

**Maize Market Fundamentals:**

**Steady to weak sentiments prevail in various key spot markets of maize on Friday. Sluggish demand, improved arrivals and weak export demand pressurize the maize prices.**

- Increase in arrivals compared to prior day led the maize prices down in Koppal market today.
- World maize production prospects improved by 8 million tonnes compared to previous month despite the fact that US has grown lesser maize crop and diminishing crop outlook for South America. Recent forecast from IGC shows that overall maize production for 2011-12 will stand at 861 million tonnes which is still 0.9% higher compared to previous month maize production estimate done by IGC. Good crop harvest in countries like Ukraine and China, despite of decrease in yield due to drought situation, record crop of maize in Argentina and Brazil urge IGC to increase the production scenario of maize in tandem of all these related factors. As per recent information, corn prices decline by 0.4% in CBOT futures due to higher global production scenario showed by IGC.
- Moreover, IGC also forecast 3% increase in demand of maize considering rise of use of maize in feeding purpose.
- Meanwhile, demand of maize from Poultry and Starch industries are moderate.. Prices of feed grade maize are continuously moving upwards owing to lesser arrivals in the market. Buyers from Poultry and Starch Industries are waiting for fresh arrivals of maize which might resist the prices in the coming days.
- Lesser arrivals and moderate demand have kept the maize prices unchanged in Nizamabad market. Daily 10 tonne of maize is arriving in the market. It is noticeable that fresh arrivals will hit the market in the second week of March 2012 as reported.

**Outlook:**

**Increasing arrivals of maize from TN and lower demand of corn might kept the maize prices under pressure for short term. Also, sharp decline in International corn prices might restrict the corn export from India. Maize prices are likely to trade range bound with weak bias in the coming days.**

**Spot Prices at Key Markets:**

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		20-1-2012	19-1-2012	Change	20-1-2012	19-1-2012	Change
Delhi	Hybrid	1280	1280	Unch	455	455	Unch
Nizamabad	Bilty	1180	1180	Unch	100	100	Unch
Davangere	Bilty	1150	1170	-20	3333	3333	Unch
Koppal	Bilty	1140	1170	-30	5000	2000	+3000
Ahmedabad	Feed	1310	1310	Unch	7000	6000	+1000
Ahmedabad	Starch	1350	1350	Unch			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close	Spread	Feb-12	Mar-12	Apr-12
Feb-12	10.5	1245	1260	1243.5	1254	Spot	-74	-103	-110
Mar-12	6.5	1274	1293	1274	1283	Jan-12		29	36
Apr-12	-10	1295	1307.5	1290	1290	Feb-12			7

  

Contract	Volume	Change	OI	Change	Stocks	Demat 19.01.12	In-Process 19.01.12	Total 19.01.12	FED 16.01.12
Feb-12	2430	-1550	13370	110	Davangere	600	50	600	101
Mar-12	1080	460	4630	390	Delhi	2520	0	2520	2992
Apr-12	170	-330	1190	100	Nizamabad	7965	49	8014	5855

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 19<sup>th</sup> Jan 2012**

Contract Month	Open	High	Low	Close	Change
Mar-12	233.80	239.11	233.70	238.52	12.50
May-12	236.36	241.38	236.36	240.88	4.62
Jul-12	238.32	242.95	238.23	242.46	11.25
Sep-12	224.25	227.80	224.25	227.80	3.54
Dec-12	216.58	219.24	215.99	219.24	3.25

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