

## MAIZE DAILY

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

### SPOT MARKETS:

Maize sentiments remained flat at Rs. 750/qrtl ex-godown basis in Delhi mandis amidst steady arrivals of around 4 motors from Bihar. Bihar mandis witnessed steady sentiments and price quoted at Rs.590/qrtl on thin trading activities. The stock position is good but higher moisture content of fresh crops has limited the rakes demand. The rakes arrivals are also not competitive in north India from Bihar at present price levels. 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. The market players are closely monitoring the kharif sowing acreage as around 75% of the total maize production in the country comes from kharif season. The kharif sowing is progressing 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 sowing is likely to get its bullish tracks as monsoon progresses well coupled with higher prices of the commodity amidst good demand.

### FUTURES MARKETS:

Maize futures at NCDEX traded bearish initially following a weak opening. However, increased buying at lower levels has recovered the futures. The most active July contract traded weak following a weak opening at Rs.772.5 a qtl. as against the previous closing of Rs.774 a qtl. and traded in the range of Rs.767.5-773.5/qrtl. Increased selling pressure settled down the contract by 0.26% at Rs.772/qrtl. The volumes have increased whereas 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 be supported by steady progress of monsoon

### WEATHER:

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

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

Markets	Variety	27.06.07	26.06.07	Change
Delhi	Red Maize Bihar	750	750	-
Nizamabad (Bilty) New	Red Maize	780	780	-
Devengere (Bilty)	Red Maize	770	765-770	-
Bihar (Loose)	Red Maize	590	590	-
Ahmedabad	Poultry feed mills	860	860	-
Ahmedabad	Starch	865	860	+5
Pune	Starch Quality	850	840	+10

### TECHNICALS:

A long lower shadow is showing bulls dominated the market at lower price levels. Price closed below the EMA's, 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 firm opening.

### NCDEX Maize July Contract

O 772.50 H 773.50 L 767.50 C 772.00 V 3,670 I 15,400 -1.5

EMA(9) 776.90 (18) 773.76



### SUPPORT / RESISTANCES:

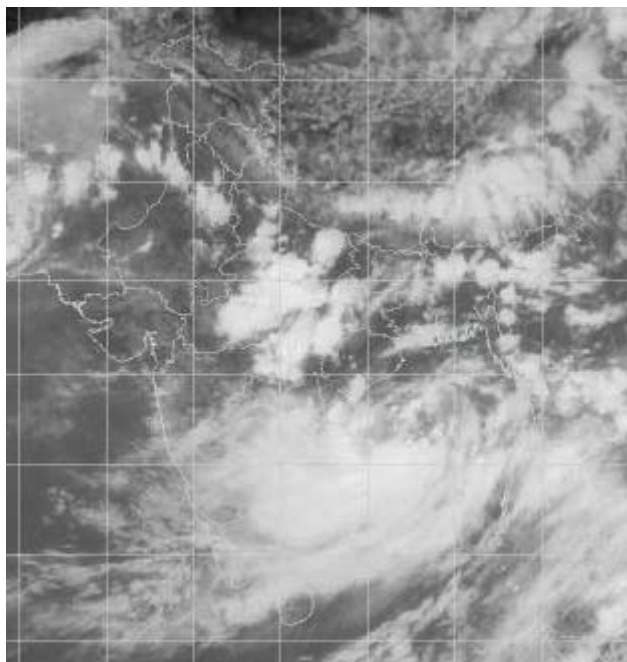
Month	S2	S1	PCP	R1	R2
July	760	764	772	780	785

### RECOMMENDATION:

**SELL NCDEX-July** below 775 with target towards 767, second target near 764. Put stop loss near 779.

Do not carry forward the position until the next day.

## SATELLITE PICTURE OF MONSOON PROGRESS (27.06.07)



### 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)

- ✓ Yesterday's low pressure area over northwest Bay of Bengal off Orissa coast now lies as a well marked low pressure area over north & adjoining central Bay of Bengal. The system is likely to concentrate into a depression during next 24 hrs. Under its influence, widespread rainfall with scattered heavy to very heavy falls and isolated extremely heavy falls (> 25 cms.) are likely over Orissa, Chhattisgarh and north Andhra Pradesh during next 2-3 days. The enhanced rainfall activity is likely to extend into Vidarbha and Madhya Pradesh from 29th onwards. Fairly widespread rainfall with isolated heavy to very heavy falls are likely over Konkan & Goa, Madhya Maharashtra and Gujarat region 28th- 30th and increase thereafter. The current meteorological analysis suggests that scattered rain/thundershowers are likely over Western Himalayan region and plains of northwest India during next 3 days.

### Warning (for next 48 hrs.)

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

Source: IMD (GOI)

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