

Maize Domestic Market Fundamentals:

Mostly mixed sentiment featured in various key cash markets of maize on varied weather conditions at major mandi regions.

- Cloudy weather conditions across the Bihar region has kept arrivals on lower levels and moisture content still remained high around 14-16 per cent.
- Regular buying for the commodity from starch and poultry industries might put cap on declining maize prices in coming days. Poultry feed industry purchasers turned back from bajra to maize purchase as prices eased considerably.

International Market Fundamentals:

- As per the S. African government's Crop Estimates Committee, increased its forecast for this season's total corn harvest by 1 percent. South African farmers will probably harvest 10.99 million metric tons of the grain this season, up from an earlier forecast of 10.88 million tons.
- South Korea, the biggest corn importer in Asia after Japan, is buying more from South Africa after U.S. prices doubled in the past year. As per Korea International Trade Association, the country imported 401,070 metric tons of South African corn for livestock feed in the first four months. That compares with the 208,866 tons shipped in all of 2010. And also corn from South Africa was about \$5 to \$10 per ton cheaper than the U.S.

Outlook:

We feel that prices are likely to remain range bound to firm on higher arrivals from major Rabi maize growing areas amid higher demand from poultry and starch industry as well as overseas demand may keep the prices higher levels.

Spot Prices at Key Markets

Market	Grade	Prices (Rs./qtl)			Arrivals in bags (1 bag = 1 Qtl)		
		26.05.2011	25.05.2011	Change	26.05.2011	25.05.2011	Change
Delhi	Hybrid	1260	1255	+5	1500	1500	Unch
Nizamabad	Bilty	-	1200	-	-	200	-
Davangere	Bilty	1175-1200	-	-	200	-	-
Naughachia	Bilty	1025	1025	Unch	500	400	+100
Kolkata	Mill	1200	1200	Unch	400	400	Unch
Ahmadabad	Feed	1215-1230	1225	+5	3000	4000	-1000
Ahmadabad	Starch	1215-1225	1215	-10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jun-11	+19	1291	1310	1290	1309.5
Jul-11	+19	1338.5	1358	1336	1355
Aug-11	+11.5	1321	1379	1320	1365
Sep-11	+5	1385	1385	1380	1380

Spread	Jun-11	Jul-11	Aug-11	Sept-11
Basis	-162.45	-207.95	-217.95	-232.95
Jun-11		45.5	55.5	70.5
Jul-11			10	25
Aug-11				15

Contract	Volume	Change	OI	Change
Jun-11	3990	230	12330	-780
Jul-11	1050	-50	2590	390
Aug-11	280	210	580	80
Sep-11	60	0	340	10

Stocks	Demat	In-Process	Total	FED
	25.05.11	25.05.11	25.05.11	23.05.11
Davangere	1097	0	1097	1097
Nizamabad	438	0	438	336

CBOT Corn Futures:			(Unit: Cents/bushel)		
Contract	+/-	Open	High	Low	Close
Jul-11	+3.25	744.00	758.50	743.50	745.50
Sept-11	+3.50	715.25	728.50	715.25	718.25
Dec-11	+5.50	670.75	684.75	670.50	676.25
Mar-12	+6.50	681.75	695.50	681.50	688.25
May-12	+4.25	688.25	702.25	688.25	692.50

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