

**Maize Market Fundamentals:**

- Maize price traded weak in the spot market.
- Weak domestic and export demand weighed on the price along with improvement recorded in the rains over Maize growing regions that improved the crop prospects for 2011-12. Awaited new crop arrival which is likely to thicken the supply is also discounted as a cue.
- 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
- Maize continues to remain cheaper, however the corresponding decline in the wheat prices, improve demand prospects of the later in the current month as compared to the last month.
- Average price spread between Maize and Wheat narrowed to Rs. (48.77) per quintal as on week (5th September 2011) vis-a-vis spread of Rs. (61.14) until week ended 23 August 2011
- Demand; reportedly remain weak from consumption centers like Hyderabad from Davangere (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.

**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		
		06.09.2011	05.09.2011	Change	06.09.2011	05.09.2011	Change
Delhi	Hybrid	1090	1100	-20	545	909	-364
Nizamabad	Bilty	1220	1230	-10	250	250	Unch
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	-	-	Unch
Ahmadabad	Feed	1230	1240	-10	1200	2500	-1300
Ahmadabad	Starch	1180	1190	-10			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close
Sep-11	11.5	1050.5	1087	1038	1071
Oct-11	16.5	1061.5	1094	1043	1084
Nov-11	15.5	1061.5	1119	1083	1115

Contract	Volume	Change	OI	Change
Sep-11	6230	2110	16850	-340
Oct-11	1560	-1390	13290	70
Nov-11	2130	-2050	12600	-900

Spread	Sep-11	Oct-11	Nov-11
Spot	149	136	105
Sep-11	-	13	44
Oct-11	-13	-	31
Nov-11	-44	-31	-

Stocks	Demat	In-Process	Total	FED
	05.08.11	05.08.11	05.08.11	05.09.11
Davangere	0	0	0	-
Delhi	14044	0	14044	10354
Nizamabad	308	0	308	104

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

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

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