

Maize Market Fundamentals:

Maize remained steady to weak as arrivals remained on the weaker side.

- The new maize from Erode belt of Tamilnadu has started arriving but has the problem of high moisture which ranges between 15 - 16%.
- The rains due to Cyclone which passed through Tamilnadu has not helped much as the Tamilnadu crop will be delayed as well as result in quality problems.
- The exporters are asking for cargo at Rs.12400-12500. The domestic buying by Poultry and other industries was good.
- However with the Chinese New Year also approaching by 20th January 2012 large portions of the export market will close with the result the demand from the exporters was also reduced.
- Maize futures at NCDEX remained firm on Monday. Rise in open interest along with prices indicate that an uptrend is in place and is likely to be sustained. Volume of trade has increased to 4,570, up by 2,140 against previous trading day.
- Arrivals were lower in major key markets as producers were holding onto stocks in anticipation of higher prices.
- Globally the maize market was strong and decisively moved beyond the 600 cents mark per bushel as there were increased concern on the quality of crop from Argentina and Brazil due to drought situation prevailing in the southern subcontinent.
- Buying is slow due to Chinese New Year in the Malaysian markets. Indications for price around USD 255 - 260 CFR.
- Buyer's interest at around USD 265 - 268 in containers in the Indonesian markets.

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 | | |
|-----------|--------|------------------|---------------|--------|------------------|---------------|--------|
| | | 02-1-2012 | 31-12-2011 | Change | 02-1-2012 | 31-12-2011 | Change |
| Delhi | Hybrid | 1290 | 1290 | Unch | 364 | 364 | Unch |
| Nizamabad | Bilty | 1135 | Market closed | - | 200 | Market closed | - |
| Davangere | Bilty | 1135 | 1150 | -15 | 1667 | 833 | +833 |
| Koppal | Bilty | 1160 | 1190 | -30 | 10000 | - | - |
| Kolkata | Mill | - | - | - | - | - | - |
| Ahmedabad | Feed | 1300 | 1300 | Unch | 2000 | 10000 | -8000 |
| Ahmedabad | Starch | 1325 | 1325 | Unch | | | |

NCDEX Maize Futures

| Contract | +/- | Open | High | Low | Close | Spread | Jan-12 | Feb-12 | Mar-12 |
|----------|------|--------|--------|--------|--------|--------|--------|--------|--------|
| Jan-12 | 8.5 | 1227.0 | 1240.0 | 1223.0 | 1236.5 | Spot | 53.5 | 14.5 | -10.0 |
| Feb-12 | 15.0 | 1265.0 | 1275.0 | 1253.0 | 1275.5 | Jan-12 | - | 39.0 | 63.5 |
| Mar-12 | 16.0 | 1291.0 | 1300.0 | 1281.0 | 1300.0 | Feb-12 | | - | 24.5 |

| Contract | Volume | Change | OI | Change | Stocks | Demat 31.12.11 | In-Process 31.12.11 | Total 31.12.11 | FED 26.12.11 |
|----------|--------|--------|-------|--------|-----------|-------------------|------------------------|-------------------|-----------------|
| Jan-12 | 4570 | 2140 | 10410 | 780 | Davangere | - | - | - | - |
| Feb-12 | 960 | 310 | 4760 | 270 | Delhi | 2997 | - | 2997 | 2997 |
| Mar-12 | 230 | 140 | 760 | 170 | Nizamabad | 3691 | 155 | 3846 | 3691 |

Maize CBOT Daily Futures Price Listing (Cents/bushel) as on 30th December 2011

| Contract Month | Open | High | Low | Close | Change |
|----------------|--------|--------|--------|--------|--------|
| Mar-12 | 637.25 | 648.50 | 635.25 | 646.50 | 8.50 |
| May-12 | 645.25 | 656.50 | 643.75 | 654.75 | 8.50 |
| Jul-12 | 651.50 | 663.00 | 649.75 | 661.25 | 8.75 |
| Sep-12 | 605.00 | 613.25 | 603.25 | 613.25 | 7.25 |
| Dec-12 | 581.00 | 588.75 | 580.25 | 586.25 | 4.25 |

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