

**Maize Domestic Market Fundamentals:**

- Mixed sentiments recorded in various maize spot markets on Monday. Prices declined in Delhi market owing to increase in arrivals.
- Maize is moving by roads from Davengere to Bangalore at FOR 1450 per quintal. Also, Karnataka maize delivered to Erode market is quoted at Rs 1500 per quintal FOR. Around 100 trucks of maize is moved from Davengere daily towards various consumption centers.
- There is fewer maize arrivals left in Punjab which is going to end in the coming week as expected. Meanwhile, maize is moving from Punjab towards Mundra and Kandla port.
- 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.
- 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:**

- Recently, UAE bought 20000 tons of corn from Argentina, according to news reported in Reuters.
- 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.
- **Upcoming Event: Crop progress US – Today Evening.**

**Outlook: Maize prices seem 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		
		16.7.2012	14.7.2012	Change	16.7.2012	14.7.2012	Change
Delhi	Hybrid	1325	1350	-25	2727	2182	+545
Nizamabad	Bilty	1308	1302	+6	-	-	-
Davangere	Bilty	1350	-	-	1667	-	-
Naugachia	Bilty	-	1075	-	-	5000	-
Kolkata	Mill	-	1250	-	-	6667	-
Ahmedabad	Feed	1425	1350	+75	3000	-	-
	Starch	1450	1400	+50			

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close	Spread	Aug-12	Sept-12	Oct-12
Aug-12	40	1477	1530	1477	1516	Spot			
Sept-12	38	1520	1560	1520	1544	Aug-12			
Oct-12	34	1550	1569	1540	1549	Sept-12			

  

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						14-07-12	14-07-12	14-07-12	09.7.12
Aug-12	37970	-140	29830	1760	Davangere	1942	0	1945	748
Sept-12	15470	-920	14280	1360	Nizamabad	1631	0	1631	120
Oct-12	1550	-1560	4300	110	Delhi	9796	299	10095	6597

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

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

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