

MAIZE DAILY

27th June, 2007

SPOT MARKETS:

In Delhi mandis the maize prices remained steady at Rs. 750/qlt ex-godown basis amidst steady arrivals of around 4 motors from Bihar. The demand from Punjab remained down on local summer maize crops arrivals from Nanaksar and Hoshiarpur districts. According to the trade sources around 2000 bags arrivals are seen from the two districts on daily basis. Further, bearish tone of bajra added weakness in maize prices. Bihar mandis witnessed steady sentiments on thin trading activities. Higher moisture content of fresh crops has limited the rakes demand. The demand from poultry industries of Tamilnadu is remained strong. Despite the higher stock position in the state of Bihar the inferior quality factor is limiting the supply towards Tamilnadu. It is learnt that due to lower quality two rakes of maize from Bihar have rejected in Tamilnadu and are sold at much lower prices. The kharif sowing is going on in the main producing states of Karnataka and Maharashtra. However, as per the reports available from government sources the kharif maize sowing is lagging behind at 4.78 lakh ha so far as on 21.06.07 as against the acreage of 5.59 lakh ha during corresponding period of last year, but there is still time for sowing.

FUTURES MARKETS:

Maize futures at NCDEX traded bearish following a weak opening. The most active July contract traded bearish following a lower opening at Rs.775.5 a qtl. as against the previous closing of Rs.776.5 a qtl. and traded in the range of Rs.771.5-776/qlt. Increased selling pressure settled down the contract by 0.39% at Rs.773.5/qlt. The volumes as well as 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 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	26.06.07	25.06.07	Change
Delhi	Red Maize Bihar	750	750	-
Nizamabad (Bilty) New	Red Maize	780	780	-
Devengere (Bilty)	Red Maize	765-770	775	-5
Bihar (Loose)	Red Maize	590	590	-
Ahmedabad	Poultry feed mills	860	860	-
Ahmedabad	Starch	860	860	-
Pune	Starch Quality	840	840	-

TECHNICALS:

A small bearish candle has formed, with some buying at lower levels. Price fell below the 9-day EMA, while the MACD is falling in positive region. The stochastic has made a bearish crossover in overbought region and moving down, whereas the RSI is falling in neutral region. Maize is likely to trade with bearish inclination following a steady to slightly firm opening.

NCDEX Maize July Contract

O 775.50 H 776.00 L 771.50 C 773.50 V 3,360 I 15,850 -3

EMA(9) 778.12 (18) 773.97



SUPPORT / RESISTANCES:

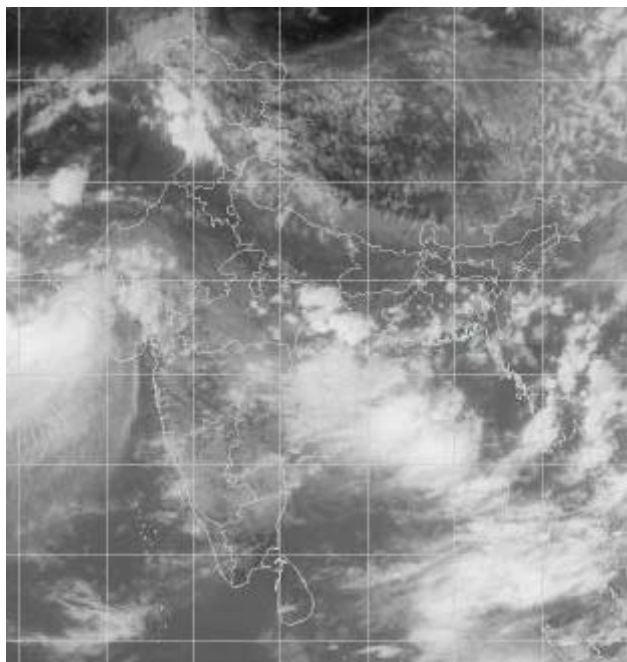
Month	S2	S1	PCP	R1	R2
July	762	766	773.5	780	785

RECOMMENDATION:

SELL NCDEX-July below 776 with target towards 770, second target near 767. Put stop loss near 779.

Do not carry forward the position until the next day.

SATELLITE PICTURE OF MONSOON PROGRESS (26.06.07)



Monsoon watch

- Southwest monsoon has further advanced into some more parts of East Uttar Pradesh, remaining parts of Uttarakhand, entire Himachal Pradesh, Jammu & Kashmir and northern parts of West Uttar Pradesh, Haryana and Punjab. Northern limit of monsoon passes through lat. 25.0 °N/ long. 60.0 E°, lat. 25.0 °N/ long. 65.0 °E, Deesa, Idar, Hoshangabad, Pendra, Ambikapur, Varanasi, Sultanpur, Lucknow, Bareilly, Ambala and Amritsar.

Chief Features (26.06.07)

- ✓ As predicted, a low pressure area has formed over northwest Bay of Bengal off Orissa coast. The current meteorological analysis suggest that the system is likely to concentrate into a depression by tomorrow over the same area. Under its influence, fairly widespread rainfall with isolated heavy to very heavy falls is likely over Orissa, south Chhattisgarh and north Andhra Pradesh during next 24 hours. Subsequently, the rainfall activity is likely to enhance further with scattered heavy to very heavy falls and isolated extremely heavy falls over these areas and also extend into Vidarbha and Madhya Pradesh during next 2-3 days. The current meteorological analysis suggest that scattered rain/thundershowers are likely over Western Himalayan region and plains of northwest India during next 3 days. Yesterday's deep depression over northeast Arabian Sea moved west-northwestwards and crossed Pakistan coast near long. 64.0 E° between 0730 and 0830 hrs. IST of today and lay centred at 0830 hrs. IST of today over southwest Pakistan & neighbourhood. It is likely to move in a west-northwesterly direction and weakened gradually. Chief amount of rainfall (upto cms.): Hut Bay-11, Mahabaleshwar & Chandigarh-9 each, Mayabander-7, Shirali-6, Honavar, Pendra, Agumbe, Car- Nicobar & Bhira-5 each, Hissar, Karwar, Naliya, Port Blair, Bhuj, Cannur, Jagdalpur-4 each, Nan-Cowry, Bareilly, Baroda, Agartala, Keongjhargarh, Sambalpur, Jharsuguda, Nizamabad & Hoshangabad- 3 each. 50 km west-northwest of Naliya. The system is likely to intensify further and move in a west-northwesterly direction initially.

Warning (for next 48 hrs.)

- Isolated heavy to very heavy rainfall likely over south Chhattisgarh, north Andhra Pradesh and Orissa.

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 Orissa, Chhattisgarh, north Andhra Pradesh, Vidarbha, Madhya Pradesh.

Source: IMD (GOI)

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