

Maize Market Fundamentals:

- **Improved buying from Poultry and Starch industries from lower levels and increasing corn international prices led the prices upwards in various key markets of Maize today.** However, increasing arrivals of maize from TN and AP might pressurize prices of maize in the coming days.
- **Lesser wheat price compared to Maize shift demand of maize towards wheat.** However, continuous increase in prices of wheat in recent days might shift the requirement of feed buyers demand towards maize.

International Market Commentary:

- US corn futures end mixed with nearby contracts gaining slightly on tight near-term supplies while deferred months slide on the prospect of a large crop this year. ABN Amro says talk of export interest from Asia, including China, helped lift the market off early losses. But the USDA's projections for increased acreage and a much-better yield this year are negative for new-crop prices. Traders add that March options expiration played a role in Friday's sideways trade. CBOT March corn ends up 1 1/4c at \$6.40 3/4 per bushel while December falls 3/4c to \$5.58.
- Recent IGC data support the bullishness in Corn prices as demand outpaces supply which will tighten the ending stock prospects of maize.
- China bought its first major purchase of corn from US in four months. China bought 120,000 tons of US corn, according to USDA. Meanwhile, recent corn purchase by US might be a major indication of starting of Chinese corn demand which might results in further corn shipments from US for China in the coming weeks.
- 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		
		25-2-2012	24-2-2012	Change	25-2-2012	24-2-2012	Change
Delhi	Hybrid	1375	1350	+25	365	364	Unch
Nizamabad	Bilty	Market closed	1160	-	Market closed	10	-
Davangere	Bilty	1145	1125	+20	3333	833	+2500
Koppal	Bilty	1160	1160	Unch	500	500	Unch
Ahmedabad	Feed	1320	1330	-10	6000	6000	Unch
Ahmedabad	Starch	1340	1330	+10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Mar-12	Apr-12	May-12
Mar-12	25	1145	1180	1144	1169	Spot			
Apr-12	31	1172	1208	1172	1198	March-12			
May-12	36	1209	1236	1209	1231	April-12			

Contract	Volume	Change	OI	Change	Stocks	Demat 24.02.12	In-Process 24.02.12	Total 24.02.12	FED 21.02.12
Mar-12	6110	3380	14560	-680	Davangere	1649	0	1649	1649
Apr-12	3110	1780	5050	880	Delhi	1016	0	1016	1016
May-12	370	-290	2230	80	Nizamabad	8323	0	8323	8626

CBOT Corn Daily Futures Price Listing (USD/MT) as on 24th Feb 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	251.31	252.49	249.74	252.20	1.25
May-12	252.30	253.68	250.72	253.48	0.59
Jul-12	253.18	254.76	251.31	254.46	1.75
Sep-12	231.44	231.63	228.19	231.54	-0.49
Dec-12	219.63	219.73	216.18	219.63	-0.30

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