

Maize Market Fundamentals:

Mixed sentiments recorded in various maize markets on Friday as markets could not find adequate cues to decide the prices either side.

- Arrivals have been decreased in Nizamabad market which kept the maize prices under pressure.
- However, sluggish arrivals have been reported in Delhi maize market which urges the prices to increase today.
- Export demand of corn from Koppal market has been witnessed. 1 rake has moved for Kakinada from Koppal at FOR 1155 and 1 rake for Chennai port at FOR 1140 has been reported. Meanwhile 14% moisture content of corn has been witnessed in Koppal market.
- Meanwhile, International corn prices are increasing owing to increasing overseas corn demand for U.S crop. Also, marginal decrease in US corn exports supports the prices of corn.
- Demand of corn from Poultry and Starch industry is moderate as reported. However, less arrivals of corn urge starch and poultry industries to buy wheat or Bajra.
- US corn prices might cool down as expected owing to economic weakness which will curb the corn demand.
- U.S. corn production is forecast at 12.4 billion bushels, down 1 percent from September and down slightly from 2010.
- 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 Commentary: US corn futures close higher in a turnaround from Wednesday's losses. Prices rose as "a little bit of broad-based buying developed across the floor," says Shawn McCambridge of Jefferies Bache. He notes wheat futures also closed higher and soybeans ended off their lows. Commodity funds were buyers of the grains, snapping up an estimated 10,000 corn contracts, a moderate amount. Traders also shrugged off early disappointment with weekly corn-export sales that were toward the low end of expectations. CBOT December corn jumped 11c to \$6.49 1/2 a bushel.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		21-10-2011	20-10-2011	Change	21-10-2011	20-10-2011	Change
Delhi	Hybrid	1090	1060	+30	909	1273	-364
Nizamabad	Bilty	1040	1050	-10	4000	2000	+2000
Davangere	Bilty	1070	1070	Unch	3333	2500	+833
Koppal	Bilty	1060	1060	Unch	8000	8000	Unch
Naugachia	Bilty	1050	1050	Unch	3333	3333	Unch
Kolkata	Mill	1300	1300	Unch	5000	5000	Unch
Ahmedabad	Feed	1160	1150	+10	3000	4000	-1000
Ahmedabad	Starch	1160	1150	+10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Nov-11	Dec-11	Jan-12
Nov-11	9.50	1103.00	1118.50	1097.00	1108.50	Spot	-58.5	-79.5	-95
Dec-11	10.50	1117.50	1137.00	1117.00	1129.50	Nov-11		21	36.5
Jan-12	11.00	1145.00	1149.00	1143.00	1145.00	Dec-11			15.5

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						20.10.11	20.10.11	20.10.11	17.10.11
Nov-11	1240	-1360	9500	-60	Davangere	-	-	-	-
Dec-11	430	-630	4470	10	Delhi	13405	0	13405	9166
Jan-12	230	110	970	-70	Nizamabad	-	-	-	-

CBOT Corn Futures:
(Unit: Cents/bushel)
Maize CBOT Daily Futures Price Listing (20-10-2011)(Cents/bushel)

Contract Month	Open	High	Low	Close	Change
Dec'11	638.25	651	632	649.5	11
March'12	648	660.75	642	659.25	10.75
May'12	654.5	666	648.25	664.5	10.25
Jul'12	657.75	669.75	652	668.75	10.5
Sep12	612.75	625.5	610.5	624.5	8

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