

Maize Domestic Market Fundamentals:

- Mixed trend prevailed in various maize spot market on Wednesday. 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.
- Around 70% of Punjab maize crop has arrived in the market and wholly maize crop consumed by Poultry and Starch industries situated in Punjab only.
- Recent corn cargo rejected by Vietnam raised a red signal for Indian maize as rejection hurts the reputation of Indian markets. It is notable that M-o-M US export decline as crop concerns divert the attention of major exporters like South Korea, China and Japan towards India, Ukraine, Argentina and Brazil.
- South Indian markets soon get Bihar maize as rake is loading from Bihar to TN and Bangalore after rake restrictions lifted in Bihar.
- 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 70% of maize has arrived in the Bihar markets till date as reported. With depleting stocks as well as arrivals amid 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.

International Market Scenario:

- Corn prices continuously moving upwards due to drought like situation in US hurting corn crop.
- 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.

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		
		04.7.2012	03.7.2012	Change	04.7.2012	03.7.2012	Change
Delhi	Hybrid	1155	1160	-5	1818	1091	+727
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1275	1250	+25	833	833	Unch
Naugachia	Bilty	1025	1040	-15	3333	1667	+1667
Kolkata	Mill	1170	1130	+40	6667	5000	+1667
Ahmedabad	Feed	1300	1300	Unch	3000	6000	-3000
	Starch	1300	1300	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	July-12	Aug-12	Sept-12
July-12	6	1265	1275	1252	1270	Spot			
Aug-12	7	1292	1304	1284	1300	July-12			
Sept-12	7	1324	1350	1319	1335	Aug-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
July-12	4660	-600	6200	-2430		03.7.12	03.7.12	03.7.12	02.7.12
Aug-12	6880	-1180	22480	2260	Davangere	1995	0	1995	1995
Sept-12	1680	970	3090	760	Nizamabad	4773	42	4815	4773
					Delhi	4020	200	4220	3623

CBOT Corn Daily Futures Price Listing (USD/MT) as on 3rd July 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	276.50	283.39	274.73	282.90	26.25
Sep-12	261.74	265.78	258.00	265.29	8.56
Dec-12	263.42	266.07	260.07	265.48	18.75
Mar-13	265.68	269.03	263.12	268.53	7.18
May-13	267.45	270.40	263.02	270.11	7.08

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