

Maize Domestic Market Fundamentals:

- Steady to weak sentiments recorded in key spot markets of maize on Friday owing to weak export demand.
- Feed buyers are already made maize stocks for their future need in Southern part in anticipation of increase in prices in the coming month.
- Maize demand is expected to increase in the coming month as maize buyers from feed industry usually prefer maize for feed instead of Jowar and Bajra owing to availability of hot ingredients in Jowar and Bajra.
- Around 6 rake business has been reported from Khagaria market till date in this season.
- Only 10-15% maize stocks have been arrived in the Bihar markets till date as reported. However, high moisture content still remained a big concern for traders.
- No rake business has been reported in this week from Davengere market. Subdued demand and high competition with Bihar maize divert the feed buyers towards bihar maize.
- Export demand witnessed from Rannebennur region at Rs 1060 per quintal.
- Meanwhile, recent hike in dollar rates help Indian maize exporters to find parity compared to other competitors like US and Argentina. Indian FOB prices are quoted at around \$242 per ton at present.
- Maize rake loading in Naughachia region in Bihar continued with brisk pace and delivered price quoted @ around Rs.12000 PMT
- Rake business of maize has been witnessed from Khagaria, Mansi, Naughachia and Gulab Bagh sourcing centers to Rajasthan, Punjab, and Delhi etc.

Daily International Market Scenario:

- IGC recently raised global corn production estimate to 913 million tons for 2012-13 in its May report from 900 million tons estimate last month. Good corn planting figures came from US and Ukraine urge them to raised their global corn production estimates by 5%.
- Argentina's Buenos Aires Grains Exchange cuts corn production estimate to 19.3 million tons from 19.8 million tons for 2011-12. It is notable that drought and then flooding in Argentina hurt crops like Corn and Soyabean.
- Weekly US corn export sales were 482100 tons this week (old crop and new crop combined) which is well below the estimates for 1 million tons to 1.3 million tons which urge the corn prices to decline.

Outlook: Corn prices are continuing its bear run in domestic markets over Bihar crop arrivals but rebound could be seen in International markets owing to firm Japanese and Chinese corn demand and decline in Argentina corn crop which will support the prices.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		25.5.2012	24.5.2012	Change	25.5.2012	24.5.2012	Change
Delhi	Hybrid	1085	1100	-15	636	636	Unch
Nizamabad	Bilty	1100	1100	Unch	1000	1000	Unch
Davangere	Bilty	1090	1090	Unch	500	833	-333
Koppal	Bilty	1100	1100	Unch	-	-	-
Naughachia	Bilty	900	900	Unch	16667	18333	-1667
Kolkata	Mill	1025	1025	Unch	8333	8333	Unch
Ahmedabad	Feed	1160	1170	-10	4000	7000	-3000
	Starch	-	1200	-			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	June-12	June-12	Aug-12
June-12	-19	1138	1143	1125	1133	Spot	-33		
July-12	-16	1180	1188	1167	1178	June-12		45	81
Aug-12	-1	1200	1222	1196	1214	July-12			36

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
June-12	8320	240	13890	-430		24.5.12	24.5.12	24.5.12	21.05.12
July-12	4720	2140	6580	130	Davangere	2641	100	2741	2542
Aug-12	1480	800	4180	280	Nizamabad	5856	153	6009	6463

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

Contract Month	Open	High	Low	Close	Change
Jul-12	238.23	239.70	227.01	227.70	-25.00
Sep-12	208.71	209.89	201.92	203.98	-4.23
Dec-12	206.44	208.41	200.83	202.70	-8.00
Mar-13	211.36	212.54	205.36	207.23	-3.15
May-13	215.30	215.30	208.51	210.48	-3.05

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