

Maize Market Fundamentals:

- **No major development was seen on maize trading front** and physical market remained under pressure on improved arrivals amid lackluster trading activities from bulk buyers. Despite some improvement in the international market, domestic market traded almost flat without any firm directional clue. Cheaper and ample availability of feed grade wheat is on driving seat and directing maize to follow suit.
- **However, some improvement has been seen in Delhi spot market** due to dwindling arrivals amid increased demand from feed millers and starch industries. Supply source for Delhi is only Rajasthan right now and tight stock position in local markets will continue to support maize market in the weeks ahead. New arrivals from Bihar are expected in May from Rabi crop and then prices may dip.
- **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
- **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:

- **US corn futures ended higher on support from soybeans** and recent strong export demand. The USDA reported fresh exports to South Korea, which while not a surprise, bolstered optimism that exports were picking up amid supply disruptions in South America and the Black Sea region.
- **China imported 751,138 metric tons of corn in January**, compared with 1,878 tons in the same month last year, the General Administration of Customs said Tuesday. January imports rose 32% from December's 569,763 tons. In 2011, China imported 1.7 million tons of corn, up 11.5% from 2010.

Outlook : We expect maize prices to stabilize at current level for short term.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		21-2-2012	18-2-2012	Change	21-2-2012	18-2-2012	Change
Delhi	Hybrid	1325	1325	Unch	273	364	-91
Nizamabad	Bilty	Market closed	Market closed	-	Market closed	Market closed	-
Davangere	Bilty	1150	Market closed	-	5000	Market closed	-
Koppal	Bilty	1145	1160	-15	500	700	-200
Ahmedabad	Feed	1320	1325	-5	8000	8000	Unch
Ahmedabad	Starch	1360	1360	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Feb-12	Mar-12	Apr-12
Mar-12	-15.50	1156.50	1176	1166	1155	Spot	17		
Apr-12	-14.50	1184	1202	1195.5	1184	March-12		18.5	34
May-12	-13.50	1215	1250	1219	1215	April-12			14.5
						May-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
Mar-12	2520	1570	14890	40		21.02.12	21.02.12	21.02.12	18.02.12
Apr-12	910	720	2930	120	Davangere	1649	0	1649	1303
May-12	110	50	1660	300	Delhi	1021	0	1021	1021
					Nizamabad	8239	346	8585	8245

CBOT Corn Daily Futures Price Listing (USD/MT) as on 17th Feb 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	250.13	254.56	250.03	252.59	5.50
May-12	251.51	255.84	251.41	253.97	2.16
Jul-12	252.59	257.02	252.49	255.15	5.50
Sep-12	233.21	235.96	232.62	234.88	0.98
Dec-12	222.88	225.63	222.38	223.66	0.10

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