

## MAIZE DAILY

29<sup>th</sup> June, 2007

### SPOT MARKETS:

Maize sentiments remained unchanged at Rs. 750/qrtl ex-godown basis in Delhi mandis amidst steady arrivals of around 4 motors from Bihar. However, one rake arrival from Bihar is likely in couple of days. Some rakes loading is reported from Bihar towards the destination of north India and Ahmedabad. However, rakes demand from poultry industries is lower on higher moisture content of the fresh crops. The demands from starch industries are witnessed. Lower stock amidst the higher prices of the substitute starch like tapioca is increasing the demand. Bihar mandis witnessed steady to somewhat up sentiments and price quoted between Rs.590-595/qrtl on some rake demand. The demand from poultry units of Tamil Nadu is still strong because of lower stock position. Despite higher stock position in Bihar the inferior quality is limiting supply to Tamil Nadu. However, arrivals are reported from Maharashtra and Karnataka. The kharif sowing is still lagging behind in the main producing states of Karnataka and Maharashtra and likely to recover soon as monsoon progresses well.

### FUTURES MARKETS:

Maize futures at NCDEX turned up following a steady to weak opening. Increased buying at lower levels has supported the futures. The most active July contract traded weak following a weak opening at Rs.769 a qtl. as against the previous closing of Rs.772.5 a qtl.and traded in the range of Rs.769-774.5/qrtl. However, the contract settled marginally lower by 0.13% at Rs.771.5/qrtl. The volumes have decreased whereas open Interests have increased during the session.

### PRICE DRIVERS:

#### Bullish:

1. Lower arrivals amidst some demand from starch and poultry industries
2. Acreage under kharif maize crops down 4.78 lakh hectare against 5.59 lakh hectare year ago period

#### 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 crop.

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

Markets	Variety	28.06.07	27.06.07	Change
Delhi	Red Maize Bihar	750	750	-
Nizamabad (Bilty) New	Red Maize	780	780	-
Devengere (Bilty)	Red Maize	770	770	-
Bihar (Loose)	Red Maize	590-595	590	+5
Ahmedabad	Poultry feed mills	860	860	-
Ahmedabad	Starch	850	865	-15
Pune	Starch Quality	850	850	-

### TECHNICALS:

A small bullish candle with long upper shadow is indicating price could not sustain at higher price levels. Prices have fallen below the EMA's while the MACD is continued bearish in positive region. Stochastic and RSI are falling in neutral region. Maize is likely to trade with bearish inclination following a weak opening with possibility of late upward movement.

### NCDEX Maize July Contract

O 769.00 H 774.50 L 769.00 C 771.50 V 1,580 I 15,450 -0.5

EMA(9) 775.82 (18) 773.53



### SUPPORT / RESISTANCES:

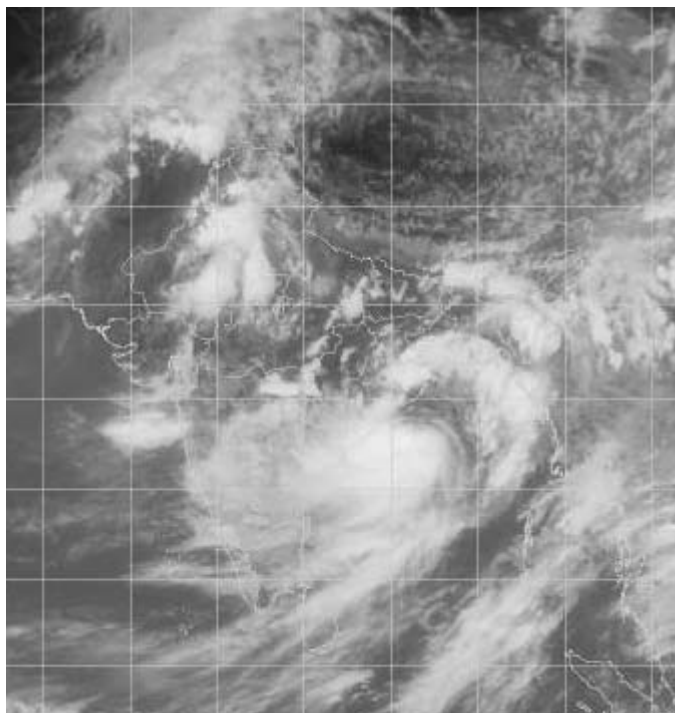
Month	S2	S1	PCP	R1	R2
July	760	764	771.5	778	782

### RECOMMENDATION:

**SELL NCDEX-July** below 774 with target towards 766, second target near 762. Put stop loss near 778.

Do not carry forward the position until the next day.

## SATELLITE PICTURE OF MONSOON PROGRESS (28.06.07)



### Monsoon watch

- Southwest monsoon has further advanced into the remaining parts of Madhya Pradesh & Uttar Pradesh, most parts of East Rajasthan, some parts of west Rajasthan and some more parts of Haryana (including Delhi) and Punjab. Northern limit of monsoon passes through Barmer, Jodhpur, Ajmer, Jaipur, Narnaul, Rohtak, Ludhiana and Amritsar..

### Chief Features (28.06.07)

- ✓ Yesterday's well marked low pressure area over north & adjoining central Bay of Bengal has concentrated into a depression at 0530 hrs. IST of today and further intensified into a deep depression and lay centred at 0830 hrs. IST of today, 28th June'07 over northwest & adjoining west-central Bay of Bengal near lat. 18.5°N/ long. 87.0 E° about 200 km southeast of Puri. It is likely to intensify further and move in a west-northwesterly direction and cross Orissa coast between Gopalpur and Paradeep, close to Puri by today the 28th June'07 mid-night. Under its influence, widespread rainfall with scattered heavy to very heavy falls and isolated extremely heavy falls (> 25 cms.) are likely over north Andhra Pradesh, Orissa and Chhattisgarh during next 48 hrs. Subsequently, the enhanced rainfall belt is likely to shift to Madhya Pradesh, Maharashtra & Goa and Gujarat state from 30th onwards. The current meteorological analysis suggests that fairly widespread rain/thundershowers are likely over Western Himalayan region and plains of northwest India during next 48 hrs.

### Warning (for next 48 hrs.)

- Scattered heavy to very heavy rainfalls with isolated extremely heavy falls are likely over north Andhra Pradesh, Chhattisgarh and Orissa. Isolated heavy rainfall are likely over Konkan & Goa, Vidarbha and Madhya Maharashtra.

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

- Enhanced rainfall activity with scattered heavy to very heavy falls and isolated extremely heavy falls is likely over Madhya Pradesh, Maharashtra & Goa and Gujarat state.

Source: IMD (GOI)

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