

Maize Market Fundamentals:

- Maize price remain steady to lower in the spot market. Total Maize Area Lags despite catch up in rains , while demand stays lukewarm.
- Sowing has almost completed in all major Key States. Noticeably, area covers up as rains improve towards August end as the effect of deficient rains in Southern states got offset however total area still depict a lag from the last year's level.
- Total Maize Area sown; reportedly reach at 72.54 lakh hectares as on 2nd September as compared to 73.90 lakh hectares until the same time a year ago
- Demand; reportedly remain weak from consumption centers like Hyderabad from Da vengere (producing region). Currently sales remain directed majorly to poultry. Further stocks of around 10000 tons exist in the place which is most likely to cater to the demand until the new crop hits the market.
- Sources in Bihar convey that Quality issues pertain in Maize and about 75% of the crop is of inferior quality. Heavy rains remain contributory to the same. They also convey that the demand remains for rest 20 -25% of the crop and the same is going to Starch Industry and remain noticeable from Gujarat and Uttaranchal, while sources say demand of the same from southern regions is not there due to mismatch of Quality requirements.
- India's Maize Production in 2011-12 is likely to decline about 2.6% as compared to last year on lower area sown, while yields are expected to rise. Production is set to decline in Key growing areas like Andhra Pradesh, Karnataka and Rajasthan.

International Market:

- US corn futures finish sharply higher on talk crop -forecaster Lanworth slashed its yield estimate to nearly 143 bushels/acre. That is 6% below the USDA's latest estimate and well below most traders' projections . Word of the cut sparked buying as traders are nervous about tight inventories and damage from hot, dry weather this summer. Farmers won't know the full impact of the poor weather until harvest picks up speed in the coming weeks. CBOT December corn climbs 21 1/2c to \$7.60 a bushel.

Outlook: Maize price trend is likely to remain range bound with weak bias. Lukewarm, domestic and export demand are likely to be negative drivers. Catch up in area on improved rains remains indicative of normal production and likely to keep on affecting the price, adversely.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		05.09.2011	03.09.2011	Change	05.09.2011	03.09.2011	Change
Delhi	Hybrid	1100	1100	Unch	727	909	-182
Nizamabad	Bilty	1230	1240	-10	250	250	-
Karimnagar	Bilty	-	-	-	-	-	-
Davangere	Bilty	1170	-	-	-	-	-
Naughachia	Bilty	1050-1075	1050-1075	Unch	5000	5000	Unch
Gulab Bagh	Bilty	-	-	-	-	-	-
Kolkata	Mill	1270-1300	1270-1300	Unch	-	-	-
Ahmadabad	Feed	1240	1240-1250	-10	4000	2500	+1500
Ahmadabad	Starch	1190	1190-1200	-10			

NCDEX Maize Futures:

Contract	+/-	Open	High	Low	Close
Sep-11	-44	1110	1110	1059.5	1059.5
Oct-11	42.5	1106	1106	1065.5	1067
Nov-11	-41	1141	1141	1096.5	1101

Contract	Volume	Change	OI	Change
Sep-11	4120	2910	17180	-1220
Oct-11	2950	2600	13210	230
Nov-11	4180	3800	13500	-2470

Spread	Sep-11	Oct-11	Nov-11
Spot	170.5	163	129
Sep-11	-	7.5	41.5
Oct-11	-7.5	-	34
Nov-11	-41.5	-34	-

Stocks	Demat	In-Process	Total	FED
	03.08.11	03.08.11	03.08.11	29.08.11
Davangere	0	0	0	-
Delhi	14044	0	14044	10355
Nizamabad	308	0	308	104



CBOT Corn Futures:

(Unit: Cents/bushel)

Maize CBOT Daily Futures Price Listing (as on 02/09/2011) (Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Sep'11	733.75	753.00	730.25	750.25	+21.50
Dec'11	743.75	764.25	739.25	760.00	+21.50
March'12	756.00	776.50	751.75	772.25	+21.50
May'12	762.50	781.50	757.50	778.50	+22.00
Jul'12	765.00	784.50	761.00	782.00	+22.00

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