

Maize Market Fundamentals:

- **Maize market continued to rule under pressure despite** firm sentiment in the international market. Supply side remains at ease in south Indian states with improving arrivals in Tamil Nadu. Cheaper availability of feed grade wheat restricts maize market to head north way. However, traders say that market should stabilize at current lower level.
- **Rake loading from Punjab to south Indian states continues.** Around 4 rakes business of maize has been reported from South India for Rajpura (Punjab) at FOR 1360. Suppliers are Cargill and Bengani group.
- **Maize prices in Delhi have improved comparatively to last** week due to dwindling arrivals amid increased demand from feed millers and starch industries. Supply source for Delhi is Rajasthan only right now and it will create tight stock position in the weeks ahead and resultantly may continue to get support. New arrivals from Bihar are expected in May from Rabi crop and then prices are expected to dip.
- **As far as Koppal market is concerned, around 40 rakes** have been moved out from the market to various destinations in this season till date as reported.
- **However, medium term outlook for maize is bullish due** to lower estimation of crop size in the international market. Export demand for Indian maize is expected once again in mid -March as prices in the international market is likely to go up on weather concern and improving demand.
- **Wheat and maize are frequently used for feed milling and** both commodities prices affect one another sentiments as usual. However, this year wheat is expected to remain at driving seat due to ample availability and bumper production prospects and may drive maize market in the same direction in which wheat is heading for.

International Market Commentary:

- **CBOT corn futures closed higher on the news of strong weekly** export sales. The sales of one million T are a reminder that supplies remain tight and that it will take a big U.S. crop with favorable weather this year to replenish the pipeline. Traders also noting a correction in the corn/soybean spread, which had widened in recent days, prompting speculation that U.S. corn acreage, could decrease. Traders plan to ship 63,000 tonnes of Ukrainian corn to Iran in coming weeks. It also said traders had exported 16,500 tonnes of corn to Iran so far in February.

Outlook : We expect maize prices to stabilize at current level on firm clue from international market .

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		16-2-2012	17-2-2012	Change	16-2-2012	17-2-2012	Change
Delhi	Hybrid	1315	1325	+10	455	545	+90
Nizamabad	Bilty	1160	-	-	10	-	-
Davangere	Bilty	1125	1125	Unch	1667	1667	Unch
Koppal	Bilty	1160	1160	Unch	700	700	Unch
Ahmedabad	Feed	1325	1320	-5	-	-	-
Ahmedabad	Starch	1375	1360	-15	-	-	-

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Feb-12	Mar-12	Apr-12
Feb-12	-5.50	1140	1148.5	1136	1140	Spot	11		
Mar-12	-6.50	1175	1179.5	1160	1164	Jan-12		23.5	48
Apr-12	-4.50	1200	1200	1189	1190	Feb-12			24.5

Contract	Volume	Change	OI	Change	Stocks	Demat 16.02.12	In-Process 16.02.12	Total 16.02.12	FED 14.02.12
Feb-12	1630	210	3080	-2440	Davangere	1649	0	1649	1303
Mar-12	3430	-280	14990	-390	Delhi	1021	0	1021	1021
Apr-12	360	-420	2810	-260	Nizamabad	8239	346	8585	8245

CBOT Corn Daily Futures Price Listing (USD/MT) as on 16th Feb 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	246.79	250.72	244.72	250.43	9.25
May-12	248.36	252.10	246.39	251.81	3.44
Jul-12	249.54	253.28	247.87	252.99	8.75
Sep-12	230.26	234.00	230.06	233.90	3.05
Dec-12	220.02	223.86	219.53	223.56	3.25

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