

## MAIZE DAILY

21<sup>st</sup> June, 2007

### SPOT MARKETS:

Maize prices at Delhi mandis remained unchanged at Rs. 745/qlt ex-godown basis on the back of arrivals around 2 motors from Bihar. The price of the coarse grain has increased in Bihar amidst lower arrivals of fresh crops due to widespread of rains. Higher moisture content in the crop continues to hurt demand. Maize quoted higher around Rs.585/qlt for good quality and Rs.550-560/qlt for inferior quality. However, stock position is good in the state and arrivals likely to improve after the rainy season. The export demand from Bangladesh is silent. Bajra sentiments remained down and quoted around Rs 625/qlt. in Delhi mandis. Around 10-12 motors of bajra are arriving in Delhi mandis on regular basis from U.P.. Some summer maize crops arrivals are reported from Nanaksar and Hosiarpur and Pathankot districts of Punjab. The maize sentiment has improved in Ahmedabad and Maharashtra mandis on meagre arrivals amidst some demand from starch sectors. The actors in the market are carefully monitoring the progress of monsoon in the two major kharif maize producing states i.e; Mahrastra and Karnataka. As per the reports available the maize sowing is lagging behind by 20% at 398,900 ha so far as on 14.06.07 over last year, but there is still time for sowing

### FUTURES MARKETS:

Maize futures at NCDEX traded bullish following a weak opening. The most active July contract open lower at Rs.780.5 a qtl. as against the previous closing of Rs.784 a qtl.and traded highest at Rs.788/qlt. Increased buying interest settled the contract higher by 0.13% at Rs.785/qlt. The volumes have increased whereas the open Interests have decreased during the session.

### PRICE DRIVERS:

#### Bullish:

1. Lower arrivals amidst some demand from starch and poultry industries
2. Acreage under kharif maize crops down 20% as against last year so far

#### Bearish:

1. Bearish outlook of bajra on higher arrivals in coming days
2. Kharif crop showing is likely to supported by steady progress of monsoon

### WEATHER:

Rainfall in the sowing stage of kharif crop are favourable for the

### TECHNICALS:

Candlestick pattern shows positive sentiments. The prices remain above the EMAs and the MACD continues to rise in positive region, indicating that medium-term uptrend is intact. Stochastic is rising in overbought region, RSI has entered in overbought region and moving slightly up. Maize futures are expected to trade bullish.

### NCDEX Maize July Contract

O 780.50 H 788.00 L 780.50 C 785.00 V 5,540 I 17,900 +2

EMA(9) 773.87 (18) 768.51



### SUPPORT / RESISTANCES:

Month	S2	S1	PCP	R1	R2
July	772	777	785	795	800

### RECOMMENDATION:

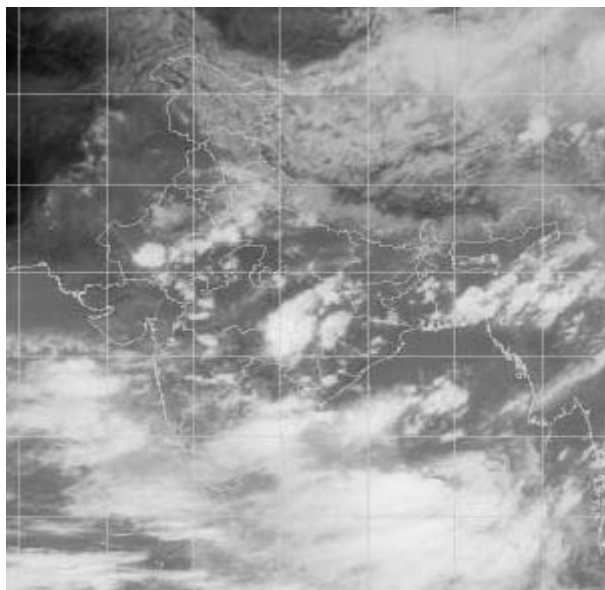
**BUY** NCDEX-July above 782 with target towards 790, second target near 794. Put stop loss near 778.

**Do not carry forward the position until the next day.**

### SPOT MARKET PRICE FOR MAIZE (Rs./Quintal)

Markets	Variety	20.06.07	19.06.07	Change
Delhi	Red Maize Bihar	745	740-745	-
Nizamabad (Bilty) New	Red Maize	760	755	+5
Devengere (Bilty)	Red Maize	745	740	+5
Bihar (Loose)	Red Maize	580-585	560-565	+20
Ahmedabad	Poultry feed mills	855	840	+15
Ahmedabad	Starch	840	820	+20
Pune	Starch Quality	825	810	+15

## SATELLITE PICTURE OF MONSOON PROGRESS (20.06.07)



### Monsoon watch

- ✓ Southwest monsoon has further advanced into some more parts of central Arabian Sea, Konkan & Goa, some parts of Madhya Maharashtra & Marthawada, some more parts of Telangana, Jharkhand, Bihar & East Uttar Pradesh and Uttarakhand. Northern limit of monsoon passes through lat. 17.0°N/ long. 60.0E°, lat. 17.0°N/ long. 70.0E°, Ratnagiri, Parbhani, Ramagundam, Gopalpur, Balasore, Ranchi, Varanasi, Sultanpur, Baharich and Mukteshwar. Conditions are favourable for further advance of southwest monsoon into some more parts of Maharashtra, Chhattisgarh, Orissa, Uttar Pradesh and Uttarakhand during next 2-3 days.

### Chief Features (20.06.07)

- ✓ Yesterday's low pressure area now lies over east-central & adjoining west-central Bay of Bengal and has become well marked. It is likely to concentrate into a depression by tomorrow and move in a west-northwesterly direction across north Andhra Pradesh, Vidarbha, Madhya Maharashtra and Gujarat. Under its influence, Widespread rains with scattered heavy to very heavy falls are likely over Andhra Pradesh, south Orissa, south Chhattisgarh and Vidarbha during 21 to 23 June. Subsequently, with the likely west-northwestwards movement of the system, the enhanced rainfall belt is likely to shift to rest Maharashtra, Goa, Karnataka, south Madhya Pradesh, Gujarat and southeast Rajasthan during 23 to 26 June. Isolated extremely heavy rains of more than 25 cm are also likely over Coastal Andhra Pradesh, Telangana and Vidarbha during 21 to 23 June and over Coastal Karnataka, rest Maharashtra including Mumbai, Goa and Gujarat during 23 to 26 June. In association with the above system, southwest monsoon is likely to advance further into remaining parts of Orissa, Chhattisgarh & Maharashtra, entire Gujarat and parts of Madhya Pradesh and Rajasthan during next 5 days. Under the influence of an active off-shore trough widespread rainfall with scattered heavy to very heavy falls are likely to continue along the west coast during next 4-5 days.

### Warning (for next 48 hrs.)

- ✓ Heavy to very heavy rainfall is likely at a few places over Konkan & Goa, Coastal Karnataka, Kerala and Lakshadweep and isolated over Coastal Andhra Pradesh and Andaman & Nicobar Islands.

### Outlook for subsequent two days (Based on numerical weather products):

- ✓ Increase in rainfall activity likely over Maharashtra, Goa, Karnataka, south Madhya Pradesh, Gujarat state and southeast Rajasthan. Decrease in rainfall activity likely over Andhra Pradesh, Orissa and Chhattisgarh..

Source: IMD (GOI)

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