

Maize Market Fundamentals:

Market is steady and no fresh business has been witnessed for rake of maize which kept the prices unchanged on Friday.

- Maize has been planted in 351000 hectares till 24/1/2012 in Bihar for Rabi season 2011-12 which is 6.4% higher compared to 2010-11 maize rabi sowing same period. Rabi has sowed in 330000 hectares last year same period. Moreover, Bihar has targeted around 3.5 lac hectares of planting of maize for Rabi season 2011-12.
- On international front, farmers in Argentina might face fresh heat waves after two months of dry weather which might worsen the crop conditions of maize. It is noticeable that abundant rains due to weather pattern known as La Nina has been witnessed in various key regions of maize in Argentina which damage the crop and urge various trade houses to downgrade maize production estimate of Argentina from 30 million tonnes to 20-22 million tonnes.
- Higher maize prices compared to wheat shift the demand of maize towards wheat.
- Indian CIF Maize prices (~\$323.00) have surged despite of decrease in maize prices as appreciation in Rupee decrease the export parity. Indian maize exporters are not getting maize export parity as Brazil CIF (~299.1) and Argentina CIF (~306.5) have kept the Indian maize out of the market. However, continuously increasing International maize prices and weak sentiments will give Indian exporters an opportunity to export maize.
- Corn International prices moved up due to tight supply. Meanwhile, recent crop damage of corn in Argentina also weigh on the prevailing corn international prices. According to news sources, in total around 8-10 million tonnes of loss of corn could be seen which approximately 10% of the total corn is exports globally.
- Overall Maize sowing has been increased by 9.2% to 11.70 lac hectares compared to last year, according to Agmin.

Outlook:

Maize prices are moving in a range with weak bias due to lesser export demand. Also, higher prices of maize compared to wheat also might shift demand of maize towards wheat. Prices are likely to stay range bound with weak tone in the coming days

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		27-1-2012	25-1-2012	Change	25-1-2012	24-1-2012	Change
Delhi	Hybrid	1250	-	-	300	-	-
Nizamabad	Bilty	1200	1200	Unch	100	100	Unch
Davangere	Bilty	1175	1160	+15	5000	3333	+1667
Koppal	Bilty	Market closed	1160	-	Market closed	2000	-
Ahmedabad	Feed	1270	1280	-10	7000	-	-
Ahmedabad	Starch	1315	1315	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Feb-12	Mar-12	Apr-12
Feb-12	-22.5	1252	1253	1227	1232	Spot	-32	-61	-90
Mar-12	-17	1275	1275.5	1261	1261	Jan-12		29	58
Apr-12	-10	1297	1297	1286	1290	Feb-12			29

Contract	Volume	Change	OI	Change	Stocks	Demat 25.01.12	In-Process 25.01.12	Total 25.01.12	FED 23.01.12
Feb-12	3870	1620	13780	-110	Davangere	600	402	1002	600
Mar-12	1220	520	4400	-80	Delhi	2042	0	2042	2520
Apr-12	330	-60	1660	180	Nizamabad	8014	101	8115	8014

CBOT Corn Daily Futures Price Listing (USD/MT) as on 26th Jan 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	249.64	254.17	249.25	249.74	unch
May-12	251.81	256.23	251.22	251.90	-0.10
Jul-12	253.08	257.61	252.69	253.38	-0.25
Sep-12	231.04	234.29	230.65	231.73	0.69
Dec-12	221.40	225.53	221.30	222.78	1.18

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