

EXECUTIVE SUMMARY

Mixed sentiments reported in major spot markets of maize during last week. However, for the coming weeks, we expect market to trade steady to slightly weak on the expectation of higher supply pressure in the market but any steep fall from current level is unlikely. Export and domestic demand continues.

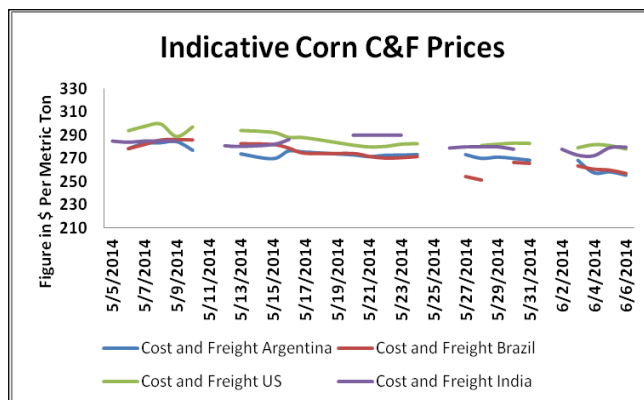
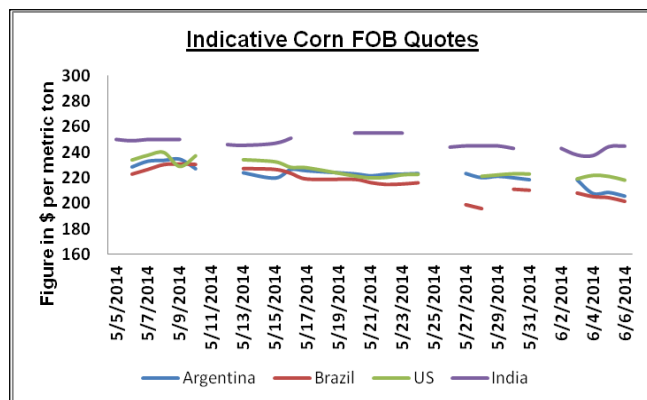
In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 30 per quintal to Rs. 1320-1350 per quintal while starch feed makers quoted maize firm by Rs. 10 per quintal to Rs. 1325-1400 per quintal as compared to last week, sourced from Maharashtra.

In the Khanna market of Punjab, the maize was quoted steady at Rs. 1370 per quintal as compared to last week. On daily basis, arrivals of maize reported around 11-12 motors. Sources revealed that maize stock could be around 400 motors.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Delhi	12800 (Bihar Origin)	
Bangalore	14000 (Karnataka Origin)	
Namakkal	14800 (Karnataka Origin)	
Gujarat	13250 (Maharashtra Origin)	

ON THE EXPORT FRONT:



As per IBIS data, During the month of May'14, 0.5177 million tons corn exports reported to, Indonesia, Malaysia, Vietnam, Sri Lanka, Bahrain, Nepal, UAE, Taiwan, Portklang and Brunei mainly through JNPT, Kakinada Sea, Krishnapatnam sea, Tondiarpet ICD, Chennai Sea, and Raxul LCS.

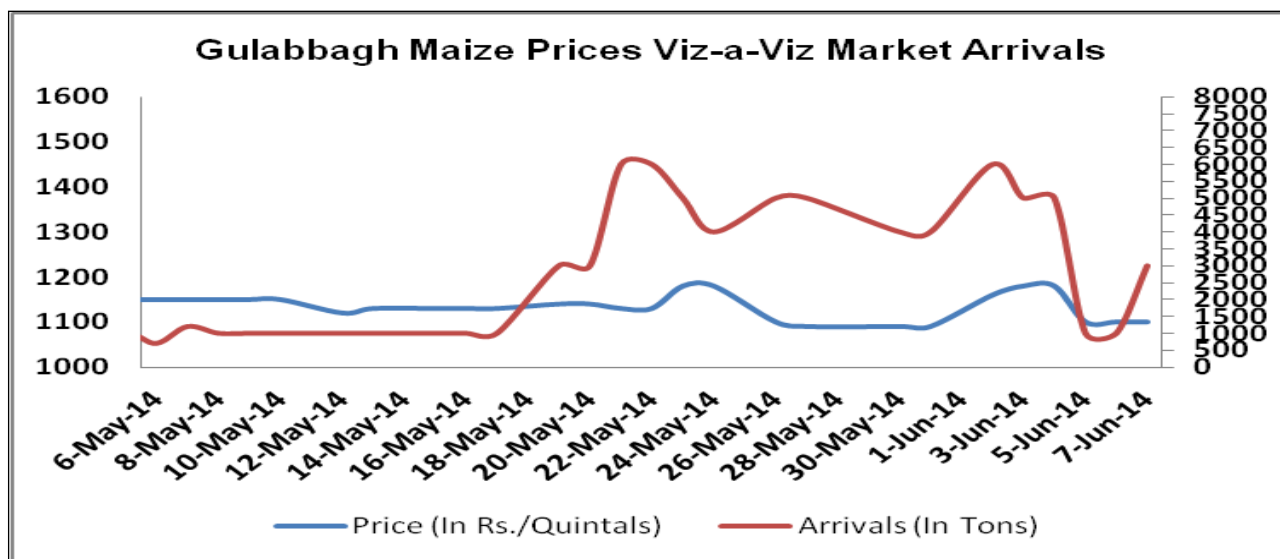
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 59.19)				
	Argentina	Brazil	US	India
FOB	205.91	201.75	218.1	244.8
Cost and Freight (C&F)	255.91	256.75	278.1	280

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:

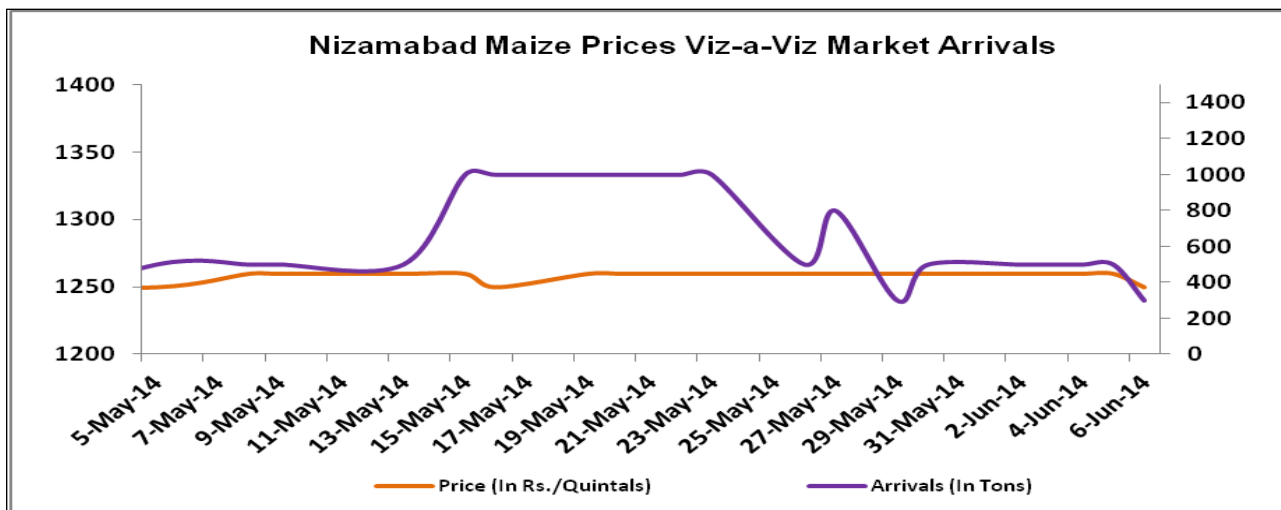
BIHAR

In Gulabbagh mandi, maize was quoted firm by Rs. 20 per quintal to Rs. 1100-1180 per quintal as compared to last week. Sources revealed that new crop contained 14% moisture. Besides, during last week, it moved towards vizag port at Rs. 1300-1380 per quintal, sourced from Gulabbagh and Kolkata at Rs. 1220-1250 per quintal, sourced from Naugachia region of Bihar.



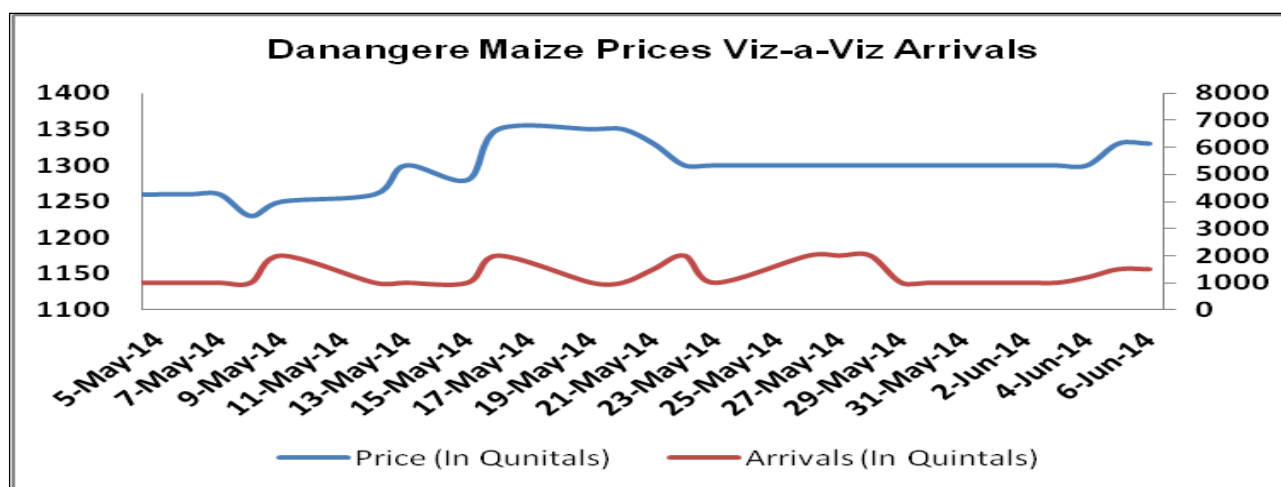
ANDHRA PRADESH:

In Nizamabad, during last week, maize was quoted firm by Rs. 60 per quintal to Rs. 1260 per quintal as compared to last week. As per trade sources, government of A.P. has procured maize around 0.26 million tons. Besides, private traders have around 0.25 million tons stock of maize at this time.



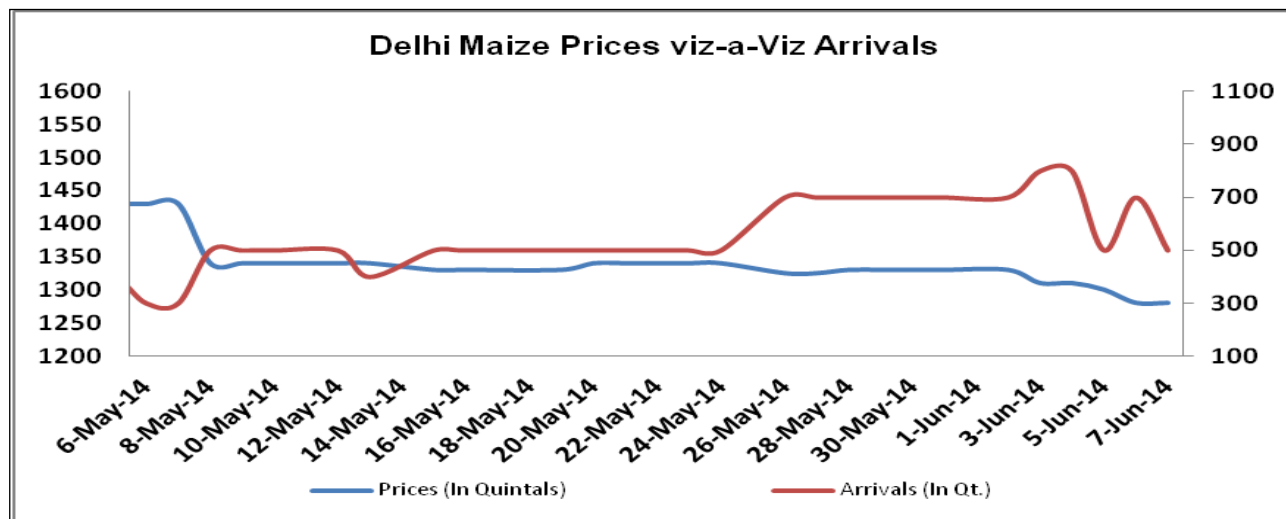
KARNATAKA:

Government is likely to release its stock in the market soon which could drag the prices down. On the expectation of government release, private traders have already started their stock release towards Bangalore and Nammakal at Rs. 1400 per quintal and Rs. 1480-1500 per quintal respectively, sourced from Davangere.



DELHI:

In Delhi, red maize quoted steady at Rs. 1280-1330 per quintal as compared to last week, sourced from Bihar.



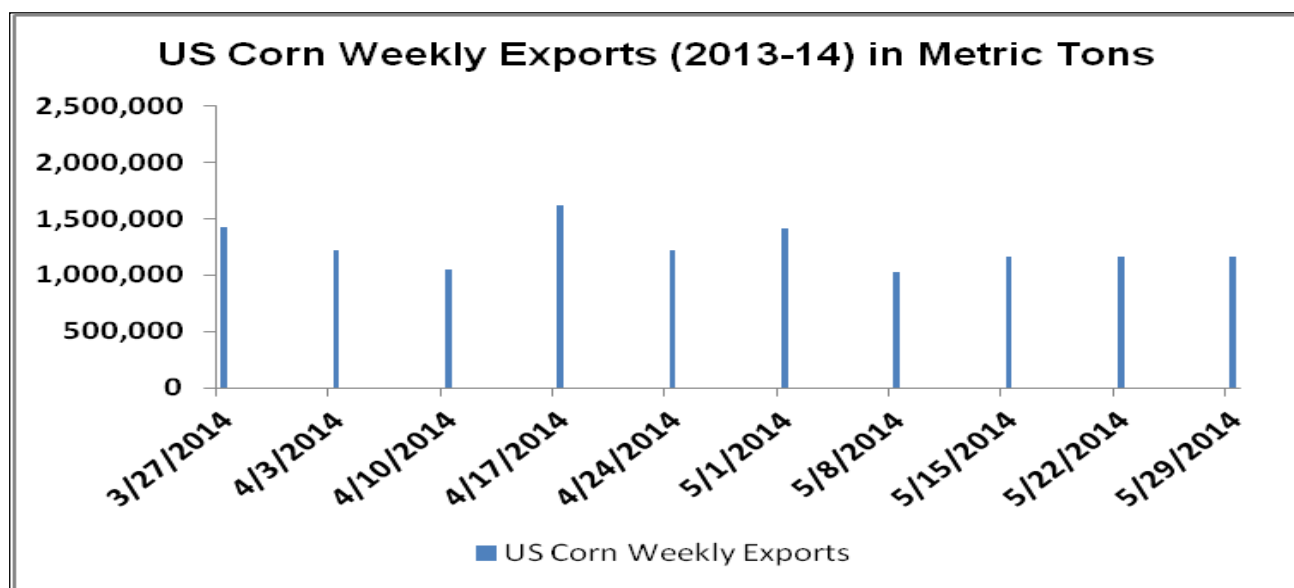
MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	6 June,2014	Week Ago	Month Ago	2 Month Ago	Year Ago
Delhi	Hybrid	1280	1330	1430	1475	1425
Davangere	Bilty	1330	1300	1260	1250	1400
Shimoga	Bilty	1300	1265	1250	1140	1340
Ranebennur	Bilty	1350	1390	1300	1235	1390
Bagalkot	Hybrid/Local	1233	1220	1230	1200	1378
Gadag	Local	1182	1239	1159	1183	1330
Hubli	Local	1251	1221	1211	1056	1326
Nizamabad	Bilty	1250	1260	1250	1260	1350
Karimnagar	Local	1190	1205	1253	1260	1349
Khanna	Bilty	1325	1350	1450	1450	1390
Ludhiana	Bilty	1350	1300	1425	1450	NA
Sangli	Bilty	1380	1380	1310	1289	1532
Ahmedabad	Feed	1350	1315	1310	1325	1440
	Starch	1380	1350	1325	1370	1500

DOMESTIC MAIZE OUTLOOK: We expect market to trade steady to slightly weak as peak arrivals of maize have started from the Bihar. Besides, Karnataka government has huge stock of maize and is likely to release it soon which will further put pressure on market sentiments. However, any steep fall from current level is unlikely as export and domestic demand continues. Besides, it's already trading at its bottom so the chances are that market could sustain at this level. Only government release could drag the prices down to the some extend.

INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS:

As per USDA, U.S accumulated corn export figures reached to 33,769,728 metric tons for the 2013-14 marketing year. Exports of 1,159,500 MT were down 1% from the last week and 3% from the prior 4-week average; reported by U.S. to Japan (207,400 MT), Colombia (188,100 MT), Mexico (152,800 MT), South Korea (132,800 MT), Egypt (130,800 MT), Taiwan (85,700 MT), and Vietnam (64,500 MT) for the period May 23- May 29, 2014.



Some other major International Corn Highlights during the week are:

- As per National Grain and Oil Trade Centre, China saw a fall in sales at a weekly state auction due to higher prices, while feed mills were shifting away from expensive corn to wheat. (Source: Reuters)
- As per the latest crop progress report released by USDA, the corn crop has been planted 95% as of 1st Jun, 2014 in the corn growing regions of U.S., higher by 5% from the last year and 1% from the last 5 year average period. Besides, corn has been emerged 80% as of 1st Jun, 2014, higher by 9% from the last year but same from the last 5 year average period. 76% corn crop is in good to excellent condition, higher by 13% from the last year.

Maize CBOT Weekly Futures Price Listing (USD/MT)				
	Contract Month	5.6.2014	29.5.2014	Change
Corn CBOT Prices	Jul-14	176.73	184.80	-8.07
	Sep-14	174.86	182.34	-7.48
	Dec-14	176.04	182.24	-6.20
	Mar-15	179.78	185.98	-6.20
	May-15	182.53	188.44	-5.91

INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT market decreased last week on forecasts of favorable weather boosted expectations for a record harvest.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(July Contract Weekly Chart)

- Candlestick chart pattern reveals bearish sentiment in the market.
- RSI is moving down in oversold region.
- Prices closed below 9 and 18 days EMAs support to bearishness.
- Strategy: Sell at 1106 level and target1 and target2 would be 1070 and 1052 for the near term.

Maize NCDEX (July)

Support & Resistance				
S2	S1	PCP	R1	R2
1000	1050	1104	1140	1177

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