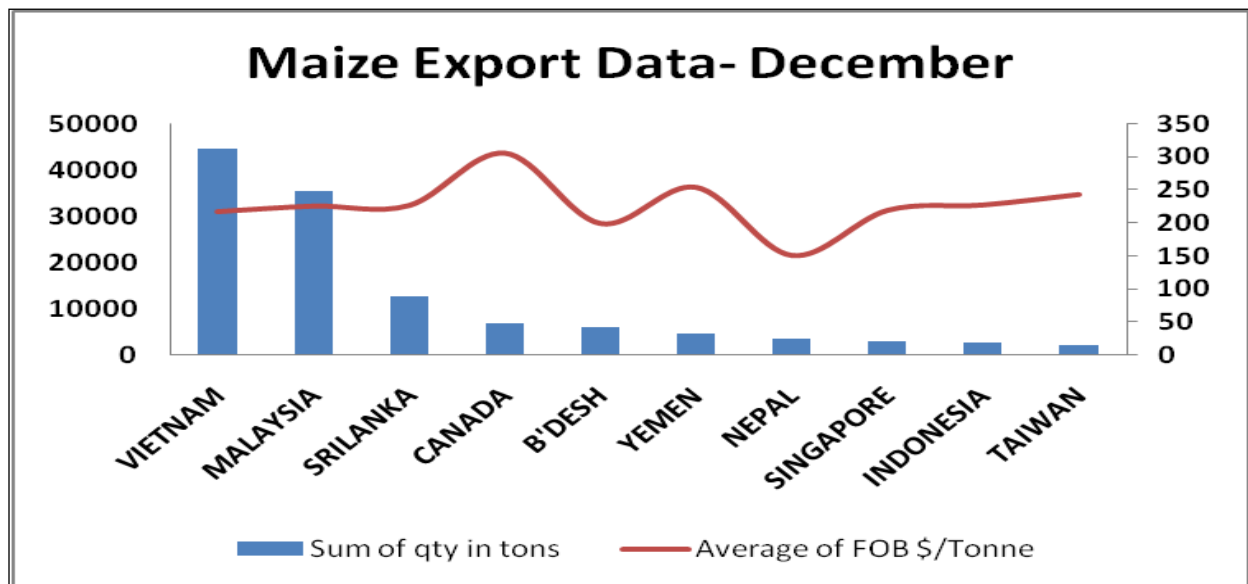
**ON THE EXPORT FRONT:**


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 63.28)				
As on 02.01.2015	Argentina	Brazil	US	India
FOB	198.62	198.45	180.71	203
Cost and Freight (C&F)	248.62	253.45	240.71	238

### YEAR ON YEAR MAIZE EXPORTS



### MAIZE DECEMBER EXPORTS





January 5th, 2015

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



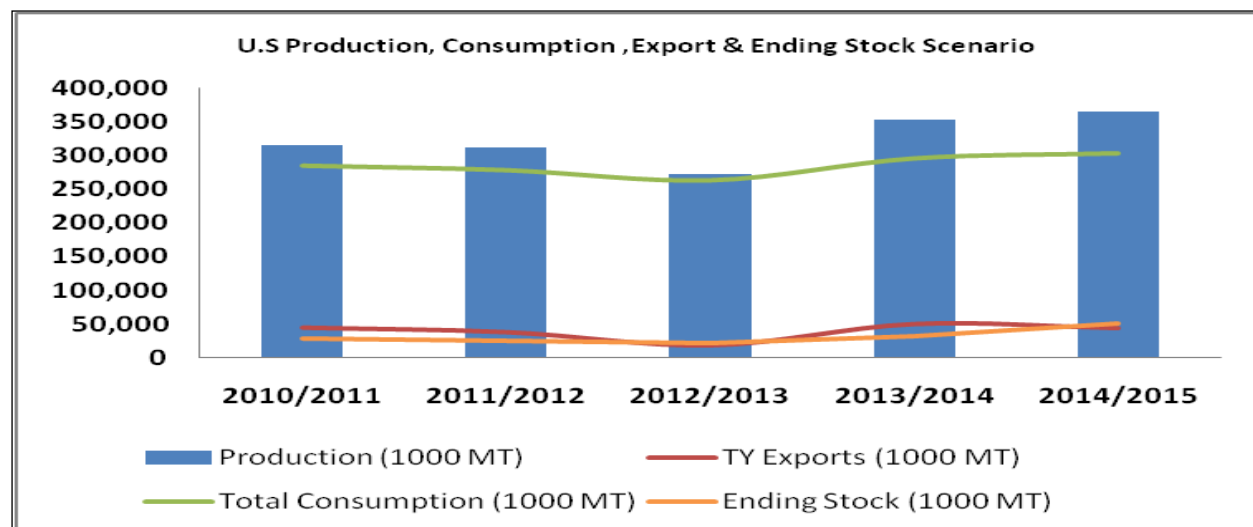
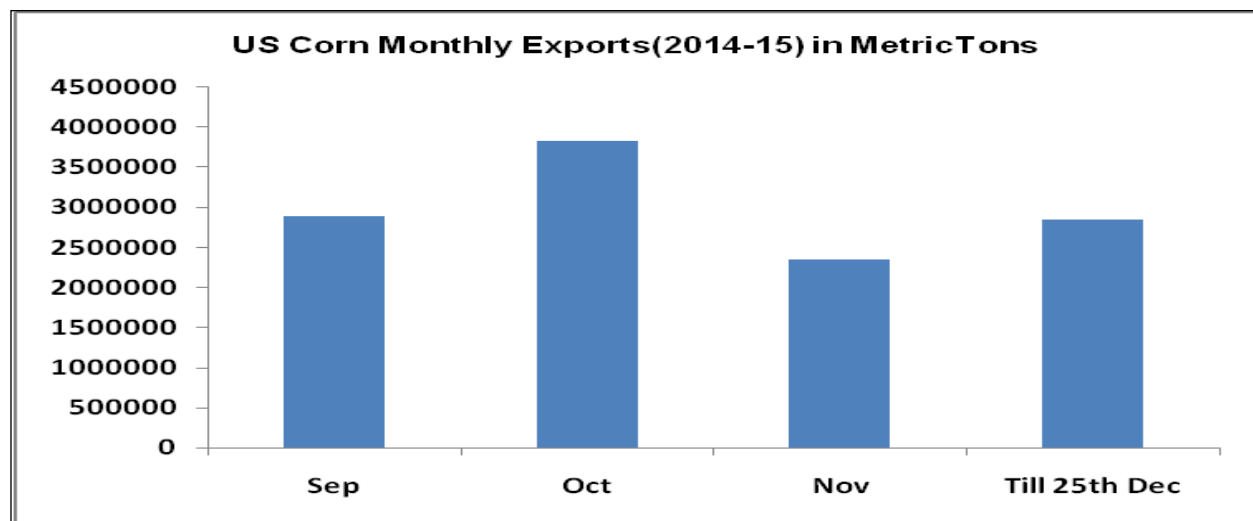
- Candlestick chart pattern reveals down in the market.
- RSI is moving up in neutral zone.
- Prices closed above 9 and 18 days EMAs.
- Strategy: Buy above 1200 and target1 and target2 would be 1270, 1305.

Support & Resistance				
S2	S1	PCP	R1	R2
1134	1170	1256	1376	1463

## INTERNATIONAL MARKET SCENARIO:

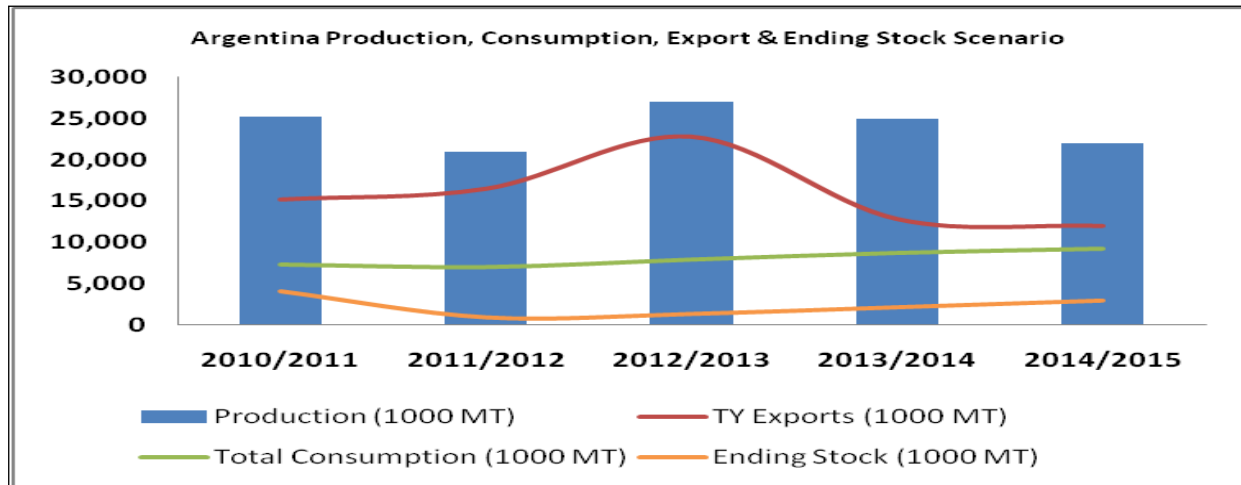
### U.S.

As per USDA, U.S accumulated corn export figures reached to 12,104,584 metric tons for the 2014-15 marketing year. Exports of 6,67,800 MT were down 11 percent from the last week and 9 percent from the prior 4-week average; reported by U.S to Mexico (180,800 MT), Peru (163,200 MT), Japan (161,800 MT), Colombia (100,100 MT), Costa Rica (26,200 MT), and Canada (13,500 MT) for the period December 19- December 25, 2014.



As per USDA, corn ending stocks for U.S are forecasted lower by 0.254 million tons to 50.754 million tons for 2014/15 from the last month forecast as corn consumption in U.S forecasted higher by 0.254 million tons to 302.782 million tons as compared to last month.

### ARGENTINA

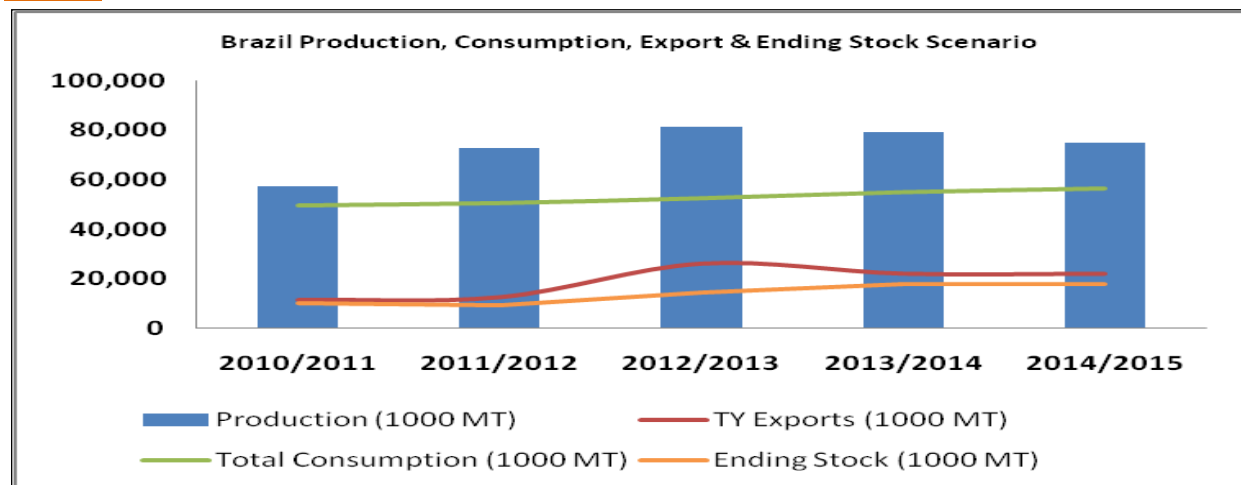


The Argentine government expects 5.5 million hectares of corn to be planted in the 2014/15 season. (Source: Reuters)

As per Argentina's agriculture ministry, China has approved imports of one of Argentina's genetically modified varieties of corn, Syngenta's SYNN.VX Agrisure Viptera. (Source: Reuters)

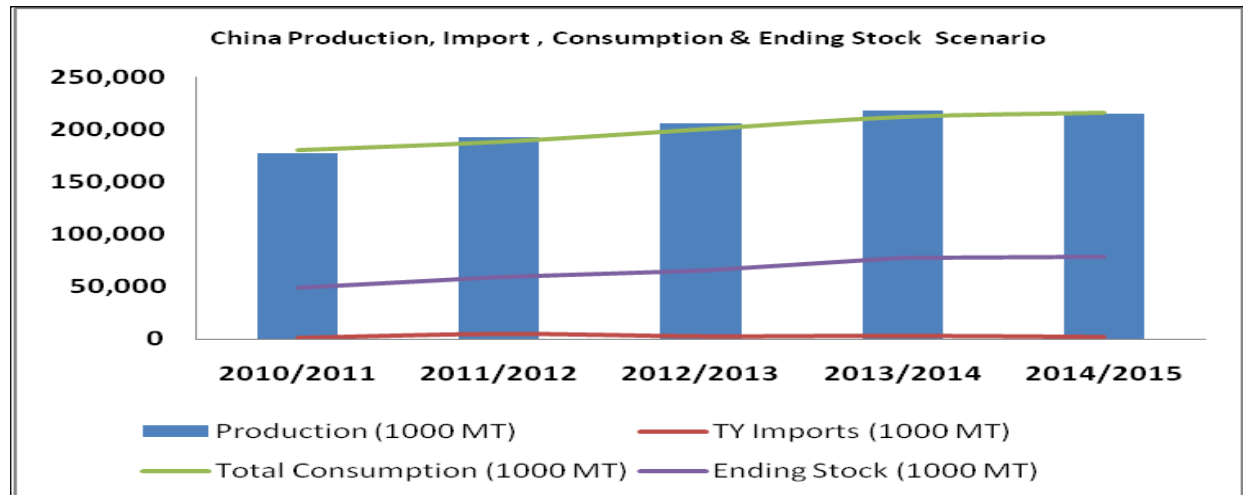
USDA decreased its production forecast for Argentina by 1 million tons to 22 million tons from the previous month estimates for 2014/15. Also, decreased its export forecast by 0.5 million tons to 12 million tons for 2014/15.

### BRAZIL



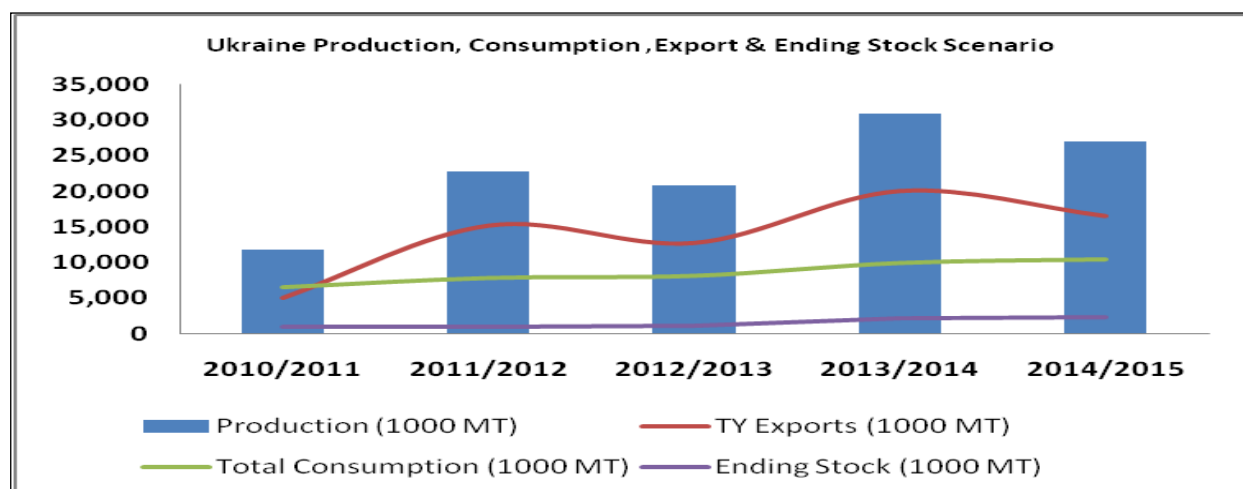
USDA unchanged its ending stock estimates for Brazil at 17.55 million tons from the previous month estimates for 2014/15.

## CHINA



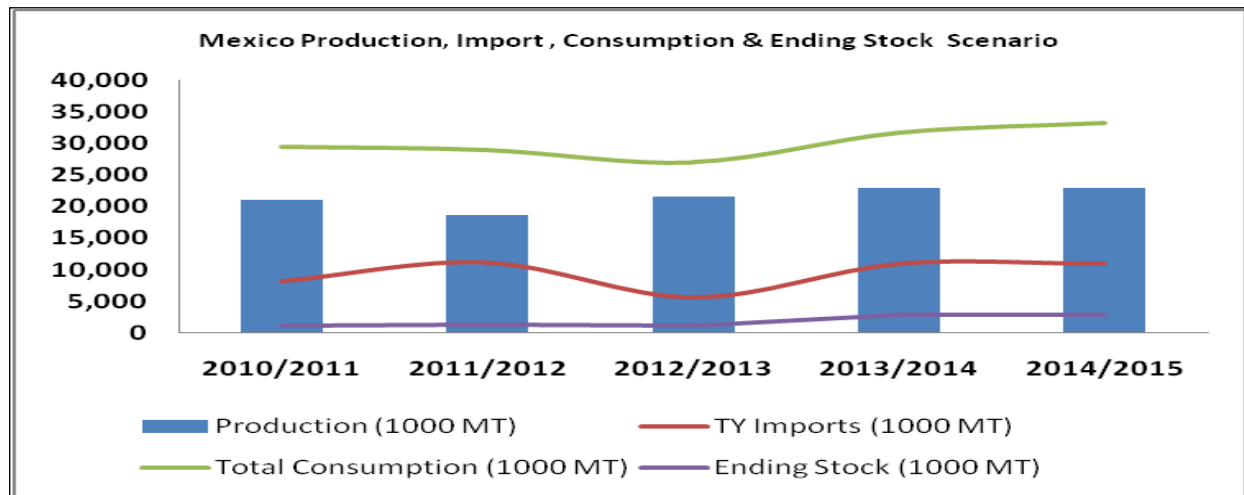
USDA increased its corn ending stock forecast for China by 1 million tons to 78.715 million tons for 2014/15 from the last month. It increased its production forecast by 1.5 million tons to 215.5 million ton. Also, decreased its imports estimates by 0.5 million tons to 2 million tons for 2014/15.

## UKRAINE



USDA decreased its ending stock estimates for Ukraine by 0.004 million tons to 2.387 million tons from the last month for 2014/15.

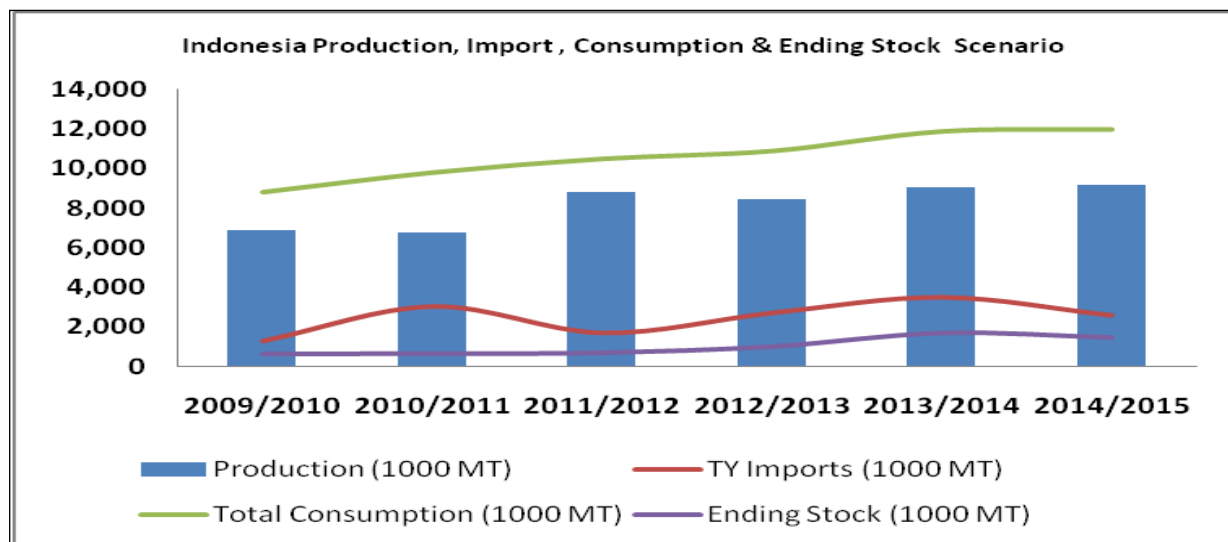
### MEXICO



As per USDA, private exporters reported sales of 157,500 tons of U.S. corn to Mexico for delivery in the 2014/15 marketing year, which started on Sept. 1.

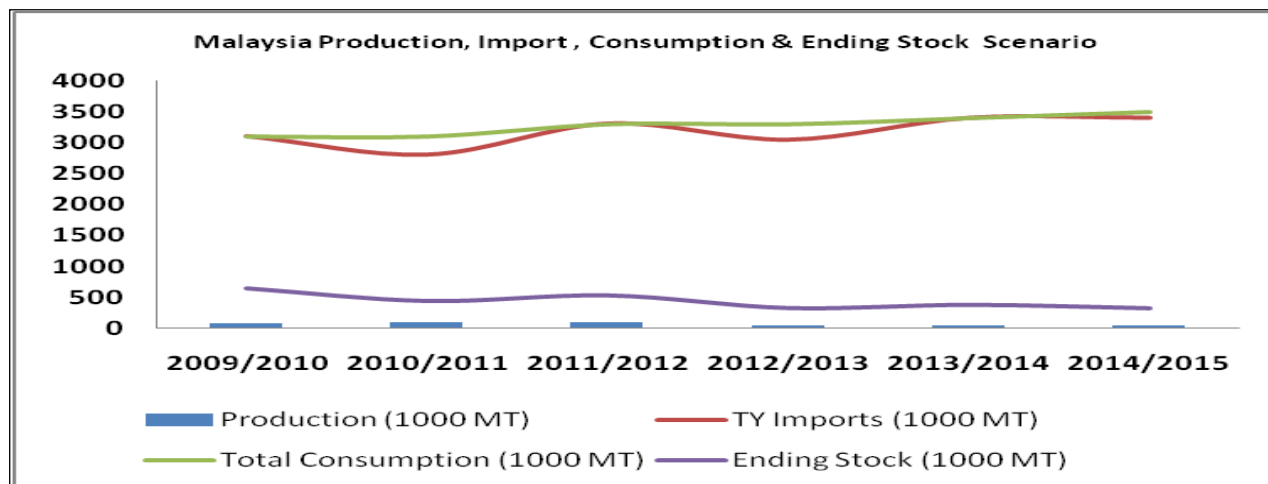
USDA increased its corn ending stock forecast for Mexico by 0.049 million tons to 2.924 million tons for 2014/15 as compared to last month forecast.

### INDONESIA



USDA unchanged its corn ending stock forecast for Indonesia at 1.49 million tons for 2014/15 as compared to last month forecast.

## MALAYSIA



USDA unchanged its corn ending stock forecast for Malaysia at 0.324 million tons for 2014/15 as compared to last month forecast.

## INTERNATIONAL CORN HIGHLIGHTS

Preliminary Japanese government data shows that Japan's use of corn in animal feed production rose to 44.8% in the Oct'14 from 43.6% during the same month last year as users' reliance on alternatives such as sorghum, wheat and barley decreased. (Source: Reuters)

Maize CBOT Monthly Futures Price Listing (Cents/bushel)				
	Contract Month	30.12.2014	28.11.2014	Change
Corn CBOT Prices	Mar-15	160.0	147.9	12.10
	May-15	163.3	153.0	10.33
	Jul-15	166.0	156.3	9.74
	Sep-15	167.2	158.9	8.26

As per European traders, The Korea Feed Association's Busan section purchased 60,000 tons of corn from Japanese trading house Mitsubishi at \$210.88 a ton c&f for arrival around Apr. 25, 2015, plus a \$1.50 a ton surcharge for additional port unloading. Meanwhile, South Korea's largest feedmaker Nonghyup Feed Inc. purchased 68,000 tons of corn from ADM Asia at \$210.88 a ton c&f plus a \$1.50 a ton surcharge for additional port unloading for arrival around Apr. 5. Besides, Nonghyup Feed Inc. purchased 69,000 tons of corn at \$214.46 a ton c&f plus a \$1.25 a ton surcharge for additional port unloading from Cargill, for Apr. 15, 2015, arrival. (Source: Reuters)

January 5th, 2015

**INTERNATIONAL OUTLOOK:**

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Corn prices on CBOT market increased on bargain buying and traders unwind long wheat/short corn spread positions. However, global maize market is likely to stay steady to weak on lower Chinese demand for general maize from the global market. Besides, China has decided to import GM corn strain developed by Swiss based company Sygenta. It is being grown in US. It will impact corn market in the weeks ahead. Turmoil in the market is expected in January and most probably market may decrease. Ample global grain supplies could also pressurize the corn prices.

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