

**Maize Domestic Market Fundamentals:**

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

- Better returns during current year and improved demand from overseas markets might encourage farmers to expand the area under maize as Rajasthan farmers are intending to increase the acreage during 2011-12 season.
- 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 will 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 if 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)		
		28.05.2011	27.05.2011	Change	28.05.2011	27.05.2011	Change
Delhi	Hybrid	1260	1260	Unch	1500	1500	Unch
Nizamabad	Bilty	1170	1170	-	800	1000	-200
Davangere	Bilty	-	1175-1200	-	-	300	-
Naughachia	Bilty	1030	1025-1030	-	400	500	-100
Kolkata	Mill	1200	1200	Unch	500	400	+100
Ahmadabad	Feed	1230-50	1230-1250	+20	4000	4000	-
Ahmadabad	Starch	1225-30	1225-1230	Unch			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close
Jun-11	+0.00	1313	1317	1303.50	1311
Jul-11	1.50	1358.50	358.50	1353	1356
Aug-11	-5.00	1364.50	1371	1363.50	1370
Sep-11	-11	1375.50	1375.50	1372	1372

Spread	Jun-11	Jul-11	Aug-11	Sept-11
Basis	-133.5	-186	-200	-202
Jun-11		52.5	66.5	68.5
Jul-11			14	16
Aug-11				2

Contract	Volume	Change	OI	Change
Jun-11	1660	-3700	11320	-600
Jul-11	300	-1510	3310	+130
Aug-11	60	-220	730	-10
Sept-11	20	-70	410	+20

Stocks	Demat	In-Process	Total	FED
	27.05.11	27.05.11	27.05.11	23.05.11
Davangere	1097	0	1097	1097
Nizamabad	438	205	643	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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