

Maize Market Fundamentals:

- **Mixed trade continues to take place in the domestic maize market.**
- Market remains subdued as mixed set of factors remain prevalent. While domestic demand from starch and poultry remains good, further shortage of supply due to lean season and lesser availability of stocks, remain supportive of prices, which plunged so far on lower export activity (due to disparity).
- **In Karnataka:** reportedly, rains remain insufficient and also untimely, which affects the sowing progress and the same is anticipated to affect the production, even if rains pick up in the season ahead as deficiency at the crucial seeding time, may prove to be unhealthy as put by the market sources. Moreover, lag of one month is being projected in completion of sowing.
- Maize Area, reportedly, witness a decline of 6.38% and 65.15% in Karnataka and Andhra Pradesh as of July 11 as depicted by the data from state agricultural dept.
- US Corn production for 2011/12 is projected 270 million bushels higher based on planted and harvested area as reported in the Acreage report. Feed and residual use for 2011/12 is raised 50 million bushels with larger supplies and lower expected prices.

International Market:

- US corn futures end sharply higher on crop-threatening hot weather and a weaker US dollar. Scorching weather, along with forecasts calling for more heat, prompt concerns about the size of the crop. Analysts warn that a crop shortfall would cause big problems because supplies are already tight. Forecasts differ on how long the heat will last. July CBOT corn ends up 29 3/4c, or 4.3%, to \$7.26 3/4 a bushel. Dec corn closes up 21 3/4c to \$6.79 3/4.

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 monsoon progresses further, lag in area sown is indicative of slower sowing progress and the same remains supportive factor for the price.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags (1 bag = 1 Qtl)		
		14.07.2011	13.07.2011	Change	14.07.2011	13.07.2011	Change
Delhi	Hybrid	1135	1135	Unch	500	500	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Karimnagar	Bilty	1280	-	-	-	-	-
Davangere	Bilty	1190	1200	-10	-	300	-
Naughachia	Bilty	970-1000	970-1000	Unch	300	300	Unch
Gulab Bagh	Bilty	-	-	-	-	-	-
Kolkata	Mill	1150-1160	1150-1160	Unch	400	400	Unch
Ahmadabad	Feed	1280-1290	1240-1250	+40	10000	5000	+5000
Ahmadabad	Starch	1230	1230-1240	-10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Jul-11	-7.5	1172	1174	1161	1162
Aug-11	-6.5	1205	1210	1197	1200
Sep-11	-9	1234.5	1236	1230	1230.5
Oct-11	10	1145	1158	1140.5	1155

Spread	Jul-11	Aug-11	Sep-11	Oct-11
Spot	38	0	-30.5	45
Jul-11	-	38	68.5	-7
Aug-11	-38	-	30.5	-45
Sep-11	-68.5	-30.5	-	-75.5

Contract	Volume	Change	OI	Change
Jul-11	2210	-4040	13120	-980
Aug-11	3730	-4690	19630	930
Sep-11	1710	-50	5550	1170
Oct-11	160	-1090	4520	0

Stocks	Demat	In-Process	Total	FED
	13.07.11	13.07.11	13.07.11	11.07.11
Davangere	557	0	557	506
Delhi	7461	1096	8557	6273
Nizamabad	1521	0	1601	101

CBOT Corn Futures:
(Unit: Cents/bushel)
Maize CBOT Daily Futures Price Listing (as on 13/07/2011) (Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Jul'11	702	740	702	726.75	+29.75
Sep'11	664.75	694	661.50	686.75	+22.75
Dec'11	658.50	688	653	679.75	+21.75
March'12	670.75	699.75	666	695.70	+21
May'12	677.25	705	674.75	697.75	+20.25
Jul'12	683.25	711.25	679.50	702.25	+20.25

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