

Maize Market Fundamentals:

- **Maize price traded broadly steady in the spot market. Heavy rainfall in Punjab could damage crops.**
- Sources said that Heavy rains at this moment will led to the flattening of the crop, which will damage both the quality and quantity of Maize. In lackluster trade prices remained steady on Saturday amid slackness in demand from consuming industries. Traders said slackness in demand from consuming industries helped barley prices to trade lower.
- 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:

- Corn futures are trading slightly higher at midsession. Last week's rally in corn prices has discouraged buying and consumers have been looking at other options in place of corn, which is keeping pressure on prices despite expectations for bullish reports from USDA. CBOT December corn is 1/4 of a cent higher at \$7.34 1/4.

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		
		10.09.2011	09.09.2011	Change	10.09.2011	09.09.2011	Change
Delhi	Hybrid	1050	1050	Unch	300	545	-
Nizamabad	Bilty	1220	1220	Unch	250	250	-
Karimnagar	Bilty	-	-	-	-	-	-
Davangere	Bilty	Closed	1200	-	Closed	166	-
Naughachia	Bilty	1050-1075	1050-1075	Unch	250	250	-
Gulab Bagh	Bilty	-	-	-	-	-	-
Kolkata	Mill	1250-1275	1250-1275	Unch	-	-	-
Ahmadabad	Feed	1190-1210	1200	10	3000	4000	-1000
Ahmadabad	Starch	1170	1180	-10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Sep-11	-22.5	1070.5	1073.0	1044.0	1047.0
Oct-11	-23.0	1081.5	1082.0	1052.0	1052.0
Nov-11	-15.5	1114.5	1117.0	1099.0	1099.0

Contract	Volume	Change	OI	Change
Sep-11	2000	560	15850	60
Oct-11	1460	-380	16140	230
Nov-11	270	-530	11030	-50

Spread	Sep-11	Oct-11	Nov-11
Spot	3.0	-2.0	-49.0
Sep-11	-	5.0	52.0
Oct-11		-	47.0
Nov-11			-

Stocks	Demat	In-Process	Total	FED
	09.08.11	09.08.11	09.08.11	05.09.11
Davangere	-	-	-	-
Delhi	14014	-	14014	10354
Nizamabad	-	-	-	104

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

Contract Month	Open	High	Low	Close	Change
Sep'11	723.00	729.00	719.75	726.00	2.75
Dec'11	734.00	740.50	730.25	736.50	2.50
March'12	746.75	753.00	743.25	749.25	2.50
May'12	754.50	759.25	749.75	755.75	1.75
Jul'12	758.25	763.50	754.25	760.00	1.50

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