

Maize Market Fundamentals:

- **Maize price traded broadly lower in the spot market. Fundamental remain steady amidst any major development reported while internationally market look forward to USDA Report for the Yield and Production projection for the US Corn.**
- Weak demand continue to weigh while Stockists try to liquidate their stocks (old) before new crop arrival starts. Awaited new crop arrival which is likely to thicken the supply remains another weak driver of the price.
- Maize Production is set to decline in Key growing areas like Andhra Pradesh, Karnataka and Rajasthan. In Andhra Pradesh, both area and yields are expected to decline this kharif 2011 as compared to last year. Lack of rains during July and early part of August is likely to weigh on the yields
- On the export front: Buying interest from China upto USD 316-318 CFR Dalian port, continued, however no deals, reportedly, actualized. Exports also remain unviable, in case of Vietnam as the price as the workable CFR for Indian Exporters works out to be USD 290, which is not viable as compared to the domestic rates.
- 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.
- 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.

International Market:

- US corn futures finish lower as market participants worry the USDA may make a smaller -than-expected cut to its inventory forecast. The government, in a monthly crop report due Monday, is projected to tighten its supply outlook nearly 11%. However, that is less than what some had previously projected. CBOT December corn drops 14c to \$7.34/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		
		09.09.2011	08.09.2011	Change	09.09.2011	08.09.2011	Change
Delhi	Hybrid	1050	1050	Unch	545	545	-
Nizamabad	Bilty	1220	1220	Unch	250	250	-
Karimnagar	Bilty	-	-	-	-	-	-
Davangere	Bilty	1200	1210	-10	166	333	-167
Naughachia	Bilty	1050-1075	1050-1100	-25	4166	3333	+833
Gulab Bagh	Bilty	-	1160-1170	-	-	12500	-
Kolkata	Mill	1250-1275	1275-1300	-25	-	-	-
Ahmadabad	Feed	1200	1230	-30	4000	1500	+2500
Ahmadabad	Starch	1180	1170	+10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Sep-11	3.5	1058	1073.5	1058	1067
Oct-11	5	1070	1079	1069	1074
Nov-11	10	1106	1117	1106	1116

Contract	Volume	Change	OI	Change
Sep-11	1440	-1230	15800	-650
Oct-11	1840	0	15910	15910
Nov-11	800	-1320	11100	-220

Spread	Sep-11	Oct-11	Nov-11
Spot	153	146	104
Sep-11	-	7	49
Oct-11	-7	-	42
Nov-11	-49	-42	-

Stocks	Demat	In-Process	Total	FED
	08.08.11	08.08.11	08.08.11	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 08/09/2011) (Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Sep'11	737.25	739.75	721.75	723.25	-13.25
Dec'11	749.00	751.50	731.25	734.00	-14.00
March'12	761.50	764.00	744.25	746.75	-14.00
May'12	768.75	770.50	751.50	754.00	-13.75
Jul'12	773.00	774.50	756.00	758.50	-13.50

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.