

Maize Market Fundamentals:
Mixed sentiments witnessed in various maize spot markets on Monday.

- Lesser arrivals and moderate demand from Poultry and Starch Industries kept the prices at higher side.
- However, prices may continue to weak due to steady sowing progress in major producing states along with higher global production estimates.
- Good quality maize is arriving in Nizamabad market. Despite of that exports demand is not picking up due to higher prices of maize in domestic market and lesser corn prices internationally which squeeze the export parity of maize from Indian exporters. At present 14-15% moisture content of maize is arriving in the market.
- Movement of around 35 rakes of maize has been reported from Koppal market in this season for various delivery centers like Kakinada and Chennai at FOR ranging between Rs 1110-1185 per quintal.
- Maharashtra maize growers has sown around 84000 hectares of maize in their respective fields for Rabi season 2011-12 till 8th December which is 9.1% higher compared to previous year same period. It means that around 70% areas have been covered for Rabi in Maharashtra till date out of the targeted area i.e. 120000 hectares.
- Maize has been sown in 153000 hectares in Bihar for Rabi season which 10.9% higher is compared to previous year same period. Maize has been sowed in 138000 hectares last year same period in Rabi Season in Bihar. Moreover, Bihar has targeted 325000 hectares of planting of maize for Rabi season 2011-12.
- Lesser corn exports data from US pressurize the CBOT corn prices which decrease the corn FOB prices of major exporting countries like Brazil, US, Argentina and Ukraine which gives stiff competition to Indian FOB prices at present. US FOB prices are quoting at \$256.2 while Indian FOB corn prices are hovering at \$258 upto Kakinada port.
- According to the latest USDA report, total global production of maize in 2011-12 is likely to reach 867 million tonnes, up 9 million tonnes from the previous report. This is mainly due to strong production in China.

Outlook:

Good Corn demand has been witnessed in domestic markets as regular buying came from big poultry and starch industries at present. However, lesser corn exports scenario, increased Rabi sowing intentions and higher global crop might put some pressure on maize prices in the coming days.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		12-12-2011	10-12-2011	Change	12-12-2011	10-12-2011	Change
Delhi	Hybrid	1100	1100	Unch	455	545	-90
Nizamabad	Bilty	1090	1100	-10	700	6000	-5300
Davangere	Bilty	1110	1110	Unch	1667	833	+834
Koppal	Bilty	1100	1070	+30	10000	10000	Unch
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1150	1133	+17	-	2000	-
Ahmedabad	Starch	1200	1160	+40	-	-	-

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Dec-11	Jan-12	Feb-12
Dec-11	-30.5	1111.0	1113.5	1077.5	1081.0	Spot	69.0	45.0	23.0
Jan-12	-25.0	1131.0	1133.5	1096.5	1105.0	Dec-11	-	24.0	46.0
Feb-12	-33.0	1158.0	1160.0	1127.0	1127.0	Jan-12	-	-	22.0

Contract	Volume	Change	OI	Change	Stocks	Demat 10-12-11	In-Process 10-12-11	Total 10-12-11	FED 05.12.11
Dec-11	2980	2600	5230	-700	Davangere	-	-	-	-
Jan-12	1930	1720	4690	-80	Delhi	4132	0	4132	4132
Feb-12	120	90	580	30	Nizamabad	3741	0	3741	3690

Maize CBOT Daily Futures Price Listing (\$/Tonne) as on 9th December 2011

Contract Month	Open	High	Low	Close	Change
Dec'11	231.83	233.40	227.11	230.45	-1.77
March'12	236.16	237.44	230.35	233.90	-2.36
May'12	239.51	240.69	233.70	237.34	-2.26
Jul'12	241.67	242.95	236.16	239.70	-2.16
Sep12	228.68	228.68	222.78	226.32	-2.46

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