

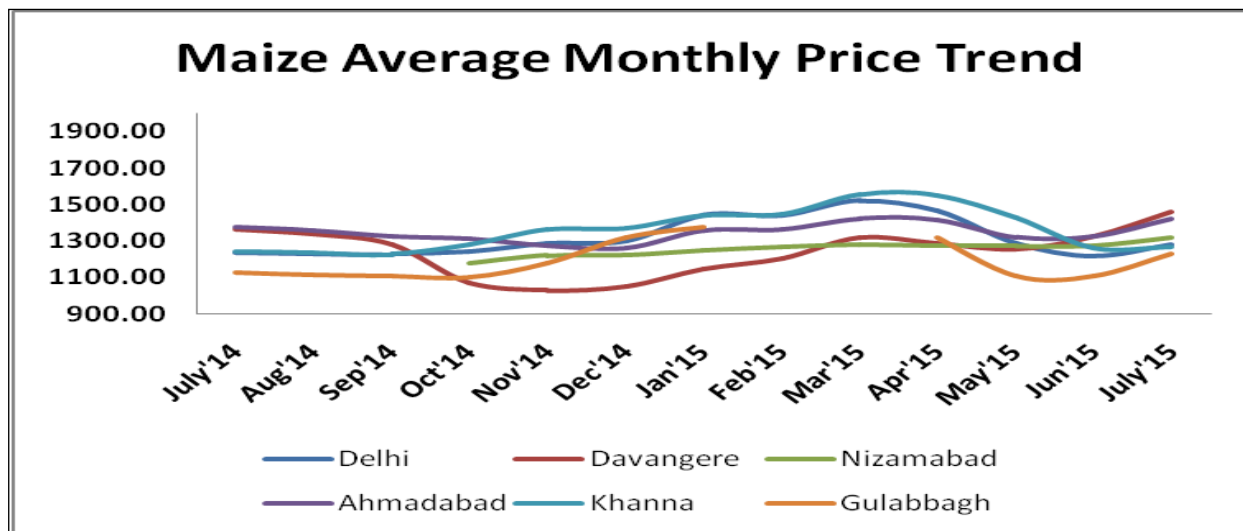
### EXECUTIVE SUMMARY:

Overall maize cash markets traded firm during the month of July due to high feed makers demand as compared to last month. Despite the lower exports, maize market is expected to trade steady to slightly firm ahead support by regular feed makers' demand from South India.

In A.P, maize sowing area is same as compared to last year. In Karnataka, maize sowing area is likely to decrease around 15% due to low rainfall in North Karnataka.

Export demand is likely to remain lower during 2014/15 due to export disparity.

At this time, maize is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1580 per quintal, Rs. 1560 per quintal, Rs. 1540 per quintal, Rs. 1540 per quintal and Rs. 1580 per quintal respectively, sourced from Davangere.



Considering the current weather conditions, Agriwatch expects maize production for this Kharif season at 15.56 MMT with the expected yield of 2242 kg/ hectare.

Total maize production in India could be around 21.41 MMT in 2015-16 against our yearly domestic consumption of 21.54 MMT including export.

With carryout of 3.22 MMT total availability goes up to 24.64 MMT in 2015/16.

**INDIA MAIZE BALANCE SHEET**

|                            |                 |                 | <b>2015-16 Quarterly B/S</b> |                     |                     |                      |
|----------------------------|-----------------|-----------------|------------------------------|---------------------|---------------------|----------------------|
|                            | <b>2014-15E</b> | <b>2015-16F</b> | <b>Oct-Dec'15 F</b>          | <b>Jan-Mar'16 F</b> | <b>Apr-Jun'16 F</b> | <b>July-Sep 16 F</b> |
| Opening Stocks (MMT)       | 1.98            | 3.22            | 3.22                         | 7.34                | 4.26                | 4.70                 |
| Production (MMT)           | 20.76           | 21.41           | 12.45                        | 3.11                | 4.68                | 1.17                 |
| Farmer's Release (MMT)     | 14.94           | 15.39           | 7.61                         | 3.26                | 3.16                | 1.36                 |
| Govt. Procurement (MMT)    | 1.09            | 1.09            | 0.49                         | 0.60                |                     |                      |
| Pvt. Trade Release (MMT)   | 13.84           | 14.29           | 3.42                         | 6.35                | 2.71                | 1.81                 |
| Seed Retention (MMT)       | 0.23            | 0.23            | 0.04                         |                     | 0.19                |                      |
| Imports (MMT)              | 0.01            | 0.01            | 0.00                         | 0.00                | 0.00                | 0.01                 |
| <b>Total Supply (MMT)</b>  | <b>22.75</b>    | <b>24.64</b>    | <b>15.67</b>                 | <b>3.11</b>         | <b>4.68</b>         | <b>1.18</b>          |
| Export (MMT)               | 1.50            | 3.60            | 0.80                         | 1.17                | 1.00                | 0.63                 |
| Domestic Consumption (MMT) | 18.03           | 17.94           | 7.53                         | 5.02                | 3.23                | 2.15                 |
| <b>Total Demand (MMT)</b>  | <b>19.53</b>    | <b>21.54</b>    | <b>8.33</b>                  | <b>6.19</b>         | <b>4.23</b>         | <b>2.78</b>          |
| <b>Ending Stock (MMT)</b>  | <b>3.22</b>     | <b>3.10</b>     | <b>7.34</b>                  | <b>4.26</b>         | <b>4.70</b>         | <b>3.10</b>          |

| <b>Maize Year-(Oct-Sep)</b> | <b>2014-15E</b> | <b>2015-16F</b> |
|-----------------------------|-----------------|-----------------|
| Monthly Use                 | 1.90            | 2.05            |
| Stock to Use Ratio          | 0.14            | 0.13            |
| Stock to Month Use Ratio    | 1.70            | 1.51            |

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

| <b>Consumption Break Up For 2015-16 (Figures in MMT)</b> |       |
|--|-------|
| Poultry & Cattle feed                                    | 10.92 |
| Starch & Brewery   | 4.63  |
| Human Consumption  | 1.66  |
| Seed   | 0.23  |
| Shortage & Wastage                                       | 0.50  |

**STATE - WISE AREA, YIELD & PRODUCTION FORECAST**

| State               | Area In 000 Ha.     |                       | Yield kg/ha        |                        | Production'000 MT |                                  |                                     |
|---------------------|---------------------|-----------------------|--------------------|------------------------|-------------------|----------------------------------|-------------------------------------|
|                     | 2015*F<br>(Planted) | 2015*F<br>(Harvested) | Normal<br>Rainfall | (Rainfall -5% to -10%) | 5 Yr<br>Average   | Normal<br>Condition<br>2015-16*F | Deficit<br>Rainfall (-5% to -10%)*F |
| Karnataka           | 1043.80             | 918.50                | 2849.16            | 2640.08                | 3452.50           | 3232.86                          | 2995.63                             |
| West Madhya Pradesh | 1055.00             | 970.60                | 1728.00            | 1728.00                | 1363.00           | 1677.20                          | 1677.20                             |
| East Rajasthan      | 902.98              | 830.70                | 1658.86            | 1658.86                | 1683.80           | 1378.09                          | 1378.09                             |
| Maharashtra         | 757.25              | 696.70                | 2639.35            | 2197.59                | 2045.70           | 1838.75                          | 1530.98                             |
| Uttar Pradesh       | 679.25              | 611.30                | 1649.18            | 1649.18                | 1150.00           | 1008.19                          | 1008.19                             |
| Andhra Pradesh      | 587.90              | 529.10                | 3725.10            | 3725.10                | 1860.50           | 1970.99                          | 1970.99                             |
| Bihar               | 431.00              | 409.50                | 2254.73            | 2254.73                | 683.90            | 923.20                           | 923.20                              |
| Gujarat             | 308.46              | 277.60                | 1478.59            | 1478.59                | 536.30            | 410.48                           | 410.48                              |
| All India           | 7557.30             | 6916.20               | 2415.00            | 2242.00                | 16384.70          | 16317.99                         | 15561.71                            |

\*FORECASTED BY AGRIWATCH

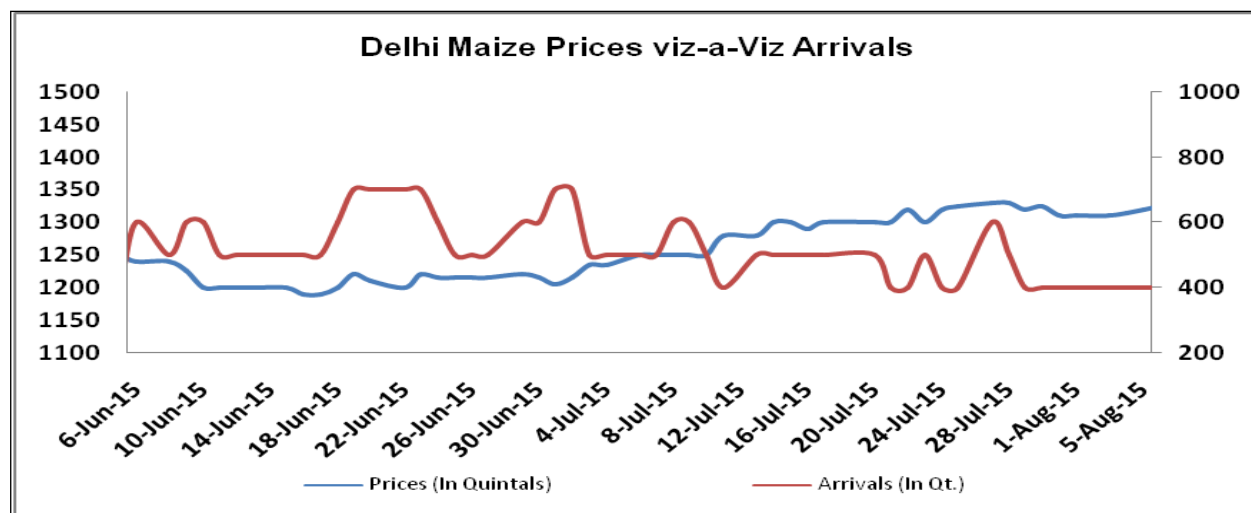
**RAINFALL STATUS**

| State               | Rainfall From 1.6.15 - 5.8.15 |                  |                  |
|---------------------|-------------------------------|------------------|------------------|
|                     | Rainfall Status in %          | Actual Rain (mm) | Normal Rain (mm) |
| Karnataka           | -25                           | 385.8            | 511.1            |
| West Madhya Pradesh | 47                            | 670.9            | 456.7            |
| East Rajasthan      | 24                            | 406.4            | 327.5            |
| Maharashtra         | -26                           | 446.4            | 599.2            |
| Uttar Pradesh       | -29                           | 298.5            | 422.8            |
| Andhra Pradesh      | -2                            | 235.7            | 240.5            |
| Telangana           | -25                           | 306.5            | 411              |
| Bihar               | -32                           | 384.3            | 561.5            |
| Gujarat             | 14                            | 446              | 392.4            |
| All India           | -6                            | 468.6            | 499.8            |

(SOURCE: IMD.GOV.IN)

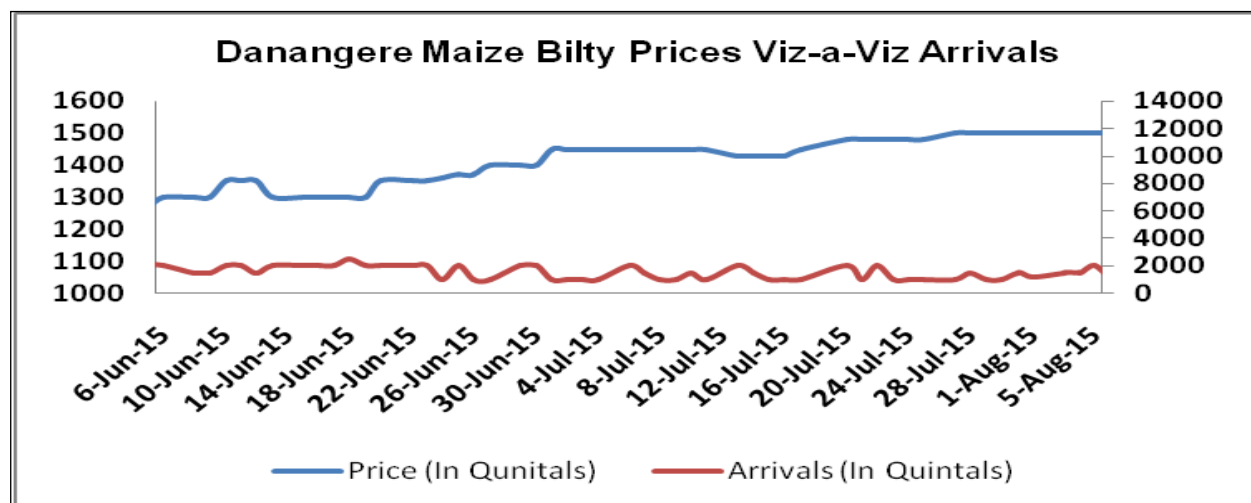
## STATE - WISE MARKET DYNAMICS

### DELHI

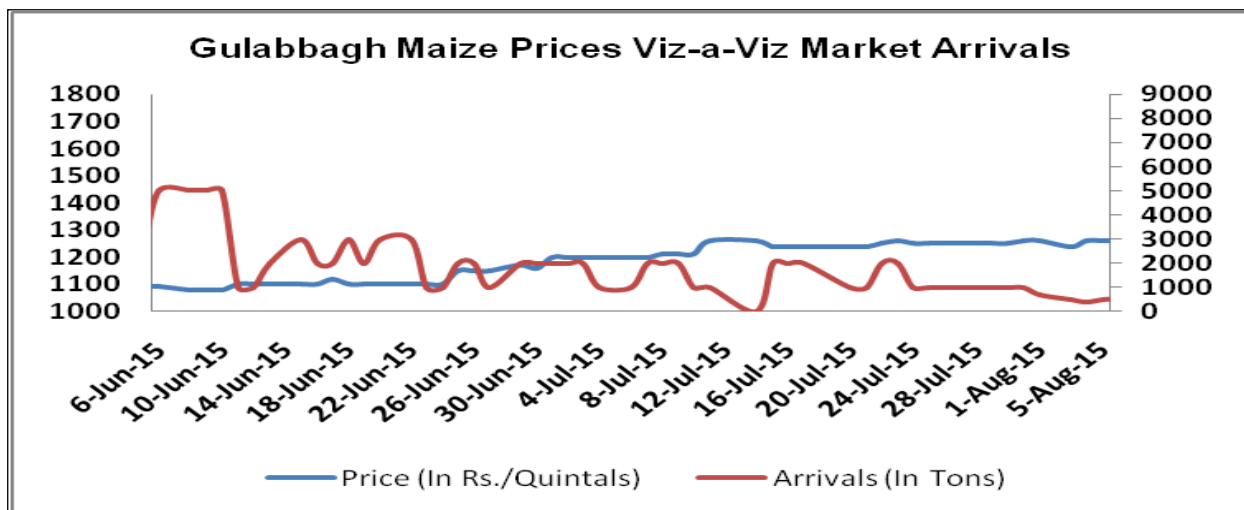


In Delhi, maize traded firm by Rs. 95 per quintal to Rs 1310 per quintal as compared to last month. However, it could trade steady in the near term. Stock of maize could be around 3000 tons.

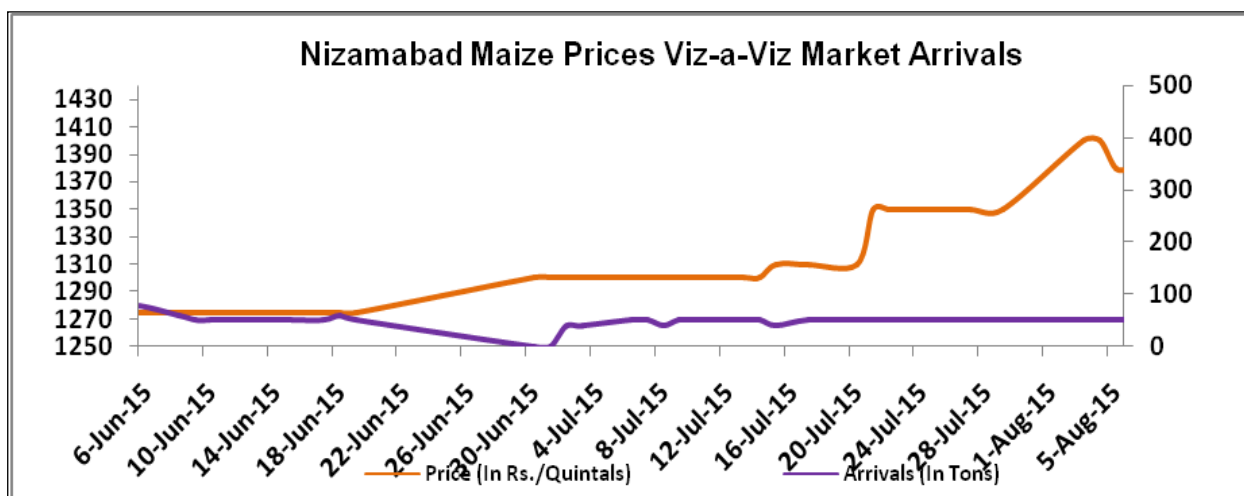
### Karnataka



Maize sourced from Davangere is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1580 per quintal, Rs. 1560 per quintal, Rs. 1540 per quintal, Rs. 1540 per quintal and Rs. 1580 per quintal respectively. In Karnataka, stock of maize (Private + Farmers) could be around 400,000 quintal. It is expected to trade steady to slightly firm in the near term led by regular feed makers demand and low rainfall in North Karnataka.

**BIHAR:**


Maize sourced from Bihar is moving towards Kolkata at Rs.1500-1510 per quintal. Maize could trade steady to slightly firm in the near term due to feed makers' demand.

**ANDHRA PRADESH:**


In A.P, stock of maize has reduced to 75,000 tons (65,000 Government and 10,000 in the hands of Private traders) as Government has release their stock at Rs. 1380 to Rs. 1425 per quintal. Maize is likely to trade firm by Rs. 40-50 per quintal driven by regular poultry feed makers' demand.

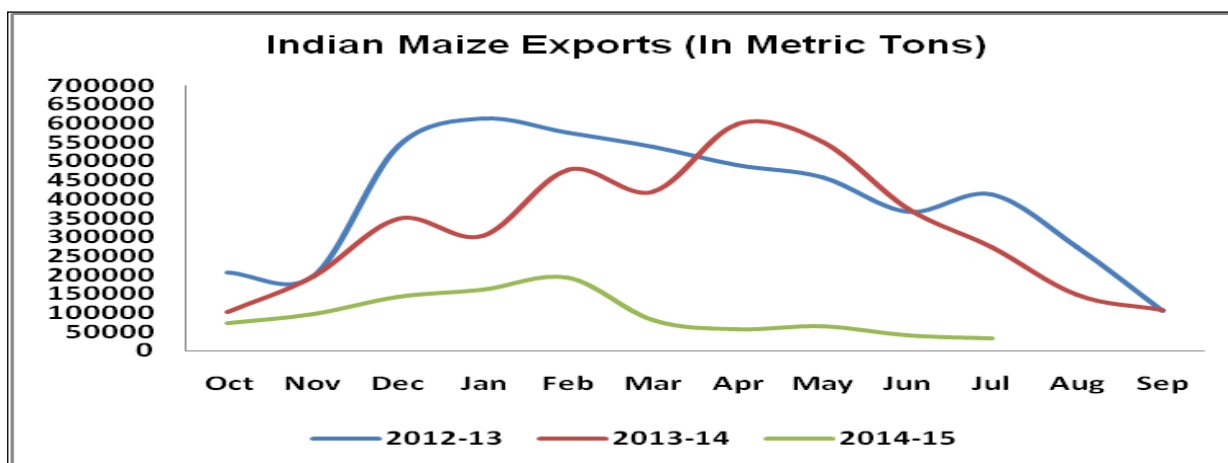
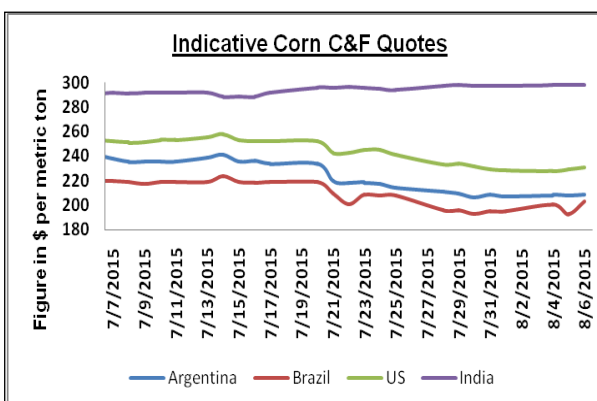
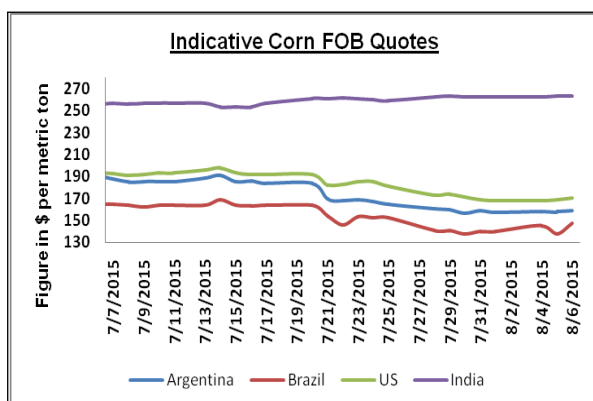
| Month-wise Average prices of Maize at various markets |           |           |           |                           |                          |
|---|-----------|-----------|-----------|---------------------------|--------------------------|
| Market  | 2015-July | 2015-June | 2014-July | % Change from Prev. Month | % Change from Prev. Year |
| Delhi   | 1283      | 1219      | 1237      | 5.25                      | 3.72                     |
| Davangere   | 1463      | 1323      | 1369      | 10.58                     | 6.87                     |
| Shimoga   | 1326      | 1304      | 1334      | 1.69                      | -0.60                    |
| Bagalkot  | 1450      | 1315      | 1321      | 10.27                     | 9.77                     |
| Gadag   | 1248      | 1279      | 1130      | -2.42                     | 10.44                    |
| Nizamabad   | 1317      | 1276      | NA        | 3.21                      | -                        |
| Khanna  | 1270      | 1264      | 1240      | 0.47                      | 2.42                     |
| Ludhiana  | 1259      | 1201      | 1202      | 4.83                      | 4.74                     |
| Sangli  | 1570      | 1442      | 1479      | 8.88                      | 6.15                     |
| Naugachia   | 1226      | 1103      | 1056      | 11.15                     | 16.10                    |

#### PRICE OUTLOOK:

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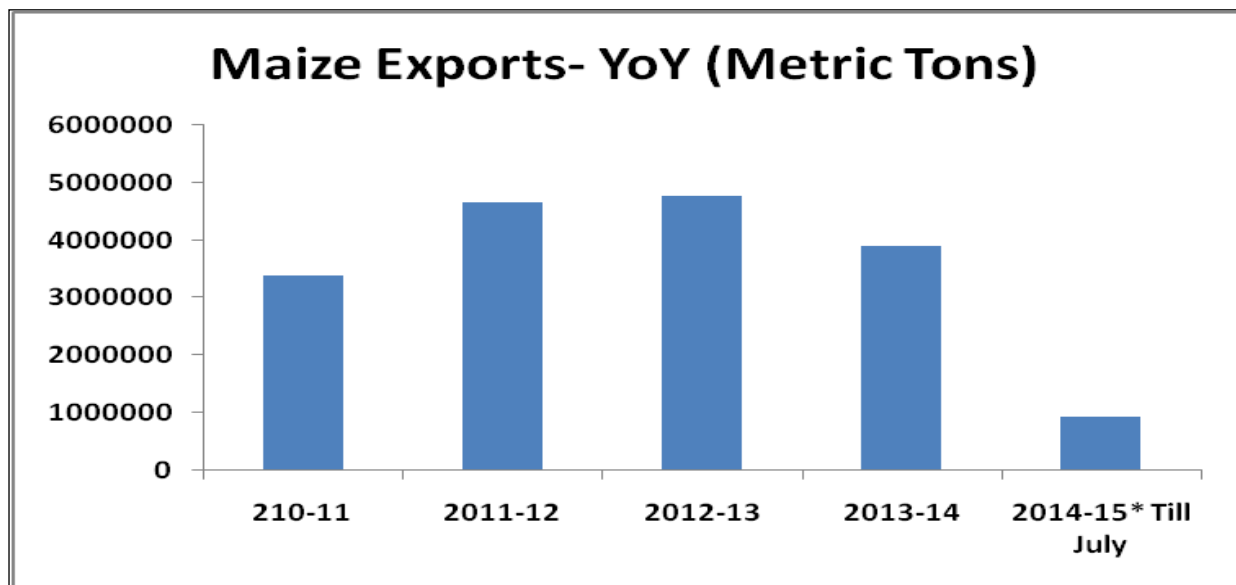
Maize is likely to trade steady to slightly firm due to low supply amid regular feed makers demand from South India.

### ON THE EXPORT FRONT:

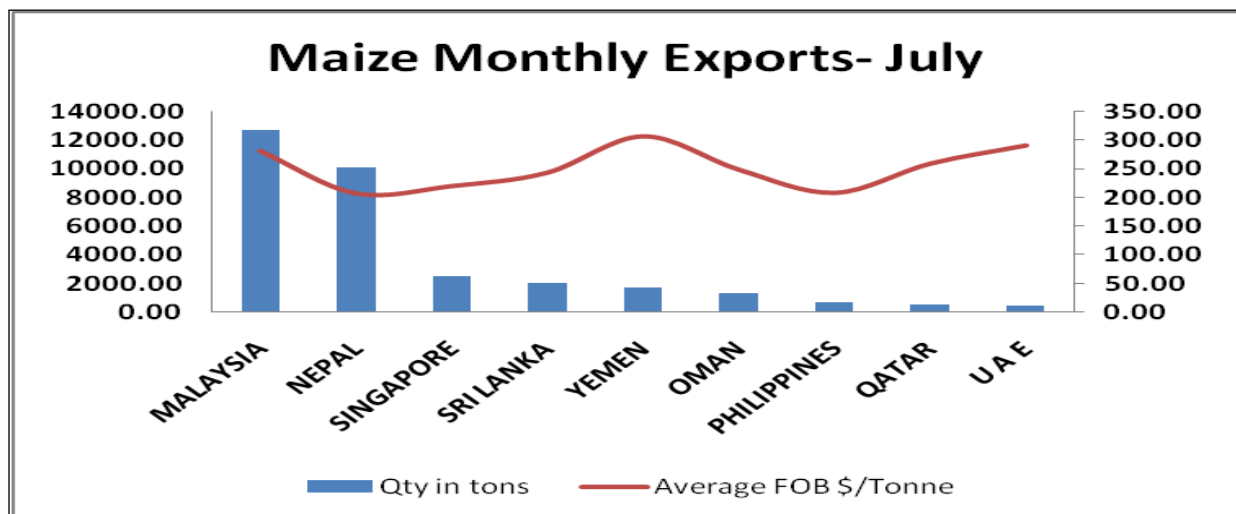


| Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 63.76) |           |        |       |        |
|--|-----------|--------|-------|--------|
| As on 6.08.2015  | Argentina | Brazil | US    | India  |
| FOB  | 158.56    | 147.75 | 170.4 | 263.45 |
| Cost and Freight (C&F)   | 208.56    | 202.75 | 230.4 | 298.45 |

### YEAR ON YEAR MAIZE EXPORTS



### MAIZE JULY EXPORT



As per IBIS data, exports of corn were reported around 33542 MT for the month of July'15 mainly to Malaysia and Nepal.



August 5<sup>TH</sup>, 2015

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



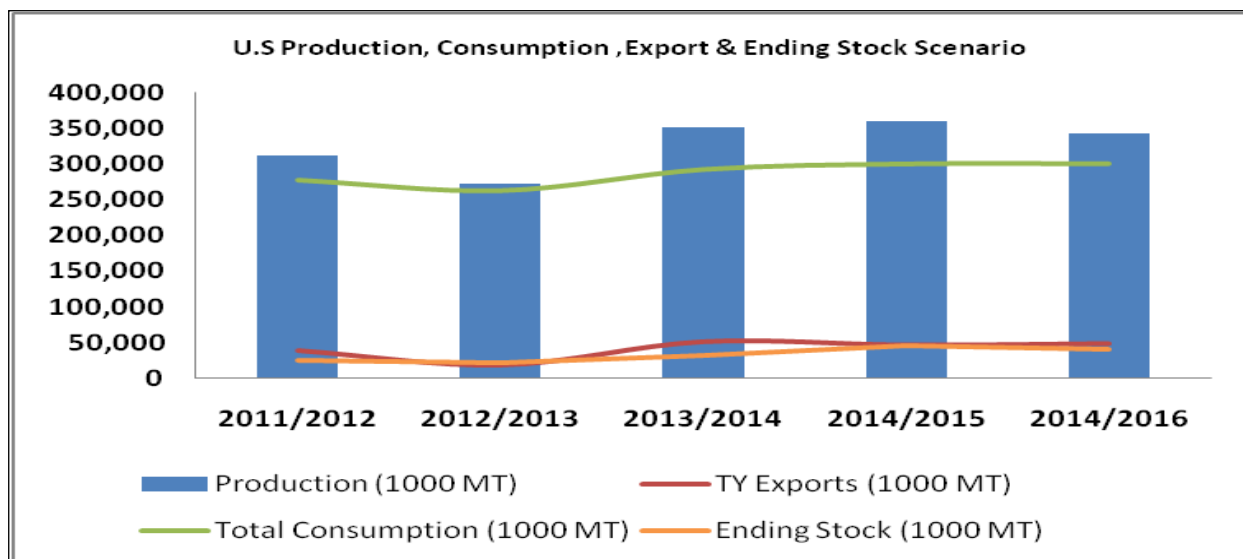
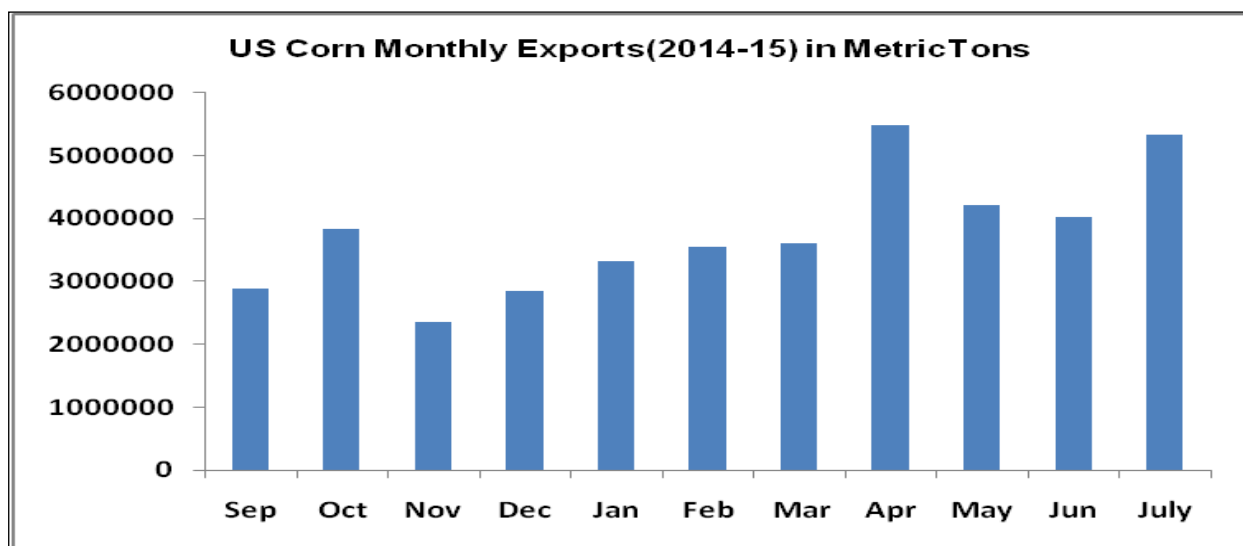
- Last candlestick depicts down in the market.
- RSI is moving down in neutral zone.
- Prices closed above 9 and 18 days EMAs.
- Decrease in prices with lower OI indicates to long liquidation.
- Strategy: Buy above 1248 and target1 and target2 would be 1288, 1308.

| Support & Resistance |      |      |      |      |
|----------------------|------|------|------|------|
| S2                   | S1   | PCP  | R1   | R2   |
| 1185                 | 1234 | 1283 | 1321 | 1359 |

## INTERNATIONAL MARKET SCENARIO:

### U.S.

As per USDA, U.S accumulated corn export figures reached to 41,548,064 metric tons for the 2014-15 marketing year. Exports of 10,05,000 MT , for the period July 24-July 30, 2015, were down 6 percent from the previous week and 7 percent from the prior 4-week average. The primary destinations were Japan (319,100 MT), Mexico (312,700 MT), South Korea (119,600 MT), Colombia (76,000 MT), Costa Rica (44,700 MT), and Guatemala (27,700 MT).

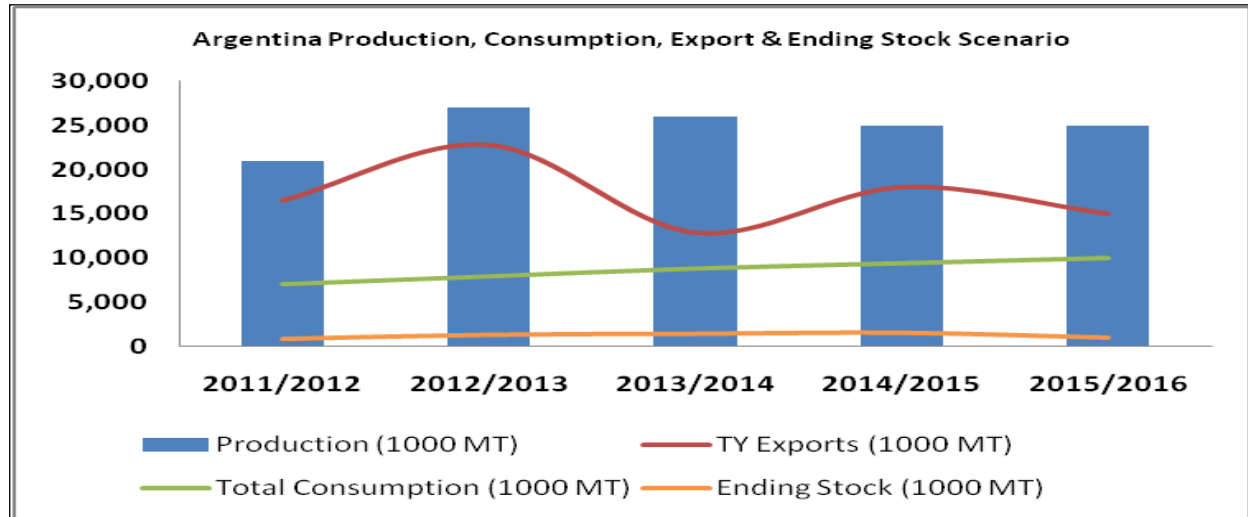


As per the latest crop progress report released by USDA, Corn silking is 78% as on 26<sup>th</sup> July, 2015, higher by 3% from the last year and 1% from the last 5 year average period. Corn dough condition is 14% as on 26<sup>th</sup> July, 2015, lower by 1% from the last year and 3% from the last 5 year average period. 70% of corn crop is in good to excellent condition.

August 5<sup>TH</sup>, 2015

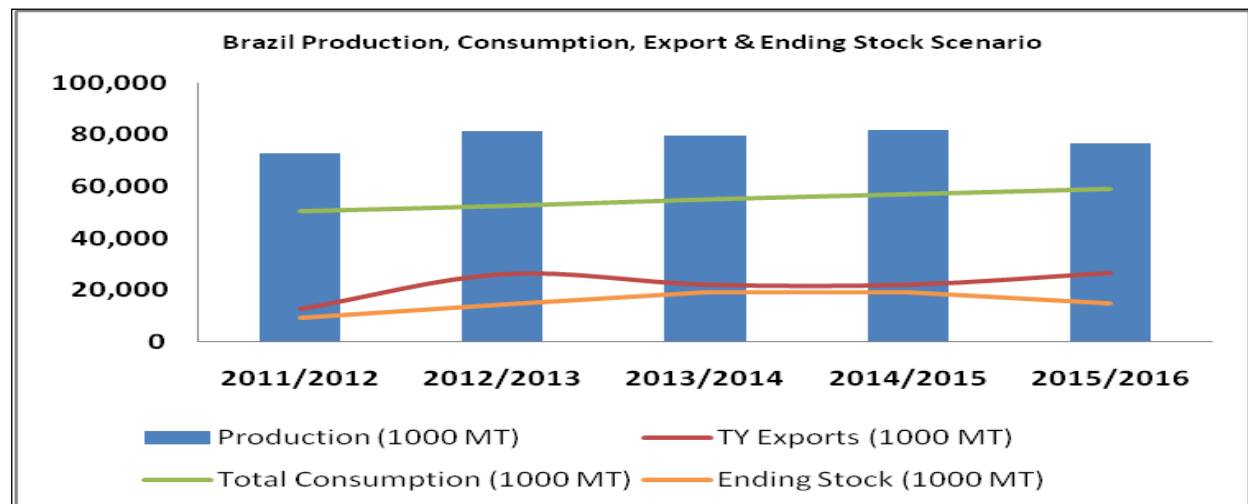
As per USDA, corn ending stocks for U.S are forecasted lower by 4.376 MMT to 40.607 MMT for 2015/16 from the last month due to decrease in production forecast.

### ARGENTINA



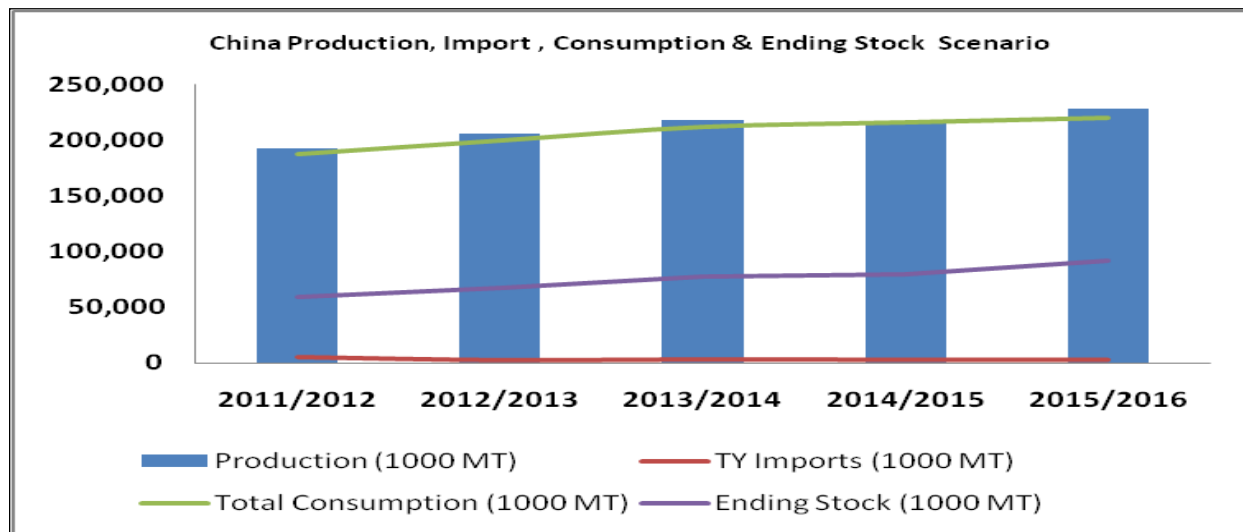
Despite the decrease in export estimates for Argentina by 1 MMT to 15MMT; USDA unchanged its ending stock estimates for Argentina at 1.018 MMT for 2015/16 as compared to last month.

### BRAZIL



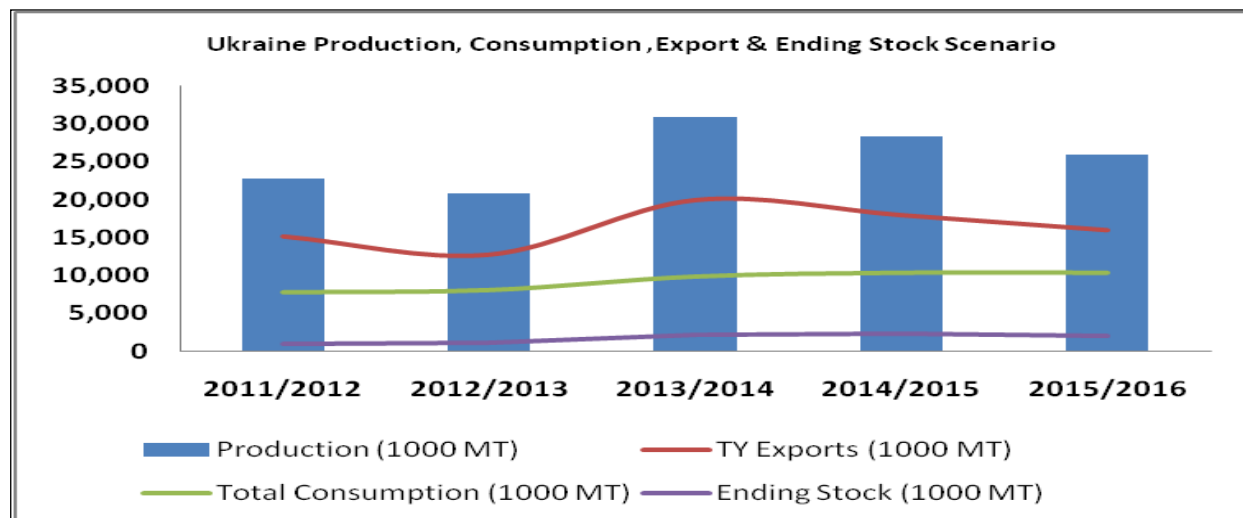
USDA decreased its ending stock estimates for Brazil by 0.5 MMT to 14.572 MMT from the Jun month estimate for 2015/16.

### CHINA



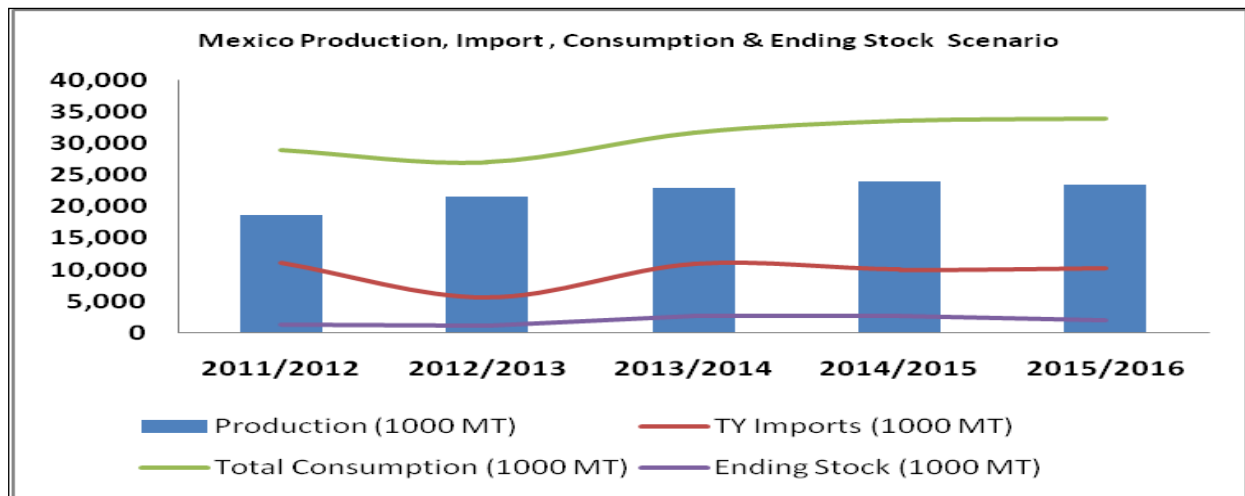
USDA increased its corn ending stock forecast for China by 1 MMT to 91.91 MMT for 2015/16 from the last month due to increase in production forecast by 1 MMT to 229 MMT.

### UKRAINE



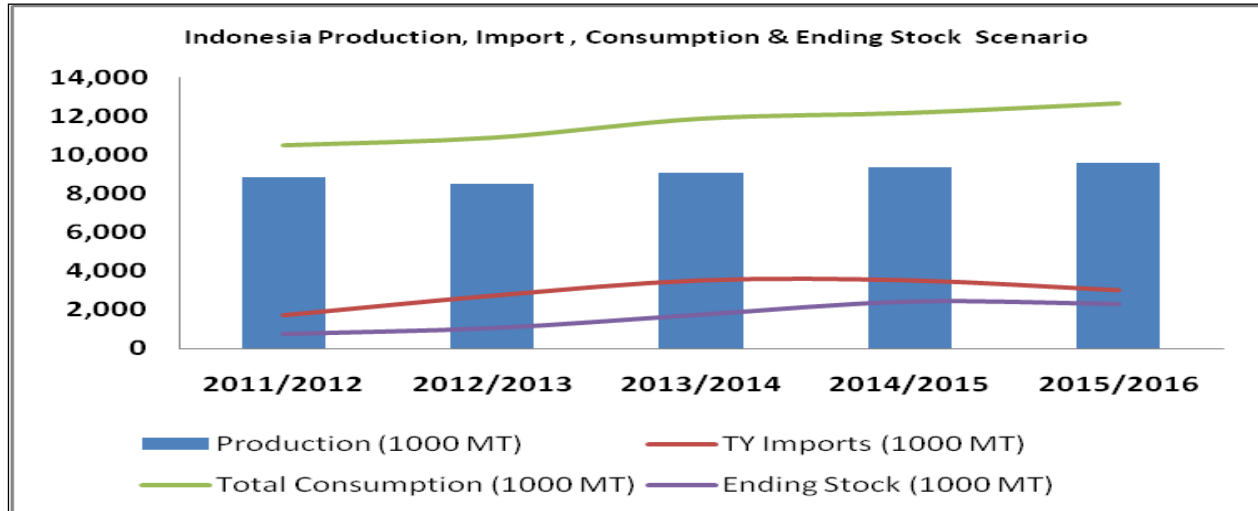
USDA kept its ending stock estimates unchanged for Ukraine at 2.003 MMT from the last month for 2015/16.

### MEXICO



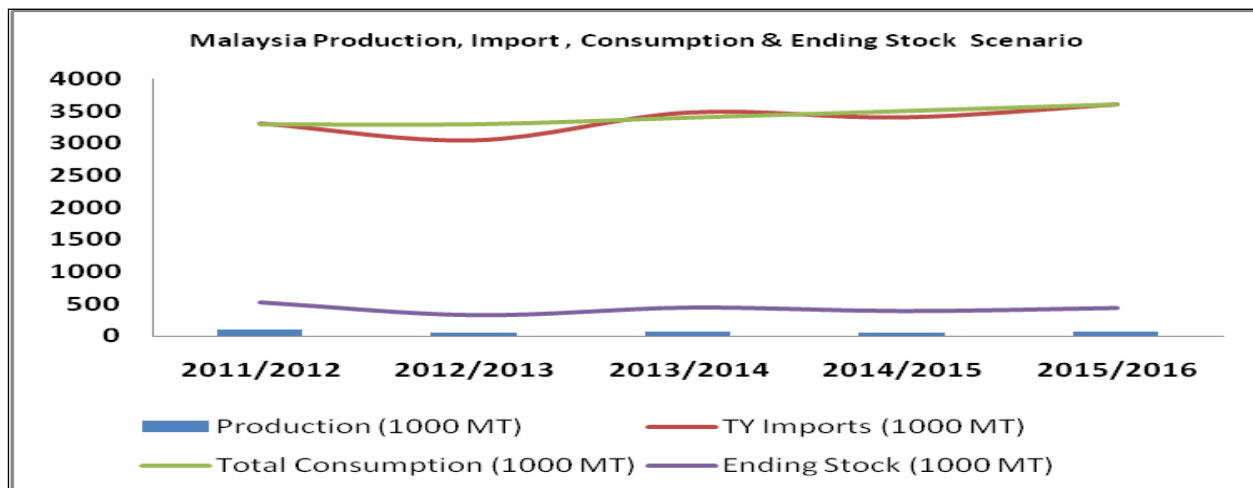
USDA corn ending stock forecast was unchanged for Mexico at 1.994 MMT for 2015/16 as compared to last month forecast.

### INDONESIA



USDA unchanged its corn ending stock forecast for Indonesia at 2.274 MMT for 2015/16 as compared to last month.

### MALAYSIA



USDA unchanged its corn ending stock forecast for Malaysia at 0.44 MMT for 2015/16 as compared to last month forecast.

### INTERNATIONAL CORN HIGHLIGHTS

| Maize CBOT Monthly Futures Price Listing (\$/MT) |                |           |           |        |
|--|----------------|-----------|-----------|--------|
|  | Contract Month | 30.7.2015 | 29.6.2015 | Change |
| Corn CBOT Prices                                 | Sep-15         | 146.91    | 150.85    | -3.94  |
|  | Dec-15         | 151.04    | 154.29    | -3.25  |
|  | Mar-15         | 155.37    | 158.33    | -2.96  |
|  | May-15         | 157.83    | 162.36    | -4.53  |
|  | Jul-15         | 159.9     | 164.72    | -4.82  |

South Korea's Feed Leaders Committee purchased 68,000 MT of optional-origin corn in a direct non-tender deal at \$186.60 /MT c&f plus a \$1.25 a ton surcharge for extra port unloading for the shipment around Jan. 5, 2016.

Besides, Korea Corn Processing Industry Association of South Korea purchased about 55,000 MT of optional U.S., Brazilian or Argentine origin corn at \$203.96 /MT c&f including a surcharge for unloading at a second port; for Nov. 15 arrival.

USDA decreased its forecasts for the 2015/16 global corn production by 2.19 MMT to 987.11 MMT from the previous month forecast.

**INTERNATIONAL OUTLOOK:**

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Corn prices were decreased by \$ 3.94 / MT to \$ 146.91 /MT for September contract on CBOT market due to stable crop condition in U.S. However, price direction will depend on USDA' yield estimation report due on 12<sup>th</sup> Aug, 2015.

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