

Maize Market Fundamentals:

Steady sentiments recorded in various spot maize markets on Tuesday owing to lesser arrivals and balanced demand which offset the prices of maize.

- Maize production for 2011-12 Kharif season hovers around 14.76 million tonnes in 2011-12 which is 8% lower compared to previous year.
- Higher wheat prices compared to maize in Delhi might increase buying from poultry feed industry. It is noticeable that Maize prices in Delhi market are Rs 1005 per quintal which is less compared to wheat prices which stood at Rs.1115/quintal.
- Exports demand came from Bangladesh, Indonesia and Vietnam for Maize as reported.
- Total Maize Production in India is projected to decline in 2011-12 as compared to last year on drop in area and likely lower yields.
- Total maize area has declined by about 6% to 7.36 million hectares in Kharif 2011-12 as compared to last year. Decline in area sown in Madhya Pradesh, Maharashtra and Uttar Pradesh remain contributory to the overall decline.
- Limited domestic buying continues to weigh on the sentiment while catching up export demand and lower area offset the impact but in the least. Fundamentals broadly remain steady.
- High Moisture content of 14-15% is found in new crop in A.P. and 16-17% in Karnataka's new crop. No major crop damage reported due to the recent excess rains while yields maybe affected in Karnataka and Maharashtra.
- On the export front: About 7000 - 8000 MT of business was done for October November shipment with price ranging between USD 288 - USD 300 PMT CFR Indonesian ports of Belawan/Surabaya/Jakarta.

Outlook: Maize Price are likely to range bound, while it may also recover as ongoing new crop arrival pressure is likely to continue to suppress the upside, that is likely to stem from picking up export demand and projected cuts for the Maize Production in 2011-12. Domestic demand is also likely to pick up as poultries run short of old crop stock and will eye the new crop in the month ahead, with likely dropping of the moisture content.

International Market Scenario: US corn futures finished slightly higher on support from outside markets. Yet, prices trimmed gains after touching an early high of \$6.18 1/2 a bushel as external support dull during the session. Rich Nelson of Allendale says the corn market's inability to sustain strong gains shows prices may continue to struggle to advance. Some traders step to sidelines due to Columbus Day holiday and uncertainty about USDA crop reports due Wednesday. CBOT December corn raises 5c to \$6.05.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		10-10-2011	11-10-2011	Change	10-10-2011	11-10-2011	Change
Delhi	Hybrid	1000	1005	+5	700	500	-200
Nizamabad	Bilty	1030	1030	Unch	700	400	-300
Davangere	Bilty	-	945	-	700	600	-100
Naugachia	Bilty	1100	1100	Unch	3333	3333	Unch
Kolkata	Mill	1300	1300	Unch	6666	6666	Unch
Ahmedabad	Feed	1150	1150	Unch	6000	7000	+1000
Ahmedabad	Starch	1130	1130	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Oct-1	-3	985.00	990.00	975.50	977.00
Nov-11	-9	1035.00	1044.50	1031.00	1035.00
Dec-11	-10	1070.00	1070.00	1065.00	1065.00

Contract	Volume	Change	OI	Change
Oct-11	1890	-240	13180	-1560
Nov-11	2030	-120	8140	-710
Dec-11	570	40	3150	-10

Spread	Oct-11	Nov-11	Dec-11
Spot	53	-5	-35
Oct-11		58	88
Nov-11			30

Stocks	Demat	In-Process	Total	FED
	10.10.11	10.10.11	10.10.11	10.10.11
Davangere	-	-	-	-
Delhi	14404	0	14404	9673
Nizamabad	-	-	-	-

CBOT Corn Futures:
(Unit: Cents/bushel)
Maize CBOT Daily Futures Price Listing (10-10-2011)(Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Dec'11	599.25	618.50	598.50	605.00	+5.00
March'12	612.00	630.75	611.50	617.50	+4.75
May'12	620.25	637.75	619.00	624.75	+4.50
Jul'12	620.00	641.75	620.00	629.25	+5.00
Sep12	588.25	606.25	588.25	597.25	+4.00

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.