

Maize Domestic Market Fundamentals:

- Major spot markets of Maize were closed on Thursday due to Bharat bandh.
- Sources revealed that crop has started to arrive in Warangal district of Andhra Pradesh. However, volume is pretty low.
- Fresh arrivals start in karimnagar market of Andhra Pradesh with 20% moisture level.
- Maize Tender of 12000 metric tons offered by Karnataka Co-operative Milk Producers' Federation Limited, Bengaluru, Karnataka has settled at Rs. 1674.
- Ahmadabad feed millers are purchasing 15000 tons maize on daily basis from Uttar Pradesh and Bihar regions.
- Sources revealed that in Davengre region of Karnataka, LD has 250 ton and Olam has 600 ton corn stock.
- As per trade sources, Suguna Foods sourced 2000 tons maize from Davengre and Haveri regions of Karnataka at Rs. 1580. Suguna Foods has 1000 metric tons consumption on daily basis.

International Market Scenario:

- Corn prices increased by \$6.49 per tons yesterday and settled at \$297.76 for December contract in CBOT markets.
- As per Preliminary government data, Japan's usage of corn in animal feed fell to 42.9% in the July month as compared to 45% during the same period last year. The slash was mainly due to increase in corn prices led by worst U.S. drought. However, Japan may be encouraged to buy corn as U.S. corn prices eased to a two-month low of below \$7.5 per bushel during the week due to sluggish demand and increase in harvest-time supplies.
- As per USDA, U.S. corn export figures reached to 379,14,800 metric tons for the 2011-12 marketing year which is lowered by 73,41,606 metric tons from the last marketing year during the same period. Exports for September 1-6 were 249,400 metric tons, mainly for South Korea (57,500 MT), China (54,600 MT), Mexico (45,500 MT), and Japan (39,600 MT).
- Argentina will export an additional 2.75 million tons of corn from its 2011-12 crop which is expected to ease the tight international markets.
- The U.S. corn harvest is likely to be at 10.727 billion bushels, down slightly from last month's estimate of 10.779 billion but above from analysts' average estimate of 10.38 billion, which would be the smallest corn crop in six years, and the lowest yield in 17 years at 122.8 bushels per acre.

Outlook: Corn prices are moving down in the International market due to increase in U.S. Midwest harvesting which is bringing fresh supplies to the market and impacting prices of domestic market. However, keeping in view delayed sowing and harvesting prospects of maize for the coming kharif crop give us a hint of bullishness for medium to long term.

Spot Prices at Key Markets:

| Market | Grade | Prices (Rs./qtl) | | | Arrivals in bags | | |
|-----------|--------|------------------|-----------|--------|------------------|-----------|--------|
| | | 20.9.2012 | 18.9.2012 | Change | 20.9.2012 | 18.9.2012 | Change |
| Delhi | Hybrid | Closed | 1340 | - | Closed | 1273 | - |
| Nizamabad | Bilty | Closed | 1471 | - | Closed | - | - |
| Davangere | Bilty | Closed | 1450 | - | Closed | 833 | - |
| Naugachia | Bilty | Closed | 1280 | - | Closed | 3333 | - |
| Kolkata | Mill | Closed | 1530 | - | Closed | 6667 | - |
| Ahmedabad | Feed | Closed | 1490 | - | Closed | 4000 | - |
| | Starch | Closed | 1500 | - | | | |

NCDEX Maize Futures

| Contract | +/- | Open | High | Low | Close | Spread | Sept-12 | Oct-12 | Nov-12 |
|----------|--------|---------|---------|---------|---------|---------|---------|--------|--------|
| Sept-12 | -22.00 | 1351.00 | 1372.00 | 1351.00 | 1370.00 | Spot | - | - | - |
| Oct-12 | -2.00 | 1351.00 | 1355.00 | 1321.00 | 1345.00 | Sept-12 | | - | - |
| Nov-12 | -7.00 | 1251.00 | 1257.00 | 1216.00 | 1239.00 | Oct-12 | | | - |

| Contract | Volume | Change | OI | Change | Stocks | Demat | In-Process | Total | FED |
|----------|--------|--------|-------|--------|-----------|---------|------------|---------|---------|
| | | | | | | 18.9.12 | 18.9.12 | 18.9.12 | 17.9.12 |
| Sept-12 | 420 | -930 | 3500 | -460 | Davangere | 298 | 0 | 298 | 298 |
| Oct-12 | 20690 | -6730 | 43810 | 140 | Nizamabad | 298 | 0 | 298 | 328 |
| Nov-12 | 10910 | -25210 | 72070 | 3500 | Delhi | 31439 | 387 | 31826 | 31409 |

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 19th Sep 2012**

| | | | | | |
|---------------|--------|--------|--------|--------|-------------|
| Dec-12 | 291.36 | 298.84 | 291.07 | 297.76 | 6.49 |
| Mar-13 | 293.04 | 299.73 | 292.74 | 298.64 | 5.81 |
| May-13 | 292.84 | 298.55 | 292.44 | 297.76 | 5.12 |
| Jul-13 | 289.49 | 295.30 | 289.20 | 294.81 | 5.31 |
| Sep-13 | 259.78 | 263.71 | 259.78 | 263.12 | 3.35 |

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