

Maize Market Fundamentals:

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

- Arrivals improved on Friday as producers getting good returns bought in more stocks.
- However, domestic and export demand remained firm and may continue to support prices.
- However exporters added that due to the current holiday season export may slow down amid weak rupee against the U.S Dollar.
- Maize futures at NCDEX remained firm on Friday. However, falling open interest and rising prices is indicating that the short sellers are covering their positions and the upmove will not be sustained unless new buyers enter the market. Volume has declined to 3,840, lower by 240 against previous trading day.
- Arrivals were higher in major key markets as producers getting good returns bought in more stocks.
- Corn futures slipped almost 1 percent, easing from a six-week peak on profit-taking after the market had moved into overbought technical levels during a lively weather rally.
- Argentina's corn crop will be smaller than expected earlier but still a record.
- The U.S. Department of Agriculture (USDA) in early December forecast Argentina's corn crop at 29.0 million tonnes. USDA will issue updated crop data on January 12th 2012.
- Limited relief from the dryness is expected for at least 10 days in Argentina and moisture deficits are persisting in over two-thirds of the Corn Belt.
- Dryness is an increasing concern in southern Brazil as well which is affecting more than one-third of the corn production.

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		
		30-12-2011	29-12-2011	Change	30-12-2011	29-12-2011	Change
Delhi	Hybrid	1275	1275	Unch	364	364	Unch
Nizamabad	Bilty	1125	1125	Unch	200	150	+50
Davangere	Bilty	1140	1150	-10	5000	1667	+3333
Koppal	Bilty	1180	1180	Unch	-	-	-
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1280	1310	-30	2000	1000	+1000
Ahmedabad	Starch	1300	1340	-40			

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 29th December 2011

Contract Month	Open	High	Low	Close	Change
Mar-12	640.00	645.75	635.25	638.00	-4.50
May-12	647.00	654.00	643.50	646.25	-4.00
Jul-12	653.00	660.00	649.75	652.50	-3.50
Sep-12	605.00	610.00	601.75	606.00	-2.25
Dec-12	581.50	585.00	577.50	582.00	-1.50

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