

Maize Market Fundamentals:

- **Mixed trend witnessed today in maize market.** Lower arrivals restricted market to dip further. However, lower demand locally and exporter's unwillingness to buy at current price and declining wheat price paint bearish picture for short term as both the grains are used for feed meal. There is no buying support from maize exporters right now.
- **Contrary to this international market may bounce back once** again from taking strong clue from wheat market due to heavy snow falling in Europe that may damage standing wheat crop. It is likely to provide underlying support to overseas maize market in medium term. Maize trading activities in domestic markets remains sluggish due to indecisive state of minds among trade circles. Besides, strong Indian currency has been export limiting factors in recent weeks. Profit margin for exporters has come down to negligible level.
- **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 sown 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.
- **Weak rake business has been reported from Koppal as** decreasing international corn prices and appreciation in Rupee discourage the exporters and find difficulty in export parity from prevailing domestic prices.

International Market Update:

- **Ukraine Corn shipments declined to 588,440 tons in January** compared to 1.24 million tons in December. Ukraine corn exports falling to 10 million tonnes from 12 million tonnes due to storage difficulties and low quality which restrict corn exports from Ukraine. Corn growers has probably grow corn in 4.5 million hectares for 2012-13 which is around 25% higher corn sowed compared to last year, according to Ukraine Agribusiness club.

Outlook:

Increasing arrivals of maize from TN and lower demand of corn might keep 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 likely to continue in the coming days.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		3-02-2012	02-02-2012	Change	3-02-2012	02-02-2012	Change
Delhi	Hybrid	1260	1260	Unch	455	455	Unch
Nizamabad	Bilty	1180	1180	Unch	20	40	-20
Davangere	Bilty	1150	1160	-10	833	5000	-4167
Koppal	Bilty		1160	-		1500	
Ahmedabad	Feed	1275	1265	-5			
Ahmedabad	Starch	1350	1305	45	4000	8000	-4000

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Feb-12	Mar-12	Apr-12
Feb-12	-36.50	1232	1233	1194	1194	Spot	-53		
Mar-12	-37.50	1261	1261	1224	1224	Jan-12		30	50
Apr-12	-32.00	1275	1275	1248	1252	Feb-12			20

Contract	Volume	Change	OI	Change	Stocks	Demat 02.02.12	In-Process 02.02.12	Total 02.02.12	FED 31.01.12
Feb-12	5200	1430	13990	-940	Davangere	850	452	1302	850
Mar-12	2440	1010	6550	270	Delhi	2042	0	2042	2042
Apr-12	750	510	1780	-120	Nizamabad	8115	0	8115	8064

CBOT Corn Daily Futures Price Listing (USD/MT) as on 02 Feb 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	252.59	254.66	249.64	253.08	1.00
May-12	254.56	257.02	252.10	255.64	0.49
Jul-12	256.33	258.50	253.77	257.22	1.75
Sep-12	234.19	236.75	232.81	236.75	1.28
Dec-12	225.63	228.09	224.45	227.89	0.89

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