

Maize Market Fundamentals:

- Steady to firm sentiments recorded in various key spot markets on Wednesday as weak arrivals and need based buying support the prices little bit.
- Indian CIF Maize prices (~\$321.9) remained steady during last week. However, Indian maize exporters are not getting export parity as Brazil CIF (~304.8) and Argentina CIF (~320) are given stiff competition to Indian Maize. In addition to it, range bound movement of maize international prices are not favoring the export prospects of maize at present.
- Recently, 1 rake has been delivered to Ahmadabad from Gadak at FOR 1327, which is 60 km far from Koppal.
- Demand remained good from poultry and starch industries as reported.** However, weak export demand has been witnessed due to disparity of maize due to lower international maize prices.

International Market Commentary:

- US corn futures rally amid near-term supply concerns and broad strength in grains. Front-month corn has now fully rebounded from losses suffered after the governments bearish Jan 12 grain report, climbing to a seven-week high. Although traders wary of the potential for a huge 2012 crop, tight existing supplies and optimism about export demand are fueling gains. Meanwhile soybeans, which hit a 5-month high, and wheat, which rallied on short-covering, add to the strength. CBOT March corn ends up 9c to \$6.53 1/2 a bushel, Dec corn up 6 1/2c to \$5.63 1/2.
- 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%.

Outlook: Improvement in maize prices has been witnessed during last week owing to weak arrivals. In addition to it, need based buying have been witnessed from Poultry and Starch industries. Also, appreciation of Rupee hit profit margins of maize exporters and kept the exporters out of the export market. Keeping in view lesser arrivals of maize from various sourcing centers and improved demand, we expect prices will move in a trading range with firm tone in the coming days.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		29-2-2012	27-2-2012	Change	29-2-2012	27-2-2012	Change
Delhi	Hybrid	1380	1380	Unch	364	364	Unch
Nizamabad	Bilty	1160	Market closed	-	-	Market closed	-
Davangere	Bilty	1150	1130	+20	833	1667	-833
Koppal	Bilty	1160	1160	Unch	400	500	-100
Ahmedabad	Feed	1290	1300	-10	4000	3000	+1000
Ahmedabad	Starch	1315	1320	-5			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Mar-12	Apr-12	May-12
Mar-12	-1	1158	1170	1147	1153	Spot	7		
Apr-12	5	1181	1196	1175	1182	March-12		29	53
May-12	1	1212	1217	1205	1206	April-12			24

Contract	Volume	Change	OI	Change	Stocks	Demat 28.02.12	In-Process 28.02.12	Total 28.02.12	FED 27.02.12
Mar-12	2630	-610	15220	-130	Davangere	1649	0	1649	1649
Apr-12	1320	-630	6070	160	Delhi	315	0	315	846
May-12	80	-230	2770	30	Nizamabad	8323	0	8323	8323

CBOT Corn Daily Futures Price Listing (USD/MT) as on 28st Feb 2012

Contract Month	Open	High	Low	Close	Change
Mar-12	252.89	257.41	252.69	257.22	9.00
May-12	254.36	258.89	254.27	258.69	3.44
Jul-12	255.15	259.38	254.95	259.28	8.00
Sep-12	230.55	234.59	230.35	234.49	3.25
Dec-12	218.35	221.99	218.15	221.79	2.56

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