

Maize Domestic Market Fundamentals:

- Steady sentiments prevailed in various key spot markets of maize on Tuesday.
- Maize sowing has started in AP and farmers have planted maize in 0.012 lac hectares till 6th June 2012 lower than last year ~0.02 lac hectares maize sowed at same period.
- 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)

International Market Scenario:

- Corn prices declined yesterday on speculation that Europe's increasing debt crisis will curb investment demand for commodities.
- USDA decrease ratings of corn crop to 66 percent good to excellent from 72 percent a week ago. Recent decline in corn crop ratings was due to extended dry weather last week.

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 in the coming days.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		12.6.2012	11.6.2012	Change	12.6.2012	11.6.2012	Change
Delhi	Hybrid	1050	1050	Unch	909	909	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1120	-	-	833	-	-
Koppal	Bilty	1100	1100	Unch	-	-	-
Naugachia	Bilty	870	870	Unch	16667	16667	Unch
Kolkata	Mill	1000	1000	Unch	8333	8333	Unch
Ahmedabad	Feed	1130	1140	-10	7000	7000	Unch
	Starch	1150	1160	-10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	June-12	July-12	Aug-12
June-12	-3	1100	1100	1086	1095	Spot			
July-12	-4	1141	1142	1133	1139	May-12			
Aug-12	-2	1174	1178	1173	1178	June-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						11.06.12	11.06.12	11.06.12	11.06.12
June-12	160	20	2510	-140	Davangere	2838	-	2838	2838
July-12	2870	-230	14880	320	Nizamabad	5448	51	5499	5448
Aug-12	590	-570	8820	-100					

CBOT Corn Daily Futures Price Listing (USD/MT) as on 11th June 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	235.57	237.64	231.73	233.01	-6.00
Sep-12	216.09	216.58	211.36	212.74	-4.13
Dec-12	213.43	214.02	208.80	210.18	-10.00
Mar-13	218.05	218.64	213.53	214.91	-3.94
May-13	221.20	221.20	216.58	217.86	-4.13

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