

Maize Market Fundamentals:

Mixed sentiments recorded in various maize spot markets on Saturday as markets couldn't find adequate cues to decide the prices either side.

- Despite of decrease in arrivals, maize prices tumbled in Nizamabad market owing to weak demand. However, prices have improved in Davangere market owing to less arrivals compared to prior day.
- World corn production prospects improved during October. Good maize crop scenario by leading growers helps corn production to take at 855 million tonnes in 2011-12 which is 3.5% up from previous year.
- Demand from Poultry and Starch industries have been witnessed which range between Rs 10500 PMT to Rs 11000 PMT, sources.
- Aggressive buying has been witnessed from East Asian buyers for Indian corn in last few weeks. Corn is offering at FOB \$255-\$258/tonne. It is noticeable that Indian corn is cheapest among all major players including US which are offering Corn at FOB \$285-\$290 per tonne. Recent Indian harvesting help East Asian buyers to meet their corn requirements, according to CME Group.
- 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.
- 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 Futures: US corn futures ends higher after a government report showed the U.S economy expanded in the third quarter at the fastest pace in a year. However, U.S. export sales data released on Thursday showed weaker export demand. The U.S. Department of Agriculture (USDA) reported the lowest weekly net sales total for corn in 4-1/2 months. Markets may also be influenced by forecasts for good harvest weather this weekend and most of next week. USDA said in its report that farmers will harvest 12.433 billion bushels of corn this year, less than the 12.497 billion forecasts in September and 0.1 percent smaller than last year's crop.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		29-10-2011	28-10-2011	Change	29-10-2011	28-10-2011	Change
Delhi	Hybrid	1070	Market Closed	-	727	Market Closed	-
Nizamabad	Bilty	1040	1050	-10	2000	4000	-2000
Davangere	Bilty	1060	1050	+10	1000	2000	-1000
Koppal	Bilty	1070	1075	-5	10000	8000	+2000
Naugachia	Bilty	Market Closed	Market Closed	-	Market Closed	Market Closed	-
Kolkata	Mill	Market Closed	Market Closed	-	Market Closed	Market Closed	-
Ahmedabad	Feed	1140	Market Closed	-	3000	Market Closed	-
Ahmedabad	Starch	1160	Market Closed	-			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Novs-11	-2.5	1106	1106	1103	1104.5
Dec-11	-2	1120.5	1133	1120.5	1124
Jan-12	Unch	-	1156.5	1156.5	1156.5

Spread	Nov-11	Dec-11	Jan-12
Spot	-64.5	-84	-116.5
Nov-11		19.5	52
Dec-11			32.5

Contract	Volume	Change	OI	Change
Nov-11	290	-830	10410	90
Dec-11	140	-710	5600	90
Jan-12	0	-660	1130	10

Stocks	Demat	In-Process	Total	FED
	28.10.11	28.10.11	28.10.11	24.10.11
Davangere	-	-	-	-
Delhi	11253	0	11253	11568
Nizamabad	51	50	101	-

CBOT Corn Futures: (Unit: Cents/bushel) as on 28th October 2011

Maize CBOT Daily Futures Price Listing (Cents/bushel)					
Contract Month	Open	High	Low	Close	Change
Dec'11	651	657	645.25	655	3.5
March'12	663	668.25	657.5	667	3.5
May'12	669	674.25	662.5	673.25	4.5
Jul'12	670.5	678.25	663.5	677.25	5.5
Sep12	632.5	636.5	627	634.5	2.25

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