

Maize Market Fundamentals:

Firm sentiments have been witnessed in various spot markets of maize on Monday.

- Demand remained higher from Poultry and Starch Industries. Markets also moved higher supported by higher export demand. Industries are paying anywhere between Rs.11200 PMT to Rs.12400 PMT.
- Sources say that prices may continue to move higher by atleast 50/quintal from current levels supported by the demand in the market.
- Markets also moved higher as arrivals have slowed down in both AP as well as Karnataka. Sources in Tamil Nadu say that new arrivals are coming in but with a high moisture arte between 15-16%.
- Arrivals increased in Delhi market today. However, arrivals are decreasing in Nizamabad market as farmers are anticipating further upside in prices.
- 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.
- 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).
- Exporters are asking for cargo at Rs.12150 - Rs.12200 PMT for Chennai. Malaysia has imported around 70,000 MT from Argentina which may slow down exports from India.
- Business in container done at USD 257 for Belawan port from Mumbai and Chennai. January onwards the market for container cargo to Indonesia should revive demand.

Outlook:

Domestic demand, regular buying from big poultry, starch industries and exporters continues to support prices at lower levels. Lower 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		
		19-12-2011	17-12-2011	Change	19-12-2011	17-12-2011	Change
Delhi	Hybrid	1150	1140	+10	545	455	+91
Nizamabad	Bilty	1110	1100	+10	200	500	-300
Davangere	Bilty	1135	1120	+15	3500	3667	-167
Koppal	Bilty	1100	1085	+15	12000	12000	Unch
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1200	1170	+30	8000	7000	+1000
Ahmedabad	Starch	1250	1225	+25			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Dec-11	Jan-12	Feb-12
Dec-11	20.0	1140.0	1170.5	1130.0	1158.0	Spot	-23.0	-46.0	-74.0
Jan-12	17.5	1167.0	1189.0	1156.5	1181.0	Dec-11	-	23.0	51.0
Feb-12	15.0	1204.0	1216.0	1192.0	1209.0	Jan-12		-	28.0

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
Dec-11	1110	-860	430	-710		17-12-11	17-12-11	17-12-11	12.12.11
Jan-12	4320	-660	7480	700	Davangere	-	-	-	-
Feb-12	480	-300	1550	140	Delhi	3788	0	3788	4132
					Nizamabad	3691	0	3691	3741

Maize CBOT Daily Futures Price Listing (Cents/bushel) as on 16th 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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