

Maize Market Fundamentals:

Steady to weak sentiments prevail in various key spot markets of maize today. Weak demand of maize from domestic and export buyers pressurize the prices.

- Growers from AP has sowed maize in 289,000 hectares for Rabi season 2011-12 which is 18% higher sowing figures compared to last year same period.
- Corn demand in International market is expected to rise from China in the coming days after witnessing dull demand of china due to Chinese New Year.
- Speculators cut net long positions of Corn in CBOT keeping in view higher acreage estimates, according to Reuters.
- 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.

Outlook:

Maize prices are moving in a range with weak bias due to lesser export demand. Also, higher prices of maize of 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		
		28-1-2012	27-1-2012	Change	28-1-2012	27-1-2012	Change
Delhi	Hybrid	1250	1250	Unch	300	300	Unch
Nizamabad	Bilty	1180	1200	-20	100	100	Unch
Davangere	Bilty	1165	1175	-10	5000	5000	Unch
Koppal	Bilty	Market closed	Market closed	-	Market closed	Market closed	-
Ahmedabad	Feed	1285	1270	+15	3000	7000	-4000
Ahmedabad	Starch	1315	1315	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Feb-12	Mar-12	Apr-12
Feb-12	9.5	1234.5	1242	1216	1242	Spot	-62		
Mar-12	6.5	1264	1269	1251	1269	Jan-12		27	46
Apr-12	-1	1285	1288	1275	1288	Feb-12			19

Contract	Volume	Change	OI	Change	Stocks	Demat 27.01.12	In-Process 27.01.12	Total 27.01.12	FED 23.01.12
Feb-12	4400	530	13970	190	Davangere	850	203	1053	600
Mar-12	570	-650	4650	250	Delhi	2042	0	2042	2520
Apr-12	120	-210	1700	40	Nizamabad	8064	51	8115	8014

CBOT Corn Daily Futures Price Listing (USD/MT) as on 27th Jan 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	249.35	252.79	248.36	252.59	7.25
May-12	251.51	255.05	250.53	254.86	2.95
Jul-12	253.18	256.63	252.10	256.23	7.25
Sep-12	231.44	234.00	231.04	233.80	2.07
Dec-12	222.78	225.04	221.99	224.75	1.97

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.