

Maize Market Fundamentals:

Maize cash and spot market continued to rule under pressure on poor demand from major users like feed millers and starch industries. Even demand for export has come down considerably due to quality issue. Fresh demand is expected from mid-January onward and may support cash market once again.

- No major trading activities were reported at the fag end of this week. Maize is being loaded from Koppal market to Kakinada and Chennai at Rs 1310 and Rs 1275 per qtl. on delivered basis(FOR).
- Higher moisture level in maize and presence of foreign matters than set parameter for export discourage buyers to go for aggressive buying. Demand for fumigation at delivered port is also adds pressure on exporters. However, quality issue is likely to be sorted out soon as assured by concerned ministry.
- Progressive sowing activities have been satisfactory so far in A.P. Maize has been planted in 2.08 lac hectares in AP till 28/12/2011 which is 39.6% higher compared to previous year same period.
- However, it is lagging behind in U.P. Maize has been planted in 33372 hectares so far for Rabi season till 28th December 2011 in Uttar Pradesh which is 36.9% lower compared to previous year last year till date. Growers had planted 52900 hectares in corresponding period last year.
- Around 3.1 lac hectares of maize has been planted by maize growers in Bihar for Rabi season up to 4th January 2012 that is 3.3% higher planting of maize compared to previous year same period.
- Movement of maize stock has been reported from Nizamabad market to various destinations like Mumbai and Kakinada at FOR 1300. It is expected to improve after mid January as wheat prices are getting firmer on seasonality basis.
- One rake business has been reported from Davengere market at FOR 1250 Chennai delivery. It is noticeable that around 20 rakes in total have been moved from Davengere to various destinations in this season.
- High moisture level in newly harvested maize, which ranges between 15 - 16% may continue to support prices at lower levels for last year's crop.

Outlook:

Lower arrivals and likely fresh demand from bulk buyers and retailers may support maize market once again in near term. We expect gains soon in maize price.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		06-1-2012	07-1-2012	Change	06-1-2012	07-1-2012	Change
Delhi	Hybrid	1300	1300	Unch	455	455	Unch
Nizamabad	Bilty	1130	1130	Unch	70	75	5
Davangere	Bilty	-	1145	-	-	6667	-
Koppal	Bilty	1150	1155	5	10000	10000	-
Ahmedabad	Feed	1300	1300	Unch	-	2000	-
Ahmedabad	Starch	1350	1350	Unch	-	-	-

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Jan-12	Feb-12	Mar-12
Jan-12	-14	1266.5	1267.50	1229	1251	Spot	-136	-178.5	-212
Feb-12	-15	1303	1310	1295	1271	Jan-12		42.5	76
Mar-12	-9	1329	1336	1327	1330	Feb-12			33.5

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						06.01.12	06.01.12	06.01.12	01.01.12
Jan-12	4620	-3200	8720	-260	Davangere	-	-	-	-
Feb-12	2480	-4630	8900	290	Delhi	2997	-	2997	2997
Mar-12	350	-610	1650	160	Nizamabad	4510	206	4716	3691

CBOT Corn Daily Futures Price Listing (USD/MT) as on 6th January 2011

Contract Month	Open	High	Low	Close	Change
Mar-12	642.00	649.50	640.25	643.50	Unch.
May-12	642.00	649.50	640.25	643.50	-0.75↓
Jul-12	642.00	649.50	640.25	643.50	-1.50↓
Sep-12	642.00	649.50	640.25	643.50	-4.25↓
Dec-12	642.00	649.50	640.25	643.50	-4.25↓

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