

**Maize Domestic Market Fundamentals:**

- **Mostly Weak tone witnessed in domestic maize market on the day. While price continue to ease off on weak exports, declining arrivals is likely to offer support at lower levels.**
- The export market continues to remain subdued as Indian corn is out of parity. In fact the prices need to drop at least Rs.500 PMT more before the Indian exports can pick up, while Pakistan corn was available at USD 310 PMT CFR and even upto USD 308 CFR to South East Asian ports.
- In Andhra Pradesh, reportedly, insufficiency of stocks remains a case while domestic demand from poultry (from places like Hyderabad, Karimnagar) remains high.
- China has bought as much as 1.6 million tonnes of new -crop U.S. corn in recent deals, taking advantage of a steep fall in global prices from record highs over the last three weeks to replenish its reserves. Feed millers in Japan, the world's biggest corn buyer, are expected to lock-in supplies, buying cargoes for August and September shipment after a slowdown in imports since the March earthquake.

**International Market Fundamentals:**

- U.S. corn continued its weakness as a larger-than-expected government inventory estimate continued to pressure prices, on the last trading day. The weakness was fueled by reports showed unexpectedly high estimates for how much of the crop was planted this spring and for existing inventories as of June 1. However, prices should stabilize next week as liquidation fueled by the government's estimates is likely nearing an end. Markets also fell due to favorable crop weather for corn. Nearby CBOT July corn, moved higher 11c to \$6.40 a bushel. December corn falls by 41c to \$6.06.

**Outlook:**

We feel that prices may gather support at lower levels. Depleting stock levels in the market amid good demand from the poultry feed users is likely to be the supportive driver. Disruption in arrivals due to rains also lay support beneath prices.

**Spot Prices at Key Markets**

Market	Grade	Prices (Rs./qtl)			Arrivals in bags (1 bag = 1 Qtl)		
		05.07.2011	04.07.2011	Change	05.07.2011	04.07.2011	Change
Delhi	Hybrid	1120	1120-1160	-40	-	-	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Karimnagar	Bilty	-	-	-	-	-	-
Davangere	Bilty	1060	-	Unch	-	-	-
Naughachia	Bilty	970-1000	970-1000	Unch	100	100	+100
Gulab Bagh	Bilty	1055	1060	-5	-	20000	-
Kolkata	Mill	1125-1150	1125-1150	Unch	300	200	+100
Ahmadabad	Feed	1210-1240	1290	-60	3000	15000	-12000
Ahmadabad	Starch	1250-1280	1290	-10			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close
Jul-11	1	1195	1206	1190	1195
Aug-11	-1	1218	1236	1217.5	1227
Sep-11	3	1240	1246	1235	1235
Oct-11	5	1095	1097.5	1088	1092

Spread	Jul-11	Aug-11	Sep-11	Oct-11
Spot	-135	-166.5	-175	-32
Jul-11	-	31.5	40	-103
Aug-11	-31.5	-	8.5	-134.5
Sep-11	-40	-8.5	-	-143

Contract	Volume	Change	OI	Change
Jul-11	3100	-890	17900	480
Aug-11	1210	-820	13250	390
Sep-11	350	-160	3050	110
Oct-11	320	90	3840	170

Stocks	Demat	In-Process	Total	FED
	04.07.11	04.07.11	04.07.11	27.06.11
Davangere	805	0	805	805
Delhi	3277	1847	5124	994
Nizamabad	1701	51	1752	1672

**CBOT Corn Futures: (As on 01/07/2011)**
**(Unit: Cents/bushel)**
**Maize CBOT Daily Futures Price Listing (as on 01/07/2011) (Cents/bushel)**

Contract Month	Open	High	Low	Close	Change
Jul'11	629.00	652.75	620.75	640.75	11.75
Sep'11	605.00	622.75	603.00	606.75	-41.25
Dec'11	589.00	603.25	575.50	596.75	-23.75
March'12	603.75	617.00	589.25	610.75	-22.00
May'12	614.00	625.25	597.50	619.25	-19.75
Jul'12	616.00	632.75	605.50	628.75	-17.25

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