

Maize Domestic Market Fundamentals:

- Firm sentiments recorded in various maize spot markets on Tuesday.
- Agriculture ministry increased foodgrains production estimate for 2011-12 to 257.44 million tons which is up from the food grains production estimated by government in the third advance estimate which was stood at 52.56 million tons.
- Traders and farmers are holding maize stocks at present in anticipation of higher prices. Bihar maize is presently moving towards Nepal, Kolkata and Kakinada for exports as reported.
- 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.

International Market Scenario:

- Corn prices surged sharply yesterday owing to continuously decline in crop conditions of corn due to worst drought in US after 1956.
- USDA downgrades corn crop condition to 31 percent good to excellent down from 40 percent a week ago.
- 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 cattles as growing corn prices increase the costing to farmers.

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		
		17.7.2012	16.7.2012	Change	17.7.2012	16.7.2012	Change
Delhi	Hybrid	1340	1325	+15	2727	2727	Unch
Nizamabad	Bilty	1316	1308	+8	-	-	-
Davangere	Bilty	1355	1350	+5	1667	1667	Unch
Naugachia	Bilty	-	-	-	-	-	-
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1440	1425	+15	6000	3000	+3000
	Starch	1450	1450	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Aug-12	Sept-12	Oct-12
Aug-12	-14	1514	1557	1476	1497	Spot			
Sept-12	-11	1550	1580	1505	1530	Aug-12			
Oct-12	Unch	1560	1602	1515	1545	Sept-12			

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						16-7-12	16-7-12	16-7-12	16-7-12
Aug-12	36700	-1270	29520	-310	Davangere	1942	0	1945	1942
Sept-12	18000	2530	15500	1220	Nizamabad	1631	0	1631	1631
Oct-12	6190	4640	5750	1450	Delhi	10084	299	10383	10084

CBOT Corn Daily Futures Price Listing (USD/MT) as on 16th July 2012

Contract Month	Open	High	Low	Close	Change
Jul-12	295.20	307.11	294.90	305.73	36.25
Sep-12	295.20	306.42	294.90	304.06	12.69
Dec-12	295.10	306.42	295.10	304.06	30.75
Mar-13	293.63	304.55	290.58	302.09	11.51
May-13	290.87	300.81	288.12	298.55	10.43

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