

Maize Domestic Market Fundamentals:

- Maize prices declined in various key spot markets of maize on Monday on higher arrivals compared to prior day.
- Maize prices decline in Naugachia market today owing to sharp increase in arrivals. Prices are likely to hover in between Rs 850 to 900 in Naugachia market and we suggest market participants to buy maize at present levels.
- Coming months are pretty much crucial for India as increasing demand of corn from South Korea and Japan and lower corn stocks in US might shift major consumers towards India to fulfill their short term corn requirements. It is notable that Indian corn prices are traded much below US corn prices and also giving stiff competition to the Argentina corn.
- Around 50% stock left for maize in Bihar at present. However, late sown corn crop is still due to arrive in the market till August.
- As far as rake loading is concerned, around 200 rakes have already moved from Bihar till date. Meanwhile, daily 5 rakes are loading from various stations from Bihar to various consumption centers.
- Rare purchase of around 39000 metric tons of Indian corn by South Korean Feed miller Nonghyup Feed Inc. at 259.83 per ton C&F for July delivery. South Korea is experimenting with Indian corn as Indian corn is offering much below compared to US corn. South Korea is trying to fill the supply gap for the time being by importing Indian corn. However, countries like Vietnam have raised quality concerns over Indian corn. If Indian corn exporters can deliver good quality corn then lucrative Indian corn prices can attract big importer countries like Japan, China and South Korea.
- Feed millers in Vietnam bought around 20,000 tonnes of Indian maize this week for shipment in July. Indian corn to Vietnam was traded at around \$248 a tonne, including cost and freight (C&F)
- Indian exporters quote competitive corn prices which is cheaper than South American cargoes. Recently, South Korea's corn Processing Industry Association bought 60000 tones of South American corn from Cargill at \$262.72 C&F against Indian corn C&F prices from Bihar offered at \$230 to \$240 per ton.

International Market Scenario:

- Corn prices continuously moving upwards considering dry weather in major corn belt in US affecting newly plant crop.
- US has export 3.6 million tons corn this week which takes the overall corn export figures to 30.74 million tons in 2012.

Outlook: Firm international cues and depleting arrivals of maize in Bihar market support the maize prices in Domestic markets. We expect maize prices are likely to remain range bound with firm tone in the coming days.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		11.6.2012	09.6.2012	Change	11.6.2012	09.6.2012	Change
Delhi	Hybrid	1050	1050	Unch	909	909	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	-	-	-	-	-	-
Koppal	Bilty	1100	1125	-25	-	-	-
Naugachia	Bilty	870	875	-5	16667	6667	+10000
Kolkata	Mill	1000	1000	Unch	8333	6667	+1667
Ahmedabad	Feed	1140	1140	Unch	7000	7000	Unch
	Starch	1160	1170	-10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	June-12	July-12	Aug-12
June-12	-3	1100	1104	1075	1100	Spot			
July-12	-5	1146	1151	1141	1142	May-12			
Aug-12	-3	1179	1187	1177	1180	June-12			

Contract	Volume	Change	OI	Change	Stocks	Demat 09.06.12	In-Process 09.06.12	Total 09.06.12	FED 04.06.12
June-12	140	110	2650	0	Davangere	2838	-	2838	2839
July-12	3100	1140	14560	490	Nizamabad	5449	51	5500	6059
Aug-12	1160	730	8920	-130					

CBOT Corn Daily Futures Price Listing (USD/MT) as on 08th June 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	233.40	238.32	230.35	235.37	4.00
Sep-12	212.94	217.17	210.38	216.87	3.15
Dec-12	210.77	214.32	207.23	214.12	7.50
Mar-13	215.30	218.94	211.95	218.84	3.05
May-13	217.07	221.99	215.10	221.99	3.15

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