

Maize Domestic Market Fundamentals:

- Maize prices extended its firm trend in the key spot markets on Saturday supported by good demand.
- Arrivals have been registered down in all the markets against demand.
- Maize sowing in Andhra Pradesh has been covered down to 3.09 lakh ha. as on 18th July'12 against previous year sowing area i.e. 3.35 lakh ha. in the corresponding period of time.
- Agriculture ministry increased food grains 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.
- Indian maize FOB prices quoted lower to \$315 per ton compared to Latin American maize FOB prices quoted at \$355.31 per ton.
- India is likely to export 3.5 million tons of maize in 2011-12.
- Traders and farmers are holding maize stocks at present in anticipation of higher prices which is weighing on the market prices.
- 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.

Daily International Market Scenario:

- Corn CBOT prices remained gain yesterday.
- Algeria's animal feed agency, ONAB Algeria has issued tender to buy 25,000 tons of corn as reported.
- According to Sarfa, Corn output is expected to come down to 68 million tonnes in Brazil after covering planting area 13.2 million hectares down by 11% from 2011/12 planting as farmers may shift corn area towards soybean.
- US drought condition is forecasted to continue in next week also.
- 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		
		21.7.2012	20.7.2012	Change	21.7.2012	20.7.2012	Change
Delhi	Hybrid	1450	1390	+60	1818	2727	-909
Nizamabad	Bilty	-	1322	-	-	-	-
Davangere	Bilty	-	1450	-	-	500	-
Naugachia	Bilty	1175	1150	+25	2500	3333	-833
Kolkata	Mill	1325	1300	+25	3333	5000	-1667
Ahmedabad	Feed	1550	1500	+50	3000	4000	-1000
	Starch	1550	1525	+25			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Aug-12	Sep-12	Oct-12
Aug-12	50	1584	1640	1573	1626	Spot	-176		
Sep-12	56	1602	1660	1601	1652	May-12		26.00	
Oct-12	49.00	1591	1626	1585	1626	June-12			-26.00

Contract	Volume	Change	OI	Change	Stocks	Demat 20-7-12	In-Process 20-7-12	Total 20-7-12	FED 16-7-12
Aug-12	38750	-2880	33370	720	Davangere	1942	0	1942	1942
Sep-12	18,880	-1410	20110	2090	Nizamabad	1629	0	1629	1631
Oct-12	1330	-760	5570	140	Delhi	11761	480	12241	10084

CBOT Corn Daily Futures Price Listing (USD/MT) as on 20th July 2012

Contract Month	Open	High	Low	Close	Change
Sep-12	317.54	326.20	314.68	324.52	16.75
Dec-12	307.01	313.70	306.61	313.21	6.79
Mar-13	303.47	309.37	303.07	307.50	10.75
May-13	302.09	307.80	301.99	305.83	3.94
Jul-13	299.23	305.53	298.94	302.97	3.74

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