

Maize Market Fundamentals:

Prices remained steady in various maize spot markets on Saturday as arrivals declined due to the long weekend ahead.

- Prices remained mixed as long weekend ahead has farers reduced arrivals in the market. However, Consistent rains in Karnataka, AP and Tamilnadu saw shortage of good dry cargo.
- Export of corn has been witnessed for Malaysia destination from Davangere via Mangalore port at FOB \$250 PMT as reported.
- Rains have been reported in Karnataka which delay the harvesting process of maize for Kharif crop. However, no damage from recent rains has been witnessed till yet.
- Indian corn is in demand due to lucrative Indian CIF prices compared to US CIF prices. Indian CIF is quoting at \$270 for Vietnam while US CIF is quoting at \$311-322 for Vietnam.
- Harvesting has been completed in Maharashtra state for Kharif crop 2011-12 as reported.
- Rabi sowing is catching the pace in Maharashtra state. It is noticeable that maize has been planted in 0.41 lakh hectares till date under Rabi season which is 0.07 lakh hectares higher compared to 2010-11
- Around 57% sowing has been completed in Maharashtra state for 2011-12 rabi season as reported.
- Corn is delivered to Kakinada and Mumbai ports for exports at FOB 1260 for destinations like Vietnam and Indonesia.
- Around 75% crop has been harvested in AP till date. Rest of the crop is likely to harvest till Nov-mid.
- Break bulk shippers like Louis Dreyfus (LD) are buying high moisture cargo (16-17% moisture) to fulfill their contracts for Chennai at Rs 11600 PMT.
- Area has increased in AP for Maize in 2011-12 by 0.51 lakh hectares compared to previous year. However, drought during sept and oct month in AP is likely to put impact on yield.
- 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.

Outlook: We expect maize prices to remain range bound to firm on declining new crop arrivals on Monday and prices are expected to decline by Rs 10-15 per quintal from the prevailing prices in bench mark market Nizamabad (AP).

International Market Scenario: US Corn futures ended higher. The December contract closed 8 1/2 cents higher at \$6.53 1/2. Markets were higher as traders estimated the production to be lower at 12.38 billion bushels compared to USDA's October forecast of 12.43 billion bushels. Traders will keep an eye out for the report scheduled to release next week on November 09th, 2011. Markets were also supported by reports of lower corn stockpiles at 801 million bushels a decline of about 7.5% from last month's estimate. Meanwhile, corn output in China is expected to increase to 189.18 million metric tons (7.5 billion bushels) from 177.24 million last year.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		05-11-2011	04-11-2011	Change	05-11-2011	04-11-2011	Change
Delhi	Hybrid	1100	1100	Unch	909	1273	-364
Nizamabad	Bilty	1030	1040	-10	3000	4000	-1000
Davangere	Bilty	1100	1080	+20	1667	2500	-833
Koppal	Bilty	-	1070	-	-	8000	-
Naugachia	Bilty	1075	1075	Unch	833	3333	-2500
Kolkata	Mill	1250	1275	-25	1667	5000	-3333
Ahmedabad	Feed	1160	1160	Unch	3000	2000	+1000
Ahmedabad	Starch	1180	1180	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Nov-11	-0.5	1107.5	1112.5	1103.0	1105.0
Dec-11	-8.5	1134.0	1134.5	1126.0	1126.5
Jan-12	-4.5	1160.0	1160.0	1158.0	1158.0

Spread	Nov-11	Dec-11	Jan-12
Spot	-5.0	-26.5	-58.0
Nov-11		21.5	53.0
Dec-11			31.5

Contract	Volume	Change	OI	Change
Nov-11	1550	-3270	11110	250
Dec-11	1580	210	6210	220
Jan-12	20	-130	1540	-

Stocks	Demat	In-Process	Total	FED
	04.11.11	04.11.11	04.11.11	31.10.11
Davangere	-	-	-	-
Delhi	9879	0	9879	5785
Nizamabad	350	907	1257	-

CBOT Corn Futures: (Unit: Cents/bushel) as on 04th November 2011

Maize CBOT Daily Futures Price Listing (Cents/bushel)					
Contract Month	Open	High	Low	Close	Change
Dec'11	653.00	657.50	644.50	655.75	2.25
March'12	663.00	668.00	654.75	666.25	2.50
May'12	668.25	674.25	661.50	673.25	3.75
Jul'12	673.50	678.50	665.75	678.25	3.00
Sep12	634.50	635.00	624.50	633.75	2.00

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