

**Maize Market Fundamentals:**

***Maize remained steady to firm as arrivals have started to decline in the domestic markets.***

- Producers continue to hold onto stock as they expect that prices will touch a higher of Rs.1500/qtl.
- Demand from Consumer industries remain firm and may continue to support prices. Traders added that due to the winter season poultry demand may continue to support the maize prices at lower levels.
- Maize may continue to go up supported by firm demand from Starch industries. Prices also moved up 15% since October on falling acreage, spurt in export demand.
- The Rabi sowing last year was 669,000 hectares, which is 614,000 ha this season. In a normal year, Rabi maize used to be a million hectares. This Rabi season, the crop is expected to be lower.
- Exporters added that due to the current holiday season export has slow down amid weak rupee against the U.S Dollar. However exports are expected to gather momentum in the first week of January.
- Maize futures at NCDEX rebound on Wednesday after a bearish session. Rise in open interest along with prices indicate that an uptrend is in place and is likely to be sustained. Volume has declined to 3,980, lower by 540 against previous trading day.
- Arrivals were slightly lower in major markets as producers were waiting for better returns and were holding onto stocks.
- U.S. corn rose more than 1 percent on Wednesday and hit a six-week high as dry weather trimmed crop prospects in Argentina.
- Argentina's corn crop will be smaller than expected but will still set a record. Production at 24.5 million tonnes, above last year's record 23.0 million but below the firm's earlier forecast for 26.5 million tonnes.
- There's also continued concern about dry weather stress to portions of Brazil's corn region as well.
- March corn rose 9.25 cents to \$6.42 a bushel.

**Outlook:**

***Lower arrival, lower acreage, firm domestic and export demand may continue to support prices at lower levels. We expect that corn prices will continue to show strength in the coming days.***

**Spot Prices at Key Markets:**

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		29-12-2011	28-12-2011	Change	29-12-2011	28-12-2011	Change
Delhi	Hybrid	1275	1250	+25	364	364	Unch
Nizamabad	Bilty	1125	1145	-20	150	150	Unch
Davangere	Bilty	1150	1150	Unch	1667	3000	-1333
Koppal	Bilty	1180	-	-	-	-	-
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1310	1280	+30	1000	1500	-500
Ahmedabad	Starch	1340	1310	+30			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close	Spread	Jan-12	Feb-12	Mar-12
Jan-12	3.5	1222.0	1224.0	1216.0	1222.5	Spot	52.5	18.5	3.0
Feb-12	9.5	1254.0	1261.0	1249.0	1256.5	Jan-12	-	34.0	49.5
Mar-12	-2.0	1245.0	1288.0	1245.0	1272.0	Feb-12		-	15.5

  

Contract	Volume	Change	OI	Change	Stocks	Demat 28.12.11	In-Process 28.12.11	Total 28.12.11	FED 26.12.11
Jan-12	4080	100	9310	-660	Davangere	-	-	-	-
Feb-12	2540	1170	4150	950	Delhi	2997	-	2997	2997
Mar-12	110	70	520	50	Nizamabad	3691	157	3848	3691

Maize CBOT Daily Futures Price Listing (Cents/bushel) as on 28 <sup>th</sup> December 2011					
Contract Month	Open	High	Low	Close	Change
March'12	632.00	646.25	630.25	642.50	9.25
May'12	639.25	654.00	638.50	650.25	9.00
Jul'12	645.50	659.50	644.25	656.00	8.75
Sep'12	600.50	612.00	599.00	608.25	7.00
Dec'12	576.50	587.25	574.50	583.50	6.25

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