

Maize Market Fundamentals:

Steady to firm sentiments in domestic markets as arrivals remained on the lower side.

- Producers were holding onto stocks anticipating better returns.
- Demand from Poultry & Starch Industries may continue to support uptrend.
- Maize markets may be influenced by firm global markets as better conditions in South America may support crop conditions.
- Arrivals declined Delhi and Ahmedabad as producers in were holding onto stock anticipating better returns.
- 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.
- Corn futures moved higher as rain in the next four days in parts of Brazil and Argentina aids crops.
- Corn futures for March delivery rose 1.6% to close at \$6.165 a bushel.
- The market also awaits the U.S. Department of Agriculture's export sales report later on Thursday for price direction.

Outlook:

Lower arrival and firm demand from consumer industries continues to support prices at lower levels. However, weak demand from Vietnam may weaken export demand which may restrict upside. 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		
		22-12-2011	21-12-2011	Change	22-12-2011	21-12-2011	Change
Delhi	Hybrid	1200	1200	Unch	273	364	-91
Nizamabad	Bilty	1110	1110	Unch	200	200	Unch
Davangere	Bilty	-	-	-	-	-	-
Koppal	Bilty	1140	1140	Unch	6000	6000	Unch
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1250	1240	+10	3000	4000	-1000
Ahmedabad	Starch	1275	1250	+25			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Jan-12	Feb-12	Mar-12
Jan-12	6.0	1181.0	1185.0	1175.0	1179.5	Spot	20.5	-9.0	-
Feb-12	-	1207.5	1215.0	1207.0	1209.0	Jan-12	-	29.5	-
Mar-12	-	-	-	-	-	Feb-12		-	-

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						21.12.11	21.12.11	21.12.11	19.12.11
Jan-12	1310	-210	7960	170	Davangere	-	-	-	-
Feb-12	240	-290	1890	50	Delhi	2997	0	2997	3788
Mar-12	0	-	70	-	Nizamabad	3691	0	3691	3691

Maize CBOT Daily Futures Price Listing (Cents/bushel) as on 21st December 2011					
Contract Month	Open	High	Low	Close	Change
March'12	606.00	619.00	601.00	616.50	9.50
May'12	614.75	627.50	609.75	625.25	9.50
Jul'12	621.50	634.00	616.50	631.75	9.50
Sep'12	584.00	595.00	583.00	592.75	8.25
Dec'12	563.00	575.00	561.00	570.75	7.25

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