

Maize Domestic Market Fundamentals:
Mostly firm sentiment featured in various cash markets of maize on Saturday.

- Poultry feed and starch grade maize prices were steady to weak on lack of offtake from the industrial buyers.
- Maize prices at Delhi, Nizamabad and Davangere were up on higher demand from the poultry and starch industries.
- We can expect there will be diversion of maize crop area towards cotton and sugarcane crop as a result of higher profit realization by the farmers.

International Market Fundamentals:

- China, the world's second-biggest consumer of corn after the U.S., will likely expand planting this year as farmers seek to profit from strengthening prices. Also China is limiting corn use by biochemical and sweetener industry to ensure sufficient supplies for livestock feed.
- CBOT corn futures close higher on Friday as wet weather is expected to continue delaying planting. Grain users, nervous about tight inventories, are snapping up supplies left over from last year's harvest because they worry this fall's will start late.

Outlook:

We feel that prices are likely to remain steady to weak on higher arrivals from major Rabi maize growing areas however the higher demand from poultry and starch industry may restrict the further down fall of prices.

Spot Prices at Key Markets

Market	Grade	Prices (Rs./qtl)			Arrivals in bags (1 bag = 1 Qtl)		
		21.05.2011	20.05.2011	Change	21.05.2011	20.05.2011	Change
Delhi	Hybrid	1250	1240	+10	2000	2000	Unch
Nizamabad	Bilty	1200	1140	+60	1000	1000	Unch
Davangere	Bilty	1200	1180	+20	300	300	Unch
Naughachia	Bilty	-	-	-	-	-	-
Kolkata	Mill	-	1200	-	-	400	-
Ahmadabad	Feed	1200-1230	1240	-10	3000	7000	-4000
Ahmadabad	Starch	1215-1250	1215-1250	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jun-11	+3	1228	1237.5	1225	1235.5
Jul-11	+1	1270	1280	1268.5	1276
Aug-11	+5.5	1310	1313	1306.5	1306.5
Sep-11	-21	-	1314	1314	1314

Spread	Jun-11	Jul-11	Aug-11	Sept-11
Basis	-127	-167.5	-198	-205.5
Jun-11		40.5	71	78.5
Jul-11			30.5	38
Aug-11				7.5

Contract	Volume	Change	OI	Change
Jun-11	1830	-860	12300	7510
Jul-11	800	-2210	1510	-11970
Aug-11	80	-130	290	-1540
Sept-11	0	-40	10	-260

Stocks	Demat	In-Process	Total	FED
	19.05.11	19.05.11	19.05.11	16.05.11
Davangere	1097	0	1097	1097
Nizamabad	336	103	439	336



CBOT Corn Futures:			(Unit: Cents/bushel)		
Contract	+/-	Open	High	Low	Close
Jul-11					
Sept-11					
Dec-11					
Mar-12					
May-12					

* CBOT market will remain close on Saturday and Sunday.

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