

Maize Domestic Market Fundamentals:

- Mixed trend prevailed in various maize spot market on Tuesday. Continuous decline in arrivals of maize in Bihar markets and lower acreage in South maize markets of India led the prices upwards. However, decline in maize prices witnessed in Delhi market owing to consistent maize arrivals from UP.
- Maize acreage likely to shift towards pulses and oilseeds owing to lesser lack of rainfall, according to a statement given by Mr. Sharad Pawar.
- Indian C&F Maize prices (~\$305.65) improved by \$20 per ton during the week compared to the prior week as maize prices got support due to good poultry and starch industries from Southern India. In addition to it, recent appreciation in Rupee also supports the export prices of maize. Meanwhile, Indian maize exporters are getting parity compared to US Maize C&F prices of maize (~\$373.15) and though getting stiff competition from Argentina (~\$292.2) and Brazil C&F (~\$290.12).
- 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.
- 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 sharply yesterday over IGC report and USDA downgrade US corn ratings.
- USDA report shows that 48 percent of US corn standing crop is in good to excellent condition, compared to 56 a week earlier due to lack of rainfall and dry weather affecting the new planted corn. Majorly, corn crop condition affected in states like Missouri, Indiana and Illinois.
- Recent IGC report spread bullish as it decreases world ending stocks of corn by 4 million tons to 137 million tons. It also increase world corn consumption by 8 million tons to 910 million tons for 2012-13.
- Brazil exported 134900 tons of corn in June 2012 up from 11800 tons of corn exported by Brazil in 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		
		03.7.2012	02.7.2012	Change	03.7.2012	02.7.2012	Change
Delhi	Hybrid	1160	1165	-5	1091	1091	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1250	1240	+10	833	500	+333
Naugachia	Bilty	1040	1025	+15	1667	2500	-833
Kolkata	Mill	1130	1150	-20	5000	5000	Unch
Ahmedabad	Feed	1300	1300	Unch	6000	7000	-1000
	Starch	1300	1285	+15			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	July-12	Aug-12	Sept-12
July-12	-10	1276	1283	1249	1268	Spot			
Aug-12	-15	1313	1313	1281	1293	July-12			
Sept-12	-17	1350	1350	1315	1326	Aug-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
July-12	5260	1660	8630	-1740		02.7.12	02.7.12	02.7.12	02.7.12
Aug-12	8060	3420	20220	1880	Davangere	1995	0	1995	1995
Sept-12	710	120	2330	-10	Nizamabad	4773	42	4815	4773
					Delhi	3623	498	4121	3623

CBOT Corn Daily Futures Price Listing (USD/MT) as on 2th July 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	268.44	273.95	267.55	272.57	20.00
Sep-12	252.89	258.79	252.20	256.73	9.35
Dec-12	255.74	261.35	253.77	258.10	21.00
Mar-13	258.89	264.30	256.92	261.35	7.97
May-13	259.48	265.98	254.95	263.02	8.07

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