

Maize Domestic Market Fundamentals:

- Maize prices moving upwards in key spot markets on Wednesday over lower arrivals in Bihar markets and good demand from feed industry. However, prices declined in davigere owing to higher arrivals compared to prior day.
- Farmers have planted maize in 2.55 lac hectares in AP till 11th July 2012 that is higher than last year ~2.11 lac hectares maize sowed at same period but lower compared to normal sown area as on date ~2.87 lac hectares. Around 51% sowing has completed in AP till date.
- Karnataka stockists are starting liquidating maize stock at higher levels which is indicating from increase in arrivals in Karnataka markets. It is notable that around 20% maize stock still hold by traders in Karnataka as reported.
- Rising maize prices drag the wheat and barley prices upwards as feed industry will continue to use corn as main ingredients amid wheat prices are still ruling higher compared to maize prices. However, wheat and maize prices are moving neck to neck and there is no possibility of shifting any users from maize to wheat or wheat to maize.
- Around 35% stock of maize still left in UP. It is notable that presently, UP maize is delivered to markets like Delhi and Gujarat feed millers as reported.
- As far as sowing of maize is concerned, it is way behind last year sowing figures owing to lack of rainfall. Farmers have planted maize in 2.25 lac hectares till 4th July 2012 lower than last year ~5.4 lac hectares maize sowed at same period.
- Maize prices (UP Origin) delivered to Gujarat feed millers are about Rs 1300 per quintal. It is notable that despite of moderate arrivals of maize in Delhi, prices of maize continuously moving upwards owing to higher demand from Poultry and Starch Industries.
- Reportedly, around 12000 tons of maize (Bihar Origin) delivered to Southern markets.

International Market Scenario:

- Corn prices declined yesterday as market participants booked profit supported by rain forecast in some corn areas in US.
- China harvested 192.8 million tons of corn in 2011 which is 1 million tons more than previous estimate, according to China National Grains and Oils information Center.
- USDA report shows that 40 percent of US corn standing crop is in good to excellent condition, compared to 48 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 seems bullish in medium to long term considering firm demand and lower maize stocks. In addition to it, delayed sowing and kharif maize harvesting future prospects likely to take the prices to new high.

Spot Prices at Key Markets:

Market	Grade	Prices (Rs./qtl)			Arrivals in bags		
		11.7.2012	10.7.2012	Change	11.7.2012	10.7.2012	Change
Delhi	Hybrid	1225	1210	+15	2182	2182	Unch
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1280	1300	-20	833	333	+500
Naugachia	Bilty	1075	1070	+5	3333	4167	-834
Kolkata	Mill	1240	1200	+40	6667	6667	Unch
Ahmedabad	Feed	1325	1310	+15	2000	5000	-3000
	Starch	1300	1350	-50			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	July-12	Aug-12	Sept-12
Aug-12	15	1361	1372	1351	1372	Spot			
Sept-12	3	1387	1387	1371	1385	July-12			
Oct-12	-2	1390	1395	1388	1395	Aug-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
Aug-12	10350	-540	27080	1250		10.7.12	10.7.12	10.7.12	09.7.12
Sept-12	2790	-5540	8310	690	Davangere	1942	0	1945	748
Oct-12	420	-90	1220	250	Nizamabad	1631	0	1631	120
					Delhi	8850	50	8900	6597

CBOT Corn Daily Futures Price Listing (USD/MT) as on 10th July 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	304.45	306.12	298.15	299.53	-14.25
Sep-12	287.72	288.90	280.83	282.80	-5.31
Dec-12	286.84	288.12	280.44	282.41	-12.50
Mar-13	289.10	290.08	282.80	284.47	-5.02
May-13	290.48	290.48	283.49	284.87	-5.02

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