

Maize Market Fundamentals:

Steady to firm sentiments have been witnessed in various spot markets of maize on Saturday.

- Demand remained higher from Poultry and Starch Industries.
- The Government says that productivity maize is low in India as compared to other countries. The Government adds that area under corn production at 8.17 million hectares with productivity at 2,414 kg per hectare.
- UP maize growers have planted maize in 31450 hectares in 2011 for Rabi season till 14th December 2011 which is 32.5% lesser compared to previous year same period. Government is targeting around 50000 hectares of maize sowing in 2011.
- Maize productivity in India is low (~2414 kg per hectare) despite of large areas of Maize in India. It is noticeable that India got 4th no in terms of area in the world. USA, China, and Brazil have more maize area than India at present.
- Maize has been planted in 245000 hectares till 14th December 2011 in Bihar for Rabi season 2011-12 which is -4.7% higher compared to 2010-11 maize rabi sowing same period. Rabi has sowed in 257000 hectares last year same period.
- Lesser arrivals of maize and moderate domestic as well as exports demand of maize kept the corn prices at higher side.
- Indian CIF Maize prices (~\$281.69) have come down despite of recent increase in domestic prices of corn as stronger dollar prices give respite to exporters and take India get into the competition. Indian corn exporters are getting a stiff competition from exporters compared to Brazil CIF (~282.7) and Argentina CIF (~281.1).
- Movement of 40 rakes (25 from Koppal + 15 from Munirabad) has been reported in this season for various destinations like Chennai, tutikorin etc at FOR ranging Rs. 1180 to 1100.
- It is reported that maize production in Kharif season is down by 20% in the interiors of AP and Karnataka due to poor rainfall.

Outlook:

Good Corn demand has been witnessed in domestic markets as regular buying came from big poultry and starch industries at present. Also, lesser arrivals of corn in the market support the corn prices domestically. We expect that there is further potential of increase in corn prices in the coming days.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		17-12-2011	16-12-2011	Change	17-12-2011	16-12-2011	Change
Delhi	Hybrid	1140	1130	+10	455	364	+91
Nizamabad	Bilty	1100	1100	Unch	500	500	Unch
Davangere	Bilty	1120	1125	-25	3667	3333	+333
Koppal	Bilty	1085	1085	Unch	12000	12000	Unch
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1170	1170	Unch	7000	6000	+1000
Ahmedabad	Starch	1225	1225	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Dec-11	Jan-12	Feb-12
Dec-11	17.5	1115.0	1150.0	1115.0	1138.0	Spot	-38.0	-67.0	-89.0
Jan-12	25.5	1148.0	1173.0	1141.5	1167.0	Dec-11	-	29.0	51.0
Feb-12	18.0	1178.0	1203.5	1178.0	1189.0	Jan-12		-	22.0

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
Dec-11	1970	1270	1160	-800		16-12-11	15-12-11	15-12-11	12.12.11
Jan-12	4980	2390	6780	850	Davangere	-	-	-	-
Feb-12	780	230	1400	300	Delhi	3788	0	3788	4132
					Nizamabad	3741	0	3741	3741

Maize CBOT Daily Futures Price Listing (Cents/bushel) as on 16 th December 2011					
Contract Month	Open	High	Low	Close	Change
March'12	578.50	587.50	577.50	583.00	+4.00
May'12	587.25	596.00	586.50	591.75	+4.00
Jul'12	594.25	602.50	593.00	598.50	+4.25
Sep'12	564.75	571.75	564.75	569.25	+5.00
Dec'12	542.75	551.25	541.50	548.00	+4.75

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