

MAIZE DAILY

16th June, 2007

SPOT MARKETS:

Maize prices at Delhi mandis remained stable at Rs. 740/qrtl in Delhi ex-godown basis. No rake is reported in station. However, some rakes arrivals are likely in the next week. Bajra sentiments remained down due to increasing arrivals from U.P. The bajra is quoted around Rs.630/qrtl. Some summer crops arrivals are reported from Nanaksar and Hosiarpur districts of Punjab. Widespread of rainfall in Bihar has limited the market activities and increased the moisture content of fresh crops. Higher moisture content is limiting demand from poultry sector. The actors in the market are carefully monitoring the progress of monsoon in the two major kharif maize producing states i.e; Maharastra and Karnataka. The monsoon progress is good towards Maharastra. The availability of maize crop in the country is depending on the crop size from kharif season as around 70-75% of the total production in the country comes from that season. Some export is going on towards Moscow and Bangladesh and increase in export possibility is cant rule out because of higher global price. Rising egg export will also support the maize sentiments in near terms.

FUTURES MARKETS:

Maize futures at NCDEX traded bullish. Following a mix opening. The most active July contract open marginally firm at Rs.754.5/a qtl. as against the previous closing of Rs.754/qtls. The prices finally settled up by 0.80% at Rs.760/qrtl. The volumes have decreased whereas the open Interests have improved during the session.

PRICE DRIVERS:

Bullish:

1. Some exports are taking place towards Bangladesh and Colombo.

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.

TECHNICALS:

Candlestick is showing bulls dominated the markets. Prices closed just below the 9-day EMA. However, the MACD is falling in negative zone. The Stochastic continue to be weak in neutral region. The RSI in normal region and bounced back from lower levels, indicating positive note in short and medium term. Maize is likely to trade range bound with firm bias.

NCDEX Maize July Contract

O 754.50 H 760.00 L 752.00 C 760.00 V 2,380 I 16,970 +7.5

EMA(9) 760.99 (18) 760.65



SUPPORT / RESISTANCES:

Month	S2	S1	PCP	R1	R2
July	748	753	760	770	777

RECOMMENDATION:

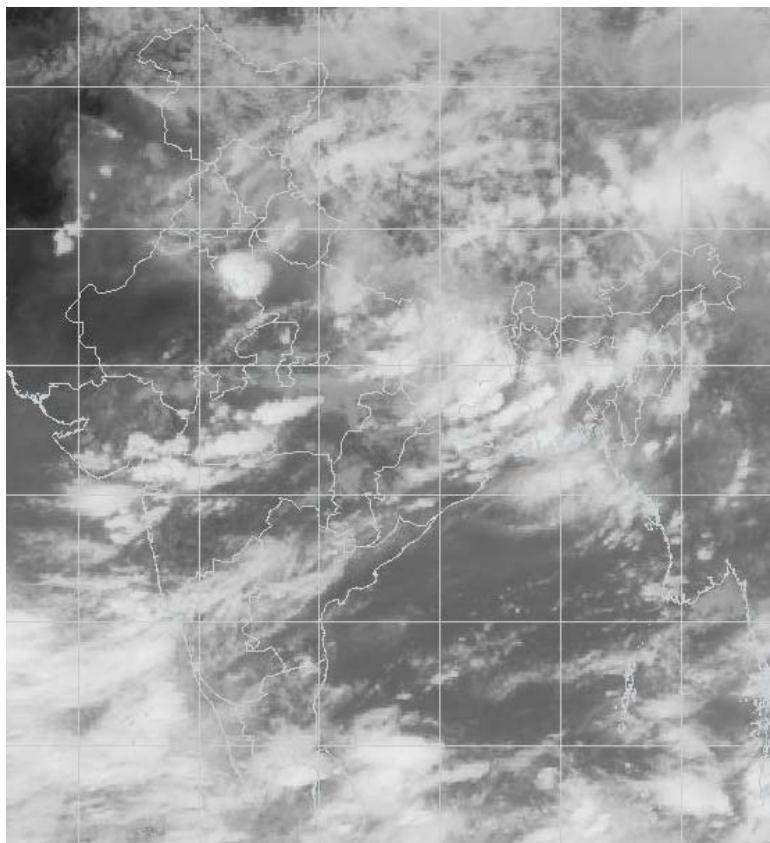
BUY NCDEX-July above 757 with target towards 765, second target near 769. Put stop loss near 753.

Do not carry forward the position until the next day.

SPOT MARKET PRICE FOR MAIZE (Rs./Quintal)

Markets	Variety	15.06.07	14.06.07	Change
Delhi	Red Maize Bihar	740	740	-
Nizamabad (Bilty) New	Red Maize	740	740	-
Devengere (Bilty)	Red Maize	740	740	-
Bihar (Loose)	Red Maize	570	570	-
Ahmedabad	Poultry feed mills	800	800	-
Ahmedabad	Starch	790-800	790-800	-
Pune	Starch Quality	800	800	-

SATELLITE PICTURE OF MONSOON PROGRESS (15.06.07)



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 (15.06.07)

- ✓ The current meteorological analysis suggests fairly widespread rainfall over Western Himalayan Region, Indo-Gangetic plains and northeastern states during next 48 hrs. Under the influence of an off-shore trough, increased rainfall activity is likely along west coast during next 2-3 days.

Warning (for next 48 hrs.)

- ✓ Isolated heavy to very heavy rainfall is likely over northeastern states, West Bengal & Sikkim, Bihar, East Uttar Pradesh, Himachal Pradesh, Uttarakhand, Coastal Karnataka, Kerala and Lakshadweep. Isolated thundersquall is likely over plains of northwest India, Himachal Pradesh and Uttarakhand.

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

- ✓ A low pressure area is likely to form over west-central & adjoining northwest Bay of Bengal around 20th. Rainfall activity is likely to increase over east India, west coast and interior Karnataka.

Source: IMD (GOI)

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