

**Maize Domestic Market Fundamentals:**

- Good maize demand from Feed industry, firm international sentiments and moderate arrivals led the maize prices up in the various maize markets today.
- Big names in Feed Industries from South Korea and Japan are seeking corn from major exporters like Argentina, Brazil, India and Ukraine which increases the competition between major exporters. Asian corn importers prefer to buy corn from these countries instead of US due to parity advantage. Corn exports from US is declining week on week basis due to increasing corn prices in CBOT due to dryness in corn fields which damage the crop.
- India has exported around 2.4 million tons of maize in this marketing year till date starting in October. It is notable that Indian exporters are expected to ship around 900,000 tons of maize in the coming months.
- India is mainly export maize to countries like Vietnam, Malaysia and Indonesia at cheaper rates compared to US and Argentina. Recently, Feed millers from Vietnam bought 50000 tons of Indian maize at C&F \$255 per ton.
- Meanwhile, Malaysia is looking for around 100000 tons of corn for September delivery. It seems lucrative opportunity for Indian exporters as prices are very much at lower levels in Bihar which could give good amount of export parity to Indian exporters.
- There are arrivals of maize from Bihar and U.P. in the northern centers. Arrivals of 250-300 quintals of maize are reported from Uttar Pradesh in Delhi.

**International Market Scenario:**

- US corn prices surged sharply yesterday owing to recent downgrade in ratings of corn crop conditions by USDA.
- USDA downgrade in good to excellent corn crop condition to 63 percent this week down from 66 percent owing to extended dryness in major US corn growing belt.
- Israel private buyers has issued a tender to buy 45000 tons of corn from South America or Europe.
- US corn enters in the pollination phase which requires cool and wet weather conditions. However, forecasts for high temperature and little widespread rainfall would be a concern for standing crop.

**Outlook: Maize prices are likely to notice steady to firm tone in the short –term following good demand in the domestic market. However increasing arrivals from Uttar Pradesh will weigh on prices to certain extent in the medium –term.**

**Spot Prices at Key Markets:**

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		19.6.2012	18.6.2012	Change	19.6.2012	18.6.2012	Change
Delhi	Hybrid	1060	1050	+10	909	909	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1120	1100	+20	833	500	+333
Naugachia	Bilty	880	875	+5	3333	3333	Unch
Kolkata	Mill	1000	1000	Unch	8333	8333	Unch
Ahmedabad	Feed	1200	1200	Unch	10000	6000	+4000
	Starch	1200	1200	Unch			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close
June-12	14	1150	1178	1150	1165
July-12	1	1194	1208	1192	1192
Aug-12	1	1235	1248	1232	1232

Contract	Volume	Change	OI	Change
June-12	520	-100	460	-1050
July-12	6080	1180	12700	-770
Aug-12	3020	620	10730	-90

Spread	June-12	July-12	Aug-12
Spot			
June-12			
July-12			

Stocks	Demat	In-Process	Total	FED
	18.06.12	18.06.12	18.06.12	18.06.12
Davangere	2542	0	2542	2542
Nizamabad	5448	0	5448	5448

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 18<sup>th</sup> June 2012**

Contract Month	Open	High	Low	Close	Change
<b>Jul-12</b>	230.16	239.01	226.81	235.96	<b>20.00</b>
<b>Sep-12</b>	202.02	213.23	201.62	211.36	<b>10.82</b>
<b>Dec-12</b>	201.13	212.25	200.74	210.18	<b>28.00</b>
<b>Mar-13</b>	206.44	216.97	205.85	215.00	<b>10.92</b>
<b>May-13</b>	209.40	219.14	208.90	217.76	<b>10.63</b>

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