

Maize Market Fundamentals:

- **Weak sentiment prevailed in domestic maize market as better monsoon progress in Karnataka and Andhra Pradesh, reportedly led to stock offloading.**
- The annual monsoon covered the whole of India by July 9 a week earlier than the usual July 15 but the total rainfall so far is 1% below normal as put by the government's weather department.
- The export market continues to remain subdued as Indian corn remains out of parity. However, reportedly some buying emerged from China and some business was done for northern ports of China at USD 309 - 310 PMT CFR Dalian Port.
- 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:

- On the last trading day: 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 ended up 21 1/2c at \$6.37 a bushel.

Outlook:

We feel that prices may behave range bound. Depleting stock levels in the market amid good demand from the poultry feed users is likely to be the supportive driver, while progressing monsoon in Key growing region that show improvement as on latest week, may contain the limit the growth of prices.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags (1 bag = 1 Qtl)		
		11-07-2011	09.07.2011	Change	11-07-2011	09.07.2011	Change
Delhi	Hybrid	1090	1120	-30	500	500	Unch
Nizamabad	Bilty	1280	1270	+10	-	-	-
Karimnagar	Bilty	-	-	-	-	-	-
Davangere	Bilty	-	-	-	-	-	-
Naughachia	Bilty	975	950-1000	-25	300	300	Unch
Gulab Bagh	Bilty	1060	-	-	-	-	-
Kolkata	Mill	1160	1150-1160	Unch	400	400	Unch
Ahmadabad	Feed	1280	1250-1280	Unch	4000	4000	Unch
Ahmadabad	Starch	1250	1240-1250	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jul-11	-24.5	1182	1183	1157	1159
Aug-11	-23.5	1214	1216	1191	1194
Sep-11	-17.5	1237	1237	1215	1216
Oct-11	-6	1110	1115	1105	1105

Contract	Volume	Change	OI	Change
Jul-11	2360	-430	16960	-810
Aug-11	3650	0	17500	0
Sep-11	880	310	3640	90
Oct-11	570	-640	4810	330

	Jul-11	Aug-11	Sep-11	Oct-11
Spread				
Spot	121	86	63.5	175
Jul-11	-	35	57.5	-54
Aug-11	-35	-	22.5	-89
Sep-11	-57.5	-22.5	-	-111.5

Stocks	Demat	In-Process	Total	FED
	09.07.11	09.07.11	09.07.11	27.06.11
Davangere	557	0	557	805
Delhi	5820	2244	8064	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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