

**Maize Market Fundamentals:**

- Steady to firm sentiments recorded in various key spot markets on Thursday as weak arrivals and need based buying support the prices little bit.
- Exports prospects from India to Vietnam weakening owing to pest control measures which increase the cost. In addition to it, appreciation in Rupee also hinders the exports of maize from India. PQ authorities are ensuring that shipment related to Vietnam is fumigated for 3 days before it is loaded which increase the expenses by USD 10 PMT, according to exporters. It is noticeable that earlier exporters used to load the corn directly in containers and put fumigation tablets in the containers.
- 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 rise as the market is dragged higher by surging soybean prices and technical buying. Sharply lower precious-metals prices and declining crude oil weigh on corn, but soy's rally more than offsets the pressures. Fresh export demand from Mexico announced adds to the positive momentum while traders note recent gains are attracting trend-following speculative buying. CBOT March corn ends up 3c at \$6.56 1/2 a bushel, the highest close for front-month corn since Jan. 4.
- China bought 110,000 tons of US corn in early Wednesday. It is noticeable that China already purchases 2.6 million tons of US corn since Sept 2011 compared to 313,000 tons of corn purchase by China last year same period.

**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		
		01-3-2012	29-2-2012	Change	01-3-2012	29-2-2012	Change
Delhi	Hybrid	1400	1380	+20	273	364	-91
Nizamabad	Bilty	1160	1160	Unch	-	-	-
Davangere	Bilty	1150	1150	Unch	5000	833	+4167
Koppal	Bilty	1160	1160	Unch	400	400	Unch
Ahmedabad	Feed	1300	1290	+10	4000	4000	Unch
Ahmedabad	Starch	1340	1340	Unch			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close	Spread	Mar-12	Apr-12	May-12
Mar-12	Unch	1151	1155	1142	1154	Spot	6		
Apr-12	-3	1182	1185	1170	1179	March-12		25	56
May-12	Unch	1203	1210	1199	1210	April-12			31

  

Contract	Volume	Change	OI	Change	Stocks	Demat 29.02.12	In-Process 29.02.12	Total 29.02.12	FED 27.02.12
Mar-12	1820	-810	15100	-120	Davangere	1649	0	1649	1649
Apr-12	1060	-260	6150	80	Delhi	315	0	315	846
May-12	190	110	2770	0	Nizamabad	8323	0	8323	8323

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 29<sup>th</sup> Feb 2012**

Contract Month	Open	High	Low	Close	Change
Mar-12	257.02	259.38	256.33	258.40	3.00
May-12	258.20	260.37	257.12	258.99	0.30
Jul-12	258.69	261.06	258.00	259.97	1.75
Sep-12	234.49	236.75	233.50	236.46	1.97
Dec-12	221.20	224.25	220.81	223.76	1.97

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