

**Maize Market Fundamentals:**

**Maize price traded higher in the spot market. Overall, catching up demand offset the higher supplies on new crop arrival as quality issues hinder in between.**

- Sources in Bihar (Naugachia), convey that price outlook remain bleak as both demand and supply remain low as quality remains a issue and whatever is being sold, is out of the stocks (of better quality), therefore it remains scarce and hence a price supportive factor
- Sources in Nizamabad convey that domestic demand remains good while big poultries are waiting for the moisture content to reduce to start stocking. Moisture content of about 16% is being assessed in the new crop arrival that has started, however the ongoing rains in the region are restricting the same.
- In Davangere, demand remains reportedly good with no crop loss reported due to the recent excess rains. New crop is expected to hit in first week of October. New crop is anticipated to have a moisture content of about 18-20%.
- Participants expect limited downside to the price, as impact of improvement in arrivals is likely to be offset by pick up in both domestic as well as export demand, once the moisture level reduces upto desired level.

**International Market:**

- US corn futures end mixed, rallying from sharp early losses on expectations of renewed export demand. Traders noted rumors that China was poised to re-enter the market as a buyer, of either U.S. or Argentina corn. Traders add that even with recent reports of better-than-expected yields, supplies will remain tight. End-users' reluctance to buy, based on expectations the market could decline further, have weighed on the market recently. Prices also restrained by a stronger dollar, and worries about the economy. Dec corn ends up 1/4c to \$6.92 1/4, 15c off the day's low.

**Outlook:** Maize price trend is likely to remain range bound with weak bias. New crop arrival start to hit southern regions and the same is likely to weigh on the price while on likely picking of maize demand at lower levels by big poultry firms is likely to act a supportive driver.

**Spot Prices at Key Markets:**

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		20-09-2011	19-09-2011	Change	20-09-2011	19-09-2011	Change
Delhi	Hybrid	1060	1060	-	727	727	-
Nizamabad	Bilty	1180	1160	+20	1000	1500	-500
Davangere	Bilty	1190	-	-	500	-	-
Naugachia	Bilty	No arrival	1050	-	No arrival	No Arrivals	-
Kolkata	Mill	No arrival	1260	-	No arrival	-	-
Ahmedabad	Feed	1220	1200	+20	10000	4000	+6000
Ahmedabad	Starch	1160	1160	-			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close
Sep-11	13.5	1038	1063	1032	1060
Oct-11	8	1085	1085	1060	1076
Nov-11	9	1120	1120	1093	1114.5

Contract	Volume	Change	OI	Change
Sep-11	5920	4380	4030	-3840
Oct-11	5010	2830	23250	4040
Nov-11	2970	1050	11530	160

Spread	Sep-11	Oct-11	Nov-11
Spot	120	104	65.5
Sep-11	-	16	54.5
Oct-11	-16	-	38.5
Nov-11	-54.5	-38.5	-

Stocks	Demat	In-Process	Total	FED
	19.09.11	19.09.11	19.09.11	19.09.11
Davangere	-	-	-	-
Delhi	12476	48	12524	7793
Nizamabad	-	-	-	-

**CBOT Corn Futures:**
**(Unit: Cents/bushel)**
**Maize CBOT Daily Futures Price Listing (as on 19/09/2011) (Cents/bushel)**

Contract Month	Open	High	Low	Close	Change
<b>Dec'11</b>	691.50	694.50	676.50	692.25	+0.25
<b>March'12</b>	705.00	707.00	689.50	705.00	-0.50
<b>May'12</b>	713.00	714.75	698.25	713.00	-0.50
<b>Jul'12</b>	716.25	718.25	701.25	716.25	-0.75
<b>Sep12</b>	665.00	665.00	652.00	657.75	-5.25

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