

Maize Domestic Market Fundamentals:

- Firm sentiment witnessed in key spot markets on Friday due to higher demand from Poultry firms supported by lower stock position in Southern markets of Maize.
- Bihar maize is moving towards Kakinada port by rake for further export.
- U.P. maize demand has witnessed from Ahmedabad' poultry feed millers.
- Sources revealed that in Karnataka, around 20% area shifted towards cotton from maize. Higher poultry demand amid concern of lower output keeps maize prices at upper level.
- 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.
- 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.

International Market Scenario:

- Corn prices decreased by \$0.39 per tons yesterday and settled at \$326.79 for Sept contract in CBOT markets.
- As per USDA, U.S. corn export figures reached to 37.29 million tons which is lowered by 6.51 million tons from last year during the same period.
- IGC recently downgraded global corn production output by 26 million tons to 838 million tons for 2012-13, largely reflected by worst drought in US.
- Argentina farmers considered early sowing of corn to take advantage of good moisture in soil and high global corn prices due to the worst drought in U.S. Early planting could help in bumper corn harvesting and will replenish global stockpiles that have been depleted by the U.S. drought. As per USDA estimate, Argentina corn harvesting could increase by 33 percent to 28 million tons this year.

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		
		24.8.2012	23.8.2012	Change	24.8.2012	23.8.2012	
Delhi	Hybrid	1350	1300	+50	1364	1091	-273
Nizamabad	Bilty	1471	1451	+20	-	-	-
Davangere	Bilty	1500	1475	+25	667	833	-167
Naugachia	Bilty	1300	-	-	3333	-	-
Kolkata	Mill	-	-	-	-	-	-
Ahmedabad	Feed	1530	1500	+30	7000	10000	-3000
	Starch	1480	1470	+10			

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Spread	Sept-12	Oct-12	Nov-12
Sept-12	-9.00	1532.00	1548.00	1522.00	1531.00	Spot	-60	-	-
Oct-12	+13.00	1499.00	1524.00	1496.00	1516.00	Sept-12		-15	-94
Nov-12	-6.00	1442.00	1450.00	1435.00	1437.00	Oct-12			-79

Contract	Volume	Change	OI	Change	Stocks	Demat	In-Process	Total	FED
						23-8-12	23-8-12	23-8-12	21-8-12
Sept-12	25500	-20050	29950	-2120	Davangere	1091	0	1091	1091
Oct-12	12750	-6110	35730	3320	Nizamabad	2503	50	2553	2453
Nov-12	5380	-7300	59890	-1060	Delhi	26730	1120	27850	25974

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 23rd Aug 2012**

Contract Month	Open	High	Low	Close	Change
Sep-12	326.49	328.16	316.85	318.32	-8.46
Dec-12	328.26	330.13	319.70	320.69	-7.87
Mar-13	327.67	329.54	319.50	320.49	-19.00
May-13	324.03	325.51	316.26	317.24	-6.79
Jul-13	317.83	319.11	310.06	311.44	-6.20

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