

**Maize Market Fundamentals:**

- **Maize prices continued to rule under pressure on increased supply** from newly harvested crop, lower export demand due to Vietnamese rejection of Indian Cargo and appreciating Indian currency. Maize arrivals in Bihar's major markets have improved significantly and downward pressure is likely to continue in the days ahead.
- **Export sales in the year that began on Oct. 1 may trail the 3 million** metric tonnes estimated in November. The country exported 2.5 million tonnes in 2010-2011. Record global corn production cut demand for the livestock-feed ingredient from the U.S. Vietnam may boost imports from South America and Ukraine after turning back a couple of Indian cargoes, citing the presence of live khapra beetles, an insect that destroys grain. It is really a setback for Indian corn exporters.
- **The rupee is appreciating in a big way so Indian exporters** are becoming uncompetitive. Buyers prefer Argentine corn to Indian corn, unless and until there is a huge disparity in price. Ukraine is also feeding the market right now and current situation is unlikely to improve for Indian exporters in the weeks ahead.
- **India is going to produce 5.5 million tons maize in Rabi season** 2011-12 which is around 8% higher compared to maize produced last year. Around 25% crop of AP has been harvested till date as reported. Around 228 rakes of maize has been moved out from Karnataka market itself in this season as reported. Government announce steep hike in Railway Freight by 25% from today onwards as reported. It will drive delivered prices up,
- **As far as crop progress is concerned, maize has been planted** in around 3.65 lac hectares in Bihar which is the major contributor of maize production in Rabi season. This year Rabi maize planting is 7.4% higher compared to last year.

**International Market Commentary:**

- **World corn production will total a record 863.8 million tons** in 2011-2012, the International Grains Council said Feb. 23. The U.S. harvest may jump 15 percent to an all-time high 14.27 billion bushels as surging profits spur farmers to plant the most acres since World War II, the government said Feb. 24. Ukraine's exports may jump 20 percent to 15 million tons in 2012-2013 because of a bumper harvest, Andrew Druzyaka, adviser at the State Food & Grain Corp. of Ukraine, said Feb. 23.

**Outlook: Maize market is expected to trade lower on unsupportive market fundamentals. A decrease of Rs10 to 20 from current level may be a buying opportunity for PEC in April contract.**

**Spot Prices at Key Markets:**

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		10-03-2012	09-03-2012	Change	10-03-2012	09-03-2012	Change
Delhi	Hybrid	1380	1380	Unch	364	364	Unch
Nizamabad	Bilty	Market closed	Market closed	-	Market closed	Market closed	-
Davangere	Bilty	1110	1120	-10	833	1667	-833
Koppal	Bilty	1140	1140	Unch	300	-	-
Ahmedabad	Feed	-	1300	-	-	1000	-
Ahmedabad	Starch	-	1315	-	-	-	-

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close	Spread	Mar-12	Apr-12	May-12
Mar-12	-8	1131	1137	1124	1126	Spot	21		
Apr-12	-9	1169	1171	1154	1157	March-12		27	63
May-12	-7	1200	1201	1190	1196	April-12			34

  

Contract	Volume	Change	OI	Change	Stocks	Demat 10.03.12	In-Process 10.03.12	Total 10.03.12	FED 07.03.12
Mar-12	1330	-320	11850	-390	Davangere	1649	0	1649	1649
Apr-12	1420	190	8940	-30	Nizamabad	8319	0	8319	8319
May-12	140	00	3350	220					

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 09<sup>th</sup> March 2012**

Contract Month	Open	High	Low	Close	Change
Mar-12	253.77	260.07	252.69	257.41	9.00
May-12	249.94	256.63	248.66	253.87	3.74
Jul-12	250.53	256.73	248.95	253.48	7.00
Sep-12	231.83	236.65	229.57	234.59	2.36
Dec-12	218.64	223.56	216.97	221.40	2.07

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