

Maize Domestic Market Fundamentals:

- Firm sentiments continued today in key spot markets of maize. Aggressive buying of maize by Poultry Industries led the maize prices up.
- Vietnam has rejected 6300 tons of Indian maize and soy meal owing to insect infestation. Vietnam officials threatened to impose import ban of Indian corn if more violation found this year. It is notable that India exports around 3 lac tons of maize to Vietnam each year.
- Around 65% of maize has arrived in the Bihar markets till date as reported. With depleting stocks as well as arrivals and firm demand would increase the prices of maize from here on. Presently, farmers and traders are holding maize in Bihar markets in anticipation of higher prices.
- Monsoon might revive after 1st week of July. Rains so far from June 1 have been 23 percent below average, compared with a 10.7 percent surplus in June 1-29 last year.
- Maize sowing in India as on 27 June was 8.211 lakh hectares compared to 16.56 lakh hectares last year at the same time. Delayed sowing in Karnataka and UP due to lack of rainfall was the major reason for overall declined in sowing of maize overall this week.

International Market Scenario:

- Corn prices improved today due to no sign of rainfall in drought hit US corn fields.
- Around 79 percent of corn crop is harvested in the marketing year 2011-12 in Argentina till this week, Source Reuters.
- USDA increases its corn planting estimates for 2012-13 by 5 percent to 96.4 million acres from 2011. Farmers are expecting corn to be most remunerative crop compared to other crops which results in corn acreage for 2012-13 which is the largest area where corn sowed in eight decades.
- US Corn stocks stood at 3.15 billion bushels till 1 June 2012 down by 14 percent Y-o-Y. Out of total stocks, 1.48 billion bushels are stored on farms, down by 12 percent from a year earlier. Off farms stocks stood at 1.67 billion bushels compared to 2.85 billion bushels during the same period last year.

Outlook: Maize prices moving upwards in spot markets taking cues from strong demand from poultry and starch industries and firm international sentiments. However, increasing maize crop from UP and Punjab and expected increase in supply from Bihar might depress the prices of maize in the coming days for the shorter term as expected.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		02.7.2012	30.6.2012	Change	02.7.2012	30.6.2012	Change
Delhi	Hybrid	1165	1165	Unch	1091	1091	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1240	-	-	500	-	-
Naugachia	Bilty	1250	1025	Unch	2500	3333	-833
Kolkata	Mill	1150	1125	+25	5000	6667	-1667
Ahmedabad	Feed	1300	1280	+20	7000	3000	+4000
	Starch	1285	1285	-35			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	July-12	Aug-12	Sept-12
July-12	-2	1282	1283	1273	1280	Spot			
Aug-12	-7	1311	1322	1305	1311	July-12			
Sept-12	-7	1355	1358	1337	1343	Aug-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						30.6.12	30.6.12	30.6.12	25.6.12
July-12	3600	600	10370	-860	Davangere	1995	0	1995	2542
Aug-12	4640	-100	18340	1100	Nizamabad	4823	0	4823	5447
Sept-12	590	130	2340	90	Delhi	2800	975	3775	251

CBOT Corn Daily Futures Price Listing (USD/MT) as on 29th June 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	257.02	266.17	255.84	264.70	20.50
Sep-12	246.39	255.05	242.26	247.38	0.89
Dec-12	248.76	257.81	244.82	249.84	2.50
Mar-13	252.20	260.96	248.36	253.38	0.98
May-13	253.68	262.92	250.33	254.95	0.89

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