

Maize Market Fundamentals:

- **Mixed sentiment persisted in domestic maize market on another day.**
- Lower arrivals and lagging rains continue to be the supportive drivers for the price which offset the impact of weak export demand.
- India's key monsoon rains were 25% below normal in the week to 6 July, a sharp reversal from the 10% above average rains in the previous week as put by the weather office, reflecting a predicted lull in the monsoon's progress.
- While major fundamental scenario remains same, rainfall lags behind in major Maize growing states of Karnataka, Andhra Pradesh and Maharashtra, which covers about 31.17% of the total Maize Area.
- Price spread between Maize and Wheat remain negative (as compared for Delhi market), depicting attractiveness of Maize over Wheat, as seen on the demand front on week on week basis. This is likely to boost the demand for Maize in comparison to the later.
- A Chinese buying spree for U.S. corn is putting on display the ability of Beijing to reshape grain markets as well as the cost of food globally. China this past week bought 540,000 metric tons of U.S. corn for delivery after August, according to the U.S. Department of Agriculture, more than the 500,000 tons the agency forecast that nation would buy in an entire year.

International Market :

- US corn futures finish sharply higher on concerns heat will reduce output. A "heat dome" will center over Iowa, the top corn producing state, by July 16, with temperatures topping 100 degrees, according to PFG Best. The 8-14 day temperature outlook sees above normal temperatures and below normal rainfall across the entire Midwest. Heat is a concern as corn is moving into a key stage of development called pollination. CBOT December corn ends up 21 1/2c at \$6.37 a bushel.

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)		
		09-07-2011	08.07.2011	Change	09-07-2011	08.07.2011	Change
Delhi	Hybrid	1120	1100	+20	500	500	Unch
Nizamabad	Bilty	1280	1290	-10	-	-	-
Karimnagar	Bilty	-	-	-	-	-	-
Davangere	Bilty	-	-	-	-	-	-
Naughachia	Bilty	950-1000	950-1000	Unch	300	200	+100
Gulab Bagh	Bilty	-	-	-	-	-	-
Kolkata	Mill	1150-1160	1125-1150	+10	400	300	+100
Ahmadabad	Feed	1250-1280	1280	Unch	4000	2000	+2000
Ahmadabad	Starch	1240-1250	1250	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jul-11	20	1170	1190	1163	1184
Aug-11	18.5	1204	1223	1202	1218
Sep-11	17	1222	1236	1220	1234
Oct-11	4.5	1100	1123	1100	1111

Spread	Jul-11	Aug-11	Sep-11
Spot	96.5	62.5	46.5
Jul-11	-	34	50
Aug-11	-34	-	16
Sep-11	-50	-16	-

Contract	Volume	Change	OI	Change
Jul-11	2790	1520	17770	-930
Aug-11	3830	2610	15590	200
Sep-11	570	20	3550	-140
Oct-11	1210	400	4480	130

Stocks	Demat	In-Process	Total	FED
	08.07.11	08.07.11	08.07.11	27.06.11
Davangere	557	0	557	805
Delhi	5820	1401	7221	994
Nizamabad	1601	0	1601	1672

CBOT Corn Futures:
(Unit: Cents/bushel)

Maize CBOT Daily Futures Price Listing (as on 08/07/2011) (Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Jul'11	652.50	672.25	652.50	672.25	+22.25
Sep'11	626	646.50	626	642.25	+17.25
Dec'11	615.75	638	615.75	637	+21.50
March'12	628.75	650.25	628.75	649.25	+20.75
May'12	637.50	657	636.75	656.25	+19.50
Jul'12	644.75	664	644.50	662.50	+18.50

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