

Maize Market Fundamentals:

Maize remained steady to firm as arrivals remained lower at domestic markets.

- Arrivals remained lower as crop from Tamil Nadu is still having moisture content.
- Demand for Poultry products like Eggs and Chicken remained firm and may continue to support prices.
- Firm export demand also supported the uptrend in prices.
- However maize futures at NCDEX fell on Tuesday after 3 consecutive sessions of bullish close. Rise in open interest amidst falling prices suggest that the new money is coming through the short sellers and a downtrend is in place. Volume of trade has increased to 4,520, up by 120 against previous trading day.
- Arrivals were slightly higher in Delhi as producers were offloading stocks in hope of better returns. However producers in Davangere and Ahmedabad did exactly the opposite and were holding onto stocks.
- US futures will re-open on 27th December 2011.
- However, South American weather was the biggest mover of corn prices this week as everyone was very concerned that the lack of rain was going to have a significant effect on the corn crops in both Argentina and Brazil.
- There is some rain expected in the next few days but it does not seem to be anywhere close enough to solve the current problem.
- There will very little trade and buying from the industry before early January due to the holiday season.
- However, with the increase in corn prices this week, the few exporters of corn by-products were quite happy to push their prices a little higher.
- The prices for Port Klang /Penang are now at USD 250 PMT CFR. This is up by almost USD 12 - 13 PMT in the last 2 weeks. Business in container done at USD 257 for Belawan port from Mumbai and Chennai.

Outlook:

Lower arrival and firm domestic and export demand may continue to support prices at lower levels. 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		
		27-12-2011	26-12-2011	Change	27-12-2011	26-12-2011	Change
Delhi	Hybrid	1250	1200	+50	455	364	+91
Nizamabad	Bilty	1135	1125	+10	200	200	Unch
Davangere	Bilty	1150	1150	Unch	1667	3333	-1667
Koppal	Bilty	-	1180	-	-	4000	-
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1300	1275	+25	1000	2000	-1000
Ahmedabad	Starch	1325	1275	+50			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Jan-12	Feb-12	Mar-12
Jan-12	-17.0	1234.5	135.0	1202.0	1208.0	Spot	42.0	19.0	-5.0
Feb-12	-21.5	1258.0	1258.0	1227.0	1231.0	Jan-12	-	23.0	47.0
Mar-12	-21.5	1265.5	1270.0	1250.0	1255.0	Feb-12		-	24.0

Contract	Volume	Change	OI	Change	Stocks	Demat 26.12.11	In-Process 26.12.11	Total 26.12.11	FED 26.12.11
Jan-12	4520	120	9550	4520	Davangere	-	-	-	-
Feb-12	1600	320	2930	1600	Delhi	2997	-	2997	2997
Mar-12	130	-200	450	130	Nizamabad	3691	-	3691	3691

Maize CBOT Daily Futures Price Listing (Cents/bushel) as on 26 th December 2011					
Contract Month	Open	High	Low	Close	Change
March'12	Closed	Closed	Closed	Closed	Closed
May'12	Closed	Closed	Closed	Closed	Closed
Jul'12	Closed	Closed	Closed	Closed	Closed
Sep'12	Closed	Closed	Closed	Closed	Closed
Dec'12	Closed	Closed	Closed	Closed	Closed

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