

MAIZE DAILY

18th June, 2007

SPOT MARKETS:

Maize prices at Delhi mandis continued flat 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 and quoted around Rs 625-630/qrtl on rising arrivals from U.P. Some summer maize 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. The inferior quality has reduced the demand. The arrivals are sharply down in Naugachia mandis around 200-300 bags and price remained around Rs.570/qrtl. The actors in the market are carefully monitoring the progress of monsoon in the two major kharif maize producing states i.e; Mahrastra and Karnataka. The monsoon progress is good towards Maharashtra. However, the acreage under kharif maize crops down 20% at 398,900 ha so far as on 14.06.07. The normal area under kharif maize is 62.16 lakh ha. On June 14, stocks of the coarse grain in NCDEX warehouses remained steady at 3558 MT.

FUTURES MARKETS:

Maize futures at NCDEX traded sharply bullish following a mix opening. The most active July contract open marginally weak at Rs.759.a qtl. as against the previous closing of Rs.760/qtls. The prices finally settled up at days' high by 2.37% at Rs.778/qrtl. The volumes as well as the open Interests have increased during the session.

PRICE DRIVERS:

Bullish:

1. Some exports are taking place towards Bangladesh and Colombo.
2. Acreage under kharif maize crops down 20% as against last year so far

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 a long bullish candle, indicating buyers dominated the markets. The volumes and open interest has increased. Prices closed much above the 9-day and 18-day's EMA. The MACD is turning up in positive zone. The Stochastic is in neutral region. The RSI in normal region and rising sharply, indicating positive note in short and medium term. Maize is likely to trade bullish following a form opening.

NCDEX Maize July Contract

O 759.00 H 778.00 L 757.00 C 778.00 V 7,490 I 17,000 +18

EMA(9) 764.39 (18) 762.47



SUPPORT / RESISTANCES:

Month	S2	S1	PCP	R1	R2
July	764	770	778	792	796

RECOMMENDATION:

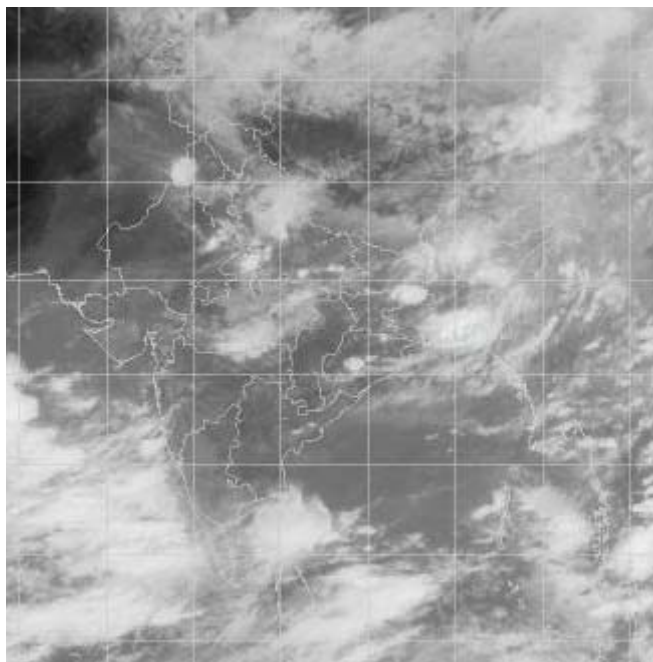
BUY NCDEX-July above 775 with target towards 785, second target near 790. Put stop loss near 770.

Do not carry forward the position until the next day.

SPOT MARKET PRICE FOR MAIZE (Rs./Quintal)

Markets	Variety	16.06.07	15.06.07	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	815-825	800	+25
Ahmedabad	Starch	810-820	790-800	+20
Pune	Starch Quality	810	800	+10

SATELLITE PICTURE OF MONSOON PROGRESS (16.06.07)



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 (16.06.07)

- ✓ During past 24 hours fairly widespread rainfall has occurred over Indo-Gangetic plains, northeastern States, Sub-Himalayan West Bengal & Sikkim and along the west coast. Isolated heavy to very heavy rainfall also occurred over Tripura, Assam & Meghalaya, Sub-Himalayan West Bengal & Sikkim, Coastal & North Interior Karnataka and Lakshadweep. Scattered thunderstorm activity also occurred over central and adjoining peninsular India. Chief amounts of rainfall (7 cm and above) are: Cherrapunji-19, Shirali-15, Honavar and Karwar-13 each, Agartala-12, Jalpaiguri-10, Dabolim-9, Agathi, Mangalore, Panjim and Delhi (SFD)-7 each. A low pressure area is likely to form over west-central & adjoining northwest Bay of Bengal around 20th June. The current meteorological analysis suggests fairly widespread rainfall over east India and northeastern states during next 2-3 days. Under the influence of an off-shore trough, increased rainfall activity is likely along west coast during next 2-3 days. The ongoing fairly widespread rainfall activity over plains of northwest India is likely to decrease from tomorrow onwards.

Warning (for next 48 hrs.)

- ✓ Isolated heavy to very heavy rainfall is likely over northeastern states, Sub-Himalayan West Bengal & Sikkim, Bihar, Himachal Pradesh, Uttarakhand, Coastal Karnataka, Kerala and Lakshadweep.

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

- ✓ Increase in rainfall activity over Orissa and Andhra Pradesh.

Source: IMD (GOI)

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