

Maize Market Fundamentals:
Steady to negative sentiments witnessed in various maize spot markets on Monday.

- Prices have decreased in various spot markets of maize owing to higher supply over demand.
- Increase in arrivals in Delhi market kept the prices under pressure on Monday.
- Ukraine has produced over 9 million tonnes of maize till date, according to UGC.
- Weak demand for maize across the markets is likely to support the prices to trade downside.
- With arrival gaining momentum it might build pressure over the prices thereby supporting the downtrend. .
- China buys 900,000 tonnes of US corn which is its second biggest buy in a single day. This deal shows the China's role as a big importer. According to news sources, it is a part of a sale and China may likely to buy more US corn which might prove bullish as far as grains prices are concerned.
- U.S. corn production is forecast at 12.4 billion bushels, down 1 percent from September and down slightly from 2010.
- Maize Total Area sown, reportedly remain at 75.36 Lakh hectares as on 30th September as compared to 75.84 Lakh hectares until the same time a year ago.
- 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.
- 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.
- 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 ends higher on spillover support from strength in the stock market and crude oil as well as the decline in the value of the U.S. dollar. Support also came in after USDA report higher corn sales for the week at 49.6 million bushels, while shipments of 35.9 million bushels. Prices were also supported by higher imports from China. CBOT December delivery rose 0.3 percent to close at \$6.40 a bushel.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		17-10-2011	15-10-2011	Change	17-10-2011	15-10-2011	Change
Delhi	Hybrid	1050	1050	Unch	1273	909	+364
Nizamabad	Bilty	1040	1040	Unch	3000	3000	Unch
Davangere	Bilty	1050	-	-	3333	-	-
Koppal	Bilty	1060	1080	-20	-	-	-
Naugachia	Bilty	1100	1100	Unch	3300	3333	Unch
Kolkata	Mill	1300	1300	Unch	6667	5833	+834
Ahmedabad	Feed	1160	1200	-40	4000	6000	-2000
Ahmedabad	Starch	1145	1150	-5			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Nov-11	26.50	1090	1118	1086	1117
Dec-11	23	1118	1139	1118	1136
Jan-12	6	1119	1162	1119	1147

Contract	Volume	Change	OI	Change
Nov-11	3130	400	9260	430
Dec-11	900	-400	4100	130
Jan-12	190	120	1050	30

Spread	Nov-11	Dec-11	Jan-12
Spot	-77	-96	-107
Nov-11		19	30
Dec-11			11

Stocks	Demat	In-Process	Total	FED
	15.10.11	15.10.11	15.10.11	10.10.11
Davangere	-	-	-	-
Delhi	13897	0	13897	9673
Nizamabad	-	-	-	-

CBOT Corn Futures:
(Unit: Cents/bushel)

Maize CBOT Daily Futures Price Listing (15-10-2011)(Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Dec'11					
March'12					
May'12					
Jul'12					
Sep12					

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