

MAIZE DAILY

25th June, 2007

SPOT MARKETS:

In Delhi mandis the maize prices remained up at Rs. 750 / qtl ex-godown basis and arrivals remained steady around 2 motors from Bihar. No rakes arrivals from Bihar are reported in the week due to widespread of rainfall in the state. Bajra prices increase by Rs.15/qtl to Rs.645-650/qtl on lower arrivals from U.P. Maize sentiment firms up in Maharashtra, Karnataka, A.P. and Ahmedabad mandis on good offtake from starch and poultry industries amidst lower arrivals. The stock position is lower in the southern states. The arrivals are reported from stockists. Good demand from poultry industries of Tamilnadu and Maharashtra is underpinning the tone. According to trade sources, the stock position in Karnataka is around 35 lakhs bags whereas, in A.P. it is 15 lakh bags. Sowing of kharif crop is continuing in major producing states such as Karnataka and Maharashtra. However, presently kharif maize sowing in the country is still lagging behind at 4.78 lakh hectare against 5.59 lakh hectare last year during the period. Maize stocks in NCDEX warehouses remained lower at 3456 MT as on 21.06.07 as against last week's stock of 3558 MT.

FUTURES MARKETS:

Maize futures at NCDEX traded bearish following a mix opening. The most active July contract traded bearish following a marginally higher opening at Rs.789.5 a qtl. as against the previous closing of Rs.789 a qtl. and traded in the range of Rs.779-789.5/qtl. Increased selling pressure settled down the contract by 1.27% at Rs.779/qtl. 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 be supported by steady progress of monsoon

WEATHER:

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

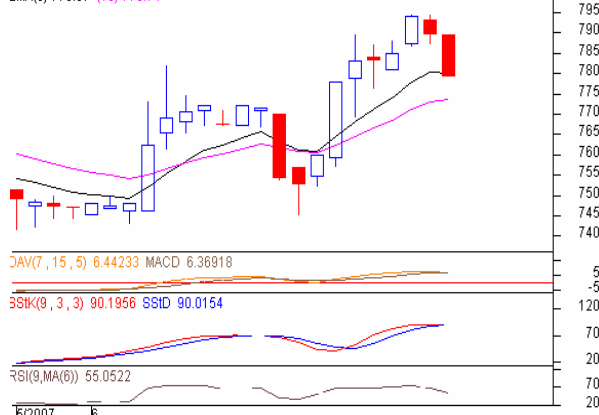
TECHNICALS:

A bearish maruboz candle has formed, showing a steady decline throughout the trading period. Price closed below the 18 day's EMA, indicating weakness in short and medium term. The MACD falling in positive zone. The stochastic is moving southwards and on the verge of bearish crossover in overbought region, indicating good possibility of bearish tone. The RSI is also supporting the weakness in the markets. Maize sentiments likely to be bearish following a weak opening.

NCDEX Maize July Contract

789.50 H 789.50 L 779.00 C 779.00 V 2,590 I 16,990 -10.5

EMA(9) 779.97 (18) 773.74



SUPPORT / RESISTANCES:

Month	S2	S1	PCP	R1	R2
July	768	770	779	785	787

RECOMMENDATION:

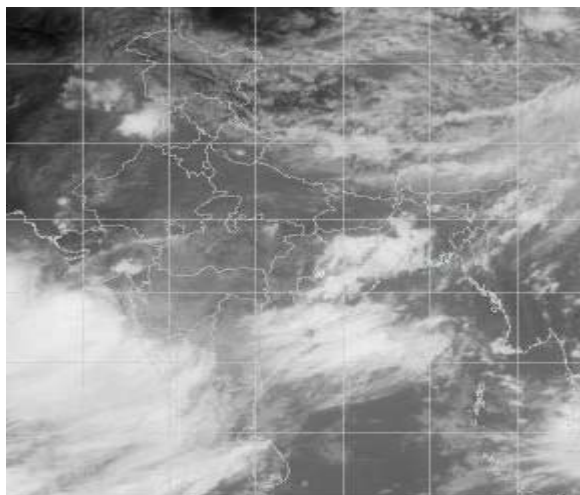
SELL NCDEX-July below 781 with target towards 773, second target near 770. Put stop loss near 785.

Do not carry forward the position until the next day.

SPOT MARKET PRICE FOR MAIZE (Rs./Quintal)

Markets	Variety	23.06.07	22.06.07	Change
Delhi	Red Maize Bihar	750	745	+5
Nizamabad (Bilty) New	Red Maize	780	780	-
Devengere (Bilty)	Red Maize	775	775	-
Bihar (Loose)	Red Maize	585	580-585	-
Ahmedabad	Poultry feed mills	855	855	-
Ahmedabad	Starch	845	840	+5
Pune	Starch Quality	830	830	-

SATELLITE PICTURE OF MONSOON PROGRESS (23.06.07)



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 Uttarkhand. 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 (23.06.07)

- ✓ Yesterday's deep depression over Telangana moved west-northwestwards and weakened into a depression. It lay centered at 0830 hours IST of today, the 23rd June 2007 over Marathawada close to Osmanabad. The system is likely to move in a west-northwesterly direction and weaken further. The current meteorological analysis suggests that the enhanced rainfall activity over Andhra Pradesh will decrease from today onwards. However, widespread rainfalls with scattered heavy to very heavy falls and isolated extremely falls are likely over Marathawada, Madhya Maharashtra, Konkan & Goa including Mumbai, Gujarat and Coastal Karnataka during next 2-3 days. Isolated heavy to very heavy rainfalls are also likely over interior Karnataka, Kerala and Lakshadweep. During past 24 hours widespread rainfall has occurred over peninsular India. Scattered heavy to very heavy falls with isolated extremely heavy falls have also occurred over Karnataka, south Konkan & Goa, South Madhya Maharashtra and Rayalaseema. Chief amounts of rainfall (in cm) are: Agumbe-42, Karnool-39, Madikiri-26, Karwar-21, Karipur, Shirali, Bijapur-18 each, Honawar-15, Canoor, Raichur-14 each, Sangli, Mangalore-13 each, Nedumbaserry-10. Conditions are favourable for further advance of southwest monsoon into the remaining parts of Maharashtra, entire Gujarat and some parts of southwest Madhya Pradesh during next 2-3 days..

Warning (for next 48 hrs.)

- ✓ Heavy to very heavy rainfalls at a few places with isolated extremely heavy falls (> 25 cm) are likely over Madhya Maharashtra, Marathawada, Konkan & Goa, Coastal Karnataka. Isolated heavy to very heavy rainfall is also likely over Interior Karnataka, Kerala and Lakshadweep.

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

- Decrease in rainfall activity is likely over Maharashtra and Gujarat State. A low pressure area is likely to develop over north Bay of Bengal around 26th. Subsequently the system is likely to intensify further leading to increase in rainfall activity over east India.

Source: IMD (GOI)

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