

**Maize Domestic Market Fundamentals:**

- Steady to firm sentiments witnessed in various spot markets of maize today owing to increasing demand from poultry and starch industries.
- Maize prices in Bihar are likely to trade range bound with weak tone owing to late sown maize crop arrival pressure and competition with fresh UP and Punjab maize crop that divert the feed demand towards UP and Punjab.
- Maize acreage is likely to shift towards soyabean due to high remuneration in soyabean compared to maize. In addition to it, farmers haven't got remunerative prices in off seasons which discourage the growers.
- Around 40% maize stocks still left with farmers and traders in Bihar till date as reported.
- Maize sowing has started in AP and farmers have planted maize in 0.03 lac hectares till 20th June 2012 lower than last year ~0.53 lac hectares maize sowed at same period. Only 1% sowing has completed in AP till date due to lack of rainfall which discourage the farmers.
- As per Agriwatch sources, around 20-25 lac hectares of maize and bajra acreage is going to shift towards guar. Last year, maize and bajra acreage was 65 lac hectares in Rajasthan as reported.
- As per Agriwatch Sources, acreage of Tur is likely to shift towards Maize in Jalna district in Maharashtra this year owing to delayed monsoon.

**International Market Scenario:**

- US corn prices improved on Friday over dry weather in US and Argentina damaging corn.
- Drought hits corn crop in Argentina affecting corn yield. Argentina is the 5<sup>th</sup> biggest corn grower after US, China, Brazil and EU-27 and also contributes 3% of the world's total corn production. Major consuming countries are already eyeing over south American corn producing nations to buy corn due to lesser corn prices compared to US.
- Corn prices likely to surge considering damaged US corn crop from unfavorable weather and firm demand from major importers like Korea and Japan. Also, tight stock position in US support the prices of corn in CBOT for short term as expected.

**Outlook: Prices should range bound movement with firm tone in key spot markets in future. Firm spot as well as export demand and firm international cues give boost to the prices of Indian maize.**

**Spot Prices at Key Markets:**

| Market    | Grade  | Prices (Rs./qtl) |           |        | Arrivals in bags |           |        |
|-----------|--------|------------------|-----------|--------|------------------|-----------|--------|
|           |        | 23.6.2012        | 22.6.2012 | Change | 23.6.2012        | 22.6.2012 | Change |
| Delhi     | Hybrid | 1100             | 1070      | +30    | 727              | 545       | +182   |
| Nizamabad | Bilty  | -                | -         | -      | -                | -         | -      |
| Davangere | Bilty  | -                | 1150      | -      | -                | 1000      | -      |
| Naugachia | Bilty  | 900              | 875       | +25    | 1667             | 3333      | -1667  |
| Kolkata   | Mill   | 1025             | 1040      | -15    | 5000             | 5000      | Unch   |
| Ahmedabad | Feed   | 1200             | 1225      | -5     | 3000             | 6000      | -3000  |
|           | Starch | 1220             | 1225      | -5     |                  |           |        |

**NCDEX Maize Futures**

| Contract | +/- | Open | High | Low  | Close | Spread  | July-12 | Aug-12 | Sept-12 |
|----------|-----|------|------|------|-------|---------|---------|--------|---------|
| July-12  | 17  | 1209 | 1222 | 1205 | 1222  | Spot    |         |        |         |
| Aug-12   | 19  | 1250 | 1264 | 1247 | 1263  | July-12 |         |        |         |
| Sept-12  | 14  | 1284 | 1294 | 1283 | 1294  | Aug-12  |         |        |         |

  

| Contract | Volume | Change | OI    | Change | Stocks    | Demat    | In-Process | Total    | FED      |
|----------|--------|--------|-------|--------|-----------|----------|------------|----------|----------|
| July-12  | 2840   | -1160  | 11300 | -210   |           | 22.06.12 | 22.06.12   | 22.06.12 | 18.06.12 |
| Aug-12   | 2510   | -120   | 11890 | 640    | Davangere | 2542     | 0          | 2542     | 2542     |
| Sept-12  | 490    | -460   | 2120  | -180   | Nizamabad | 5447     | 0          | 54487    | 5448     |
|          |        |        |       |        | Delhi     | 251      | 150        | 401      | -        |

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 22<sup>nd</sup> June 2012**

| Contract Month | Open   | High   | Low    | Close  | Change |
|----------------|--------|--------|--------|--------|--------|
| <b>Jul-12</b>  | 231.83 | 236.36 | 231.44 | 232.62 | 4.50   |
| <b>Sep-12</b>  | 216.48 | 222.97 | 215.40 | 216.97 | 0.39   |
| <b>Dec-12</b>  | 216.38 | 223.96 | 215.00 | 218.05 | 4.00   |
| <b>Mar-13</b>  | 220.81 | 228.09 | 219.73 | 222.38 | 1.57   |
| <b>May-13</b>  | 222.38 | 230.65 | 222.38 | 225.04 | 1.67   |

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