

Maize Domestic Market Fundamentals:

- Maize prices traded firm in key spot markets on Wednesday due to higher demand from Poultry firms supported by lower stock position in Southern markets of Maize.
- Farmers in A.P. sowed maize in 4.97 lac hectares till 22nd August 2012 which is 7% higher compared to last year. Maize sowed by farmers in their respective fields. Crop condition is average in various maize growing belts owing to scattered rainfall.
- On Export front, India already exported around 3.79 million tons of maize in 2011-12 and still 63797 tons of maize is either exported or waiting at ports to load. Increasing export as well as domestic demand of maize and lower maize stock availability in domestic markets could drive the prices upwards in the coming days.
- Daily around 50 trucks of maize is moving towards Bangalore from Davengere. Maize also moved towards Sangli from Davengere as reported.
- Total acreage of maize in India as on Aug 16, stood at 6.94 million hectares, down marginally year on year. It is notable that sowing of maize is almost over and various trade houses are trying to figure out the yield of maize which will become crucial factor for analyzing the production of maize for the coming kharif season. However, as per Agriwatch initial survey, Yield is likely to decline in AP, Karnataka due to late sowing and lack of rainfall.
- Feed millers and traders have only 1 month of stock left with them in Karnataka as reported.

International Market Scenario:

- Corn prices improved by \$16 per tons yesterday and settled at \$327.18 for Sept contract in CBOT markets.
- US corn exports reached to 36.69 million tons till 9th August 2012.
- USDA showed 23% of the corn crop is in good to excellent conditions which is same compared to last week. As far as harvesting of US corn is concerned, around 4% corn has been harvested already which is pretty higher compared to last year ~1%.
- USDA forecast biggest corn harvest in history for the coming season two months ago i.e. 376 million tons. However, after now after US registered worst drought in US since 1930 slashed all hopes of record production of corn and bound USDA to slashed its US corn production estimate to 274 million tons. Analysts now predicting corn prices would test 8.90 cents/bushels level.

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		
		22.8.2012	21.8.2012	Change	22.8.2012	21.8.2012	
Delhi	Hybrid	1300	1280	+20	1091	1364	-273
Nizamabad	Bilty	-	-	-	-	-	-
Davangere	Bilty	1475	1460	+15	833	667	+166
Naugachia	Bilty	1225	-	-	1667	-	-
Kolkata	Mill	1400	-	-	5000	-	-
Ahmedabad	Feed	1500	1490	+10	4000	10000	-6000
	Starch	1470	1470	Unch			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Sept-12	Oct-12	Nov-12
Sept-12	-14.00	1525.00	1544.00	1497.00	1505.00	Spot	-	-	-
Oct-12	-37.00	1518.00	1525.00	1472.00	1474.00	Sept-12	-	-	-
Nov-12	-18.00	1455.00	1456.00	1427.00	1427.00	Oct-12	-	-	-

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
Sept-12	37530	-2730	34770	-5490		21-8-12	21-8-12	21-8-12	21-8-12
Oct-12	16490	-4330	32710	11890	Davangere	1091	0	1091	1091
Nov-12	7910	-990	62750	53850	Nizamabad	2453	101	2554	2453
					Delhi	25974	1103	27077	25974

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 21st Aug 2012**

Contract Month	Open	High	Low	Close	Change
Sep-12	320.69	327.77	320.19	327.18	16.00
Dec-12	323.93	330.62	323.34	330.13	5.90
Mar-13	324.03	330.23	323.54	329.74	13.75
May-13	321.18	326.59	320.59	326.29	4.92
Jul-13	315.37	321.08	314.88	320.59	4.62

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