

Maize Market Fundamentals:

- **Mixed sentiments recorded in various key spot markets of Maize.** Increasing maize arrivals from AP and TN pressurize the prices of maize in Nizamabad and Davangere. However, moderate demand of maize in Delhi market with weak arrivals support the prices of maize in Delhi market today.
- **Lesser wheat price compared to Maize shift demand of maize towards wheat.** However, increase in prices of wheat in recent days might shift the requirement of feed buyers demand towards maize.
- **As far as Koppal market is concerned, around 45 rakes** have been moved out from the market to various destinations in this season till date as reported.
- **NCDEX has revised the tick size of maize** – Feed/ Industrial Grade from 0.50 paise to Rs. 1 with the approval of FMC. This step of NCDEX might attract the market participants as increase in tick size will increase the volatility of prices. Modified tick size will be applicable in all running contracts from 23rd February 2012.
- **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

International Market Commentary:

- US corn futures end higher as traders unwind corn-soybean spread trades that had weighed on prices recently. Soybeans' gain versus corn has recently prompted some traders to worry farmers would plant less corn this spring, although others say the crop will be large regardless. Traders note firm cash prices and talk of increased exports also supported corn, though the market remain in a tight range. CBOT March corn ends up 8 3/4c at \$6.38 1/4 a bushel.
- Chinese corn import is expected to increase by 4 million tonnes in 2011-12 due to decrease in crop production of corn in China by 6.5%.
- **Brazil's total maize output is expected to reach 60 million** ton mark in 2012 season which is 7% higher compared to last year, according to FAO. Increase in maize production is mainly due to surge in winter planting of maize. Earlier, Brazil government estimated 60.83 million tonnes of maize production for 2011-12 season which also support the recent estimate of FAO.

Outlook: Maize prices will stay in a range with weak tone on increasing maize arrivals from AP and TN. Also weak demand from Domestic and Export buyers support the bearishness in maize prices for short term.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		23-2-2012	22-2-2012	Change	23-2-2012	22-2-2012	Change
Delhi	Hybrid	1350	1325	+25	364	91	+273
Nizamabad	Bilty	1150	1160	-10	10	10	Unch
Davangere	Bilty	1120	1125	-5	1667	3333	-1667
Koppal	Bilty	1160	1160	Unch	500	500	Unch
Ahmedabad	Feed	1320	1320	Unch			
Ahmedabad	Starch	1340	1330	+10	6000	-	-

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Mar-12	Apr-12	May-12
Mar-12	-13	1144	1144	1136	1136	Spot	12	-15	-40
Apr-12	-19.5	1166	1172	1156	1156	March-12		27	52
May-12	-20.5	1196	1199	1188	1189	April-12			25

Contract	Volume	Change	OI	Change	Stocks	Demat 22.02.12	In-Process 22.02.12	Total 22.02.12	FED 21.02.12
Mar-12	2350	-950	15520	290	Davangere	1649	0	1649	1649
Apr-12	1070	340	3700	540	Delhi	1016	0	1016	1016
May-12	490	290	1830	170	Nizamabad	8625	0	8625	8626

CBOT Corn Daily Futures Price Listing (USD/MT) as on 22th Feb 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	247.97	251.71	246.30	251.22	8.75
May-12	249.44	252.99	247.97	252.40	3.05
Jul-12	250.92	254.27	249.44	253.58	6.75
Sep-12	232.81	234.29	231.63	234.09	1.18
Dec-12	221.70	222.97	220.42	222.19	0.30

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