

Maize Domestic Market Fundamentals:

Mostly steady to firm sentiment featured in various key cash markets of maize on Friday.

- Moisture content of maize in Bihar has reduced to 13-15 per cent on clearance of weather which favored farmers to for drying. 1200metric tonnes of increased arrival found in Gulab Bagh market of Bihar and also increased arrivals are expected in short term.
- Higher demand in the domestic market amid lean supply of maize to the markets in the week on cloudy weather pushed prices slightly up side. If prices go down in the short term, it's expected that stockists wil go for holding the stock to create supply shortage in the market.

International Market Fundamentals:

- As per the analysts forecast, Ukraine maize harvest could jump between 12.70million tonnes to 13.20 million tonnes in 2011 wherein it harvested 11.9 million tonnes of maize in 2010. Favourable weather is likely to boost Ukraine's total grain harvest to 43-47 million tonnes in 2011 and the ex-Soviet state could export 21-22 million tonnes of grains taking advantage of smaller crops in Western Europe.
- The U.S. government confirmed that exporters struck deals to sell corn to China, fueling expectations that the Asian nation will be a repeat customer when prices weaken. The USDA, in an export-sales report for the week ended May 19, revealed that China bought 116,800 metric tons of corn for delivery before Aug. 31 and is interested to buy lf prices get back down to lower levels.

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)		
		27.05.2011	26.05.2011	Change	27.05.2011	26.05.2011	Change
Delhi	Hybrid	1260	1260	Unch	1500	1500	Unch
Nizamabad	Bilty	1170	-	-	1000	-	-
Davangere	Bilty	1175-1200	1175-1200	Unch	300	200	+100
Naughachia	Bilty	1025-1030	1025	+5	500	500	Unch
Kolkata	Mill	1200	1200	Unch	400	400	Unch
Ahmadabad	Feed	1230-1250	1215-1230	+20	4000	3000	+1000
Ahmadabad	Starch	1225-1230	1215-1225	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jun-11	+2.5	1311.5	1327	1307	1311
Jul-11	+1.0	1358	1367.5	1352	1354.5
Aug-11	+9.5	1369	1380	1369	1369.5
Sep-11	+3.0	1380	1390	1380	1383

Spread	Jun-11	Jul-11	Aug-11	Sept-11
Basis	-155.75	-199.25	-214.25	-227.75
Jun-11		43.5	58.5	72
Jul-11			15	28.5
Aug-11				13.5

Contract	Volume	Change	OI	Change
Jun-11	5360	1370	11920	-410
Jul-11	1810	760	3180	590
Aug-11	280	0	740	160
Sept-11	90	30	390	50

Stocks	Demat	In-Process	Total	FED
	26.05.11	26.05.11	26.05.11	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					
Sept-11					
Dec-11					
Mar-12					
May-12					

* This table will be updated by tomorrow 10.00AM.

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