

Maize Domestic Market Fundamentals:

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

- Stockists are holding stocks to create pressure on maize prices and industrial users already purchased enough stocks (mainly poultry users) to fulfill the requirement till Kharif crop arrivals to market. Maize prices remained steady to weak during last week period.
- Currently, FOB prices of maize for Brazil, Argentina and India is almost similar around USD 310 to 320 per MT. FOB prices were in the mid of May were down but higher demand in international market amid concern of delay in corn planting supported FOB prices considerably.

International Market Fundamentals:

- As per recent forecast by IGC for 2011-12, world production of maize is at 848 million tons, 1 million down from April forecast and consumption will be around 853 million tons which is also reduced by 1 million ton from April forecast.
- Weather conditions across Argentina and Brazil have been favorable for harvest. Argentina's corn harvest was last reported as 76 percent complete, which is slightly ahead of average. Argentina estimates its corn crop is about 21 million metric ton, down 8 percent from the prior season. Argentina may grab the importer attention for increased maize trade.

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)		
		30.05.2011	27.05.2011	Change	30.05.2011	27.05.2011	Change
Delhi	Hybrid	1260	1260	Unch	1500	1500	Unch
Nizamabad	Bilty	1160	1170	+10	800	1000	-200
Davangere	Bilty	1210	1175-1200	+10	300	300	Unch
Naughachia	Bilty	1025-1030	1025-1030	Unch	400	500	-100
Kolkata	Mill	1200	1200	Unch	400	400	Unch
Ahmadabad	Feed	1230	1230-1250	-30	4000	4000	Unch
Ahmadabad	Starch	1230	1225-1230	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jun-11	-19	1308	1308	1283	1292
Jul-11	-14.5	1352	1353.5	1335	1341.5
Aug-11	0	1362	1373	1360	1370
Sep-11	2	1370	1375	1363	1374

Spread	Jun-11	Jul-11	Aug-11	Sept-11
Basis	-127.75	-177.25	-205.75	-209.75
Jun-11		49.5	78	82
Jul-11			28.5	32.5
Aug-11				4

Contract	Volume	Change	OI	Change
Jun-11	4790	3130	10080	-1240
Jul-11	2440	2140	4750	1440
Aug-11	890	830	1290	560
Sept-11	430	410	670	260

Stocks	Demat	In-Process	Total	FED
	28.05.11	28.05.11	28.05.11	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	+13.00	747.50	759.00	740.75	758.50
Sept-11	+10.00	720.00	728.25	712.75	728.25
Dec-11	+7.75	677.25	684.25	670.50	684.00
Mar-12	+6.75	687.25	695.00	682.00	695.00
May-12	+9.25	694.00	701.75	689.50	701.75

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