

**Maize Domestic Market Fundamentals:**

- Maize prices improved today in all major spot maize trading centers on Monday. Higher demand from Poultry and Starch industries led the maize prices upwards.
- Domestic poultry feed buyers like Sugana and VHL bought maize from Davengere at Rs 1330 Bangalore delivery by road. Around 70 trucks of maize (15 tons each) moved from Davengere as reported. It is notable that recent demand from feed buyers improved the maize bilty price by 100 Rs per quintal in Davengere today.
- Starch is in demand these days from paper industries owing to new academic sessions and schools are starting which would ultimately increase the paper use.
- 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.
- 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:**

- Ukraine corn exports shows a considerable increase this year with around 9 million tons of corn exports already reported by Ukraine to various destinations like North Africa, Middle East and Europe. USDA projects around 14 million tons of corn exports from Ukraine for 2011-12.
- 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.

**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 |           |        |
|-----------|--------|------------------|-----------|--------|------------------|-----------|--------|
|           |        | 25.6.2012        | 23.6.2012 | Change | 25.6.2012        | 23.6.2012 | Change |
| Delhi     | Hybrid | 1125             | 1100      | +25    | 909              | 727       | +182   |
| Nizamabad | Bilty  | -                | -         | -      | -                | -         | -      |
| Davangere | Bilty  | 1250             | -         | -      | 1667             | -         | -      |
| Naugachia | Bilty  | 925              | 900       | +25    | 3333             | 1667      | +1667  |
| Kolkata   | Mill   | 1060             | 1025      | +35    | 5000             | 5000      | Unch   |
| Ahmedabad | Feed   | 1225             | 1220      | +5     | 3000             | 3000      | Unch   |
|           | Starch | 1225             | 1220      | +5     |                  |           |        |

**NCDEX Maize Futures**

| Contract | +/- | Open | High | Low  | Close | Spread  | July-12 | Aug-12 | Sept-12 |
|----------|-----|------|------|------|-------|---------|---------|--------|---------|
| July-12  | 29  | 1227 | 1250 | 1225 | 1250  | Spot    |         |        |         |
| Aug-12   | 27  | 1273 | 1292 | 1268 | 1290  | July-12 |         |        |         |
| Sept-12  | 29  | 1294 | 1318 | 1294 | 1318  | Aug-12  |         |        |         |

  

| Contract | Volume | Change | OI    | Change | Stocks    | Demat    | In-Process | Total    | FED      |
|----------|--------|--------|-------|--------|-----------|----------|------------|----------|----------|
| July-12  | 5160   | 2320   | 11860 | 560    |           | 23.06.12 | 23.06.12   | 23.06.12 | 18.06.12 |
| Aug-12   | 4800   | 2290   | 12300 | 410    | Davangere | 2542     | 0          | 2542     | 2542     |
| Sept-12  | 1140   | 650    | 2010  | -110   | Nizamabad | 5447     | 0          | 54487    | 5448     |
|          |        |        |       |        | Delhi     | 251      | 1062       | 1313     | -        |

**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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