

Maize Domestic Market Fundamentals:

- Steady to firm sentiments witnessed in various maize spot markets on Saturday.
- 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 21.76 lac hectares till 13th July 2012 lower than last year ~31.38 lac hectares maize sowed at same period. Major decline in maize acreage witnessed in states like Karnataka, Rajasthan, UP and Bihar compared to last year.
- Maize crop damaged in West Bengal owing to recent hailstorm as reported.
- Maize has been sowed in 237000 hectares this year in Maharashtra which is higher than last year maize sowed by farmers in their fields. Last year, maize has sowed in 80900 hectares at same period. Meanwhile, total maize sowing target in Maharashtra is 720000 hectares for 2012-13.
- Maize is moving from Davangere to Bangalore at FOR 1435 per quintal. Also, Karnataka maize delivered to TN market is quoted at Rs 1500 per quintal FOR. However, no rake business reported for maize from Karnataka during this week.
- 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.
- 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.

International Market Scenario:

- Corn prices surged yesterday over weather concern in US damaging corn crop. However, recently rains recorded in Iowa State of US but not enough to recover for the standing corn crop.
- Corn farmers cutting their fields in US to feed their cattle as growing corn prices increase the costing to farmers.
- US corn export reached to 33.80 million tons in 2011-12 season. However, US export of corn shrinking w-o-w owing to worst drought in US which dampens the record corn crop prospects in US for 2012-13.
- Corn prices seems bullish in CBOT considering lower US corn inventory which Increased supply concern of corn among major importers of corn like Japan and China which are expected to import 16 million tons and 8 million tons respectively in 2012-13.

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		
		14.7.2012	13.7.2012	Change	14.7.2012	13.7.2012	Change
Delhi	Hybrid	1350	1275	+75	2182	2182	Unch
Nizamabad	Bilty	1302	1294	+8	-	-	-
Davangere	Bilty	-	1320	-	-	1000	-
Naugachia	Bilty	1075	1075	Unch	5000	5000	Unch
Kolkata	Mill	1250	1250	Unch	6667	5000	+1667
Ahmedabad	Feed	1350	1350	Unch	-	-	-
	Starch	1400	1400	Unch	-	-	-

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
Aug-12	12	1475	1506	1455	1474
Sept-12	34	1480	1531	1478	1506
Oct-12	54	1476	1520	1472	1515

Spread	Aug-12	Sept-12	Oct-12
Spot	-399		
Aug-12		4	
Sept-12			-6

Contract	Volume	Change	OI	Change
Aug-12	38110	5090	28070	-610
Sept-12	16390	6130	12920	2220
Oct-12	3110	2180	4190	2120

Stocks	Demat	In-Process	Total	FED
	13-07-12	13-07-12	13-07-12	09.7.12
Davangere	1942	0	1945	748
Nizamabad	1631	0	1631	120
Delhi	9449	398	9847	6597

CBOT Corn Daily Futures Price Listing (USD/MT) as on 13th July 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	287.33	294.41	285.95	291.46	9.25
Sep-12	287.82	294.81	286.25	291.36	3.15
Dec-12	288.51	294.51	286.93	291.95	7.25
Mar-13	287.72	292.94	286.05	290.58	2.16
May-13	286.54	290.87	283.88	288.12	1.28

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