

Maize Market Fundamentals:

Steady sentiments prevails in the maize spot key markets on Wednesday as markets could not find adequate cues to decide the prices of maize either side.

- Fresh rains in Argentina and strong dollar pressurize the corn prices in CBOT. Recent rains give some relief to the drought affected crops. However, various analysts thinks recent rainfall may to not be enough to recover the yield losses of corn.
- Around 20 rake business of maize has been reported in this season till date from Haveri (Karnataka) region. In total around 73 rakes of business of maize has been done till date in this season from Davengere, Ranebennuru, and Haveri.
- One rake business has been reported from Davengere market at FOR 1255 Chennai delivery. It is noticeable that around 23 rakes in total have been moved from Davengere to various destinations in this season.
- Also, 30 rakes has been moved from Ranebennuru center (Karnataka) this season till date. Ranebennuru is 37 km far from Davengere market and becoming a major sourcing center of maize.
- Arrivals are sluggish in key markets like Davengere and Karnataka markets due to upcoming festival occasion namely Makar Sakranti.
- Indian CIF Maize prices (~\$305.00) have surged due to increase in domestic prices of corn. Indian corn exporters are competing strongly with Brazil CIF (~293.6) and Argentina CIF (~315.2). Unfavorable whether conditions in Argentina (Second biggest exporter of corn after US) and Brazil weigh on the corn international prices. Increase in corn international prices gives Indian corn exporters an opportunity to export corn but lesser corn arrivals and higher moisture content in maize restrict them to do it so.
- Around 50 rakes of business of maize have been reported from Koppal to various consumption centers and ports till date in this season.

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		
		11-1-2012	10-1-2012	Change	11-1-2012	10-1-2012	Change
Delhi	Hybrid	1320	1320	Unch	455	455	Unch
Nizamabad	Bilty	Market Closed	1180	-	Market Closed	70	-
Davangere	Bilty	1190	1180	+10	3333	2500	+833
Koppal	Bilty	1230	1230	Unch	2000	2000	Unch
Ahmedabad	Feed	1325	1325	Unch	-	-	-
Ahmedabad	Starch	1350	1350	Unch	-	-	-

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Jan-12	Feb-12	Mar-12
Jan-12	-3.5	1258	1263	1246.5	1253.5	Spot	-73.5	-118	-150
Feb-12	2.5	1300	1304	1286	1298	Jan-12		44.5	76.5
Mar-12	-13	1334	1335	1322	1330	Feb-12			32

Contract	Volume	Change	OI	Change	Stocks	Demat 10.01.12	In-Process 10.01.12	Total 10.01.12	FED 09.01.12
Jan-12	1910	-4860	7080	-260	Davangere	-	304	304	-
Feb-12	1600	-3510	10450	-70	Delhi	2996	-	2996	2997
Mar-12	210	-240	1480	-140	Nizamabad	4765	924	5689	4510

CBOT Corn Daily Futures Price Listing (USD/MT) as on 10th Jan 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	256.43	258.79	255.05	256.63	Unch
May-12	259.38	261.65	258.00	259.48	-0.10
Jul-12	261.35	263.71	259.97	261.55	Unch
Sep-12	239.21	242.06	238.92	241.28	1.08
Dec-12	229.27	231.54	228.48	230.85	1.18

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