

## ■ MAIZE

■ July 25, 2007

**Domestic Market Recap**

Maize prices Climbed up in major domestic markets on good demand amidst lower arrivals. Area under kharif maize is still lagging behind this year by 15.2% at 33.17 lakh hectares. Near about 53.4% of normal area has covered so far as on 13.07.07. This added underlying bullish tone. Moreover, increasing export demand from Bangladesh and good domestic demand from poultry as well as starch industries are supporting the tone. Bihar mandis surged up between Rs.680-700/ qtl on export support from Bangladesh. Arrivals remained very weak in local markets. Around 20-25 motors of maize daily supplied to Dalkhola mandis of West Bengal from and are exported to Bangladesh. The different mandis in Kolkata are also remained firm at Rs.800-810/qtl day. Price quoted flat at Rs.800/qtl, ex-godown basis for Bihar maize in Delhi on very poor arrivals (1 motor) from Bihar. Good demand from Haryana poultry industries is supporting sentiments. No arrivals of gajar maize seen from U.P. Bajra prices too firmed up at Rs.690-700/qtl. on lower arrivals of around 5 motors from U.P.

**Domestic Spot Market Prices**

Market	Variety	Prices (Rs/qtl)		Change	Arrivals
		24.07.07	23.07.07		
Delhi (ex-godown)	Red Maize Bihar	800	800	-	2 motors
Nizamabad (Bilty)	Red Maize	760-765	755-760	+5	
Devengere (Bilty)	Red Maize	750	740-745	+5	
Naugachia, Bihar (Loose)	Red Maize	680-700	630-640	+60	200 bags
Ahmedabad	Poultry feed mills	870	850	+20	2200 bags
Ahmedabad	Starch	850-860	840	+20	
Pune	Starch Quality	860	850	+10	
Pune	Sangli truck Bilty	850	830	+20	

**International Futures Quotes (as of July 23, 2007)****CBOT**

Contract Month	Open	High	Low	Settle	Change
September 2007	313.00	314.25	308.50	310.00	-8.25
December 2007	330.00	330.00	324.50	325.50	-8.00
March 2008	344.00	344.75	340.00	340.75	-8.00

**International Market Recap****CBOT Corn Futures Settled Down**

CBOT corn futures settled down Monday. December Corn finished down 8 cents at \$3.255 per bushel; this was 4.5 off the high and 1 up from the low. September Corn closed down 8.25 cents at \$3.10 per bushel. This was 1.5 up from the low and 4.25 off the high. A shift away from the threatening forecasts from last week for the Midwest and ideas that crop conditions improved during the recent pollination period helped spark the aggressive long liquidation selling from fund traders early in the session. The market pushed to the lowest level since October 23rd as selling pressure persisted for much of the day and futures closed near the lows.

## ■ MAIZE

■ July 25, 2007

**FUTURES MARKETS:**

Maize futures at NCDEX traded down following a firm opening. The most active August contract traded bearish on increased selling pressure at following a higher opening at 789/qrtl and traded in the range of Rs.784.5-789/qrtl. Finally, the contract settled in red by 0.44% at Rs.785/qrtl. The volumes have increased whereas Open Interest have declined during the session.

**PRICE DRIVERS:****Bullish:**

- Lower arrivals amidst some demand from starch and poultry industries
- Good export demand from Bangladesh
- Acreage under kharif maize crops down at 33.17 lakh hectares so far as on 13.07.07 as compared to 39.14 lakh hectares year ago period
- Lower stocks in exchange warehouse

**Bearish:**

- As 4th adv est., total maize production for the year 2006-07 estimated up around 14.98 million tonnes

**TECHNICALS:**

A bearish candle has formed, indicating steady selling over the market hours. Price closed just above the 18 days EMA. MACD is directionless in positive zone. RSI is falling sharply in normal region, favouring bears. Stochastic has made bearish crossover in neutral region, reflecting weakness for medium term. Maize futures are likely to trade lower after a steady to weak opening.

**NCDEX Maize August Contract****SUPPORT / RESISTANCES:**

Month	S2	S1	PCP	R1	R2
August	779	781	785	788	790

**RECOMMENDATION:**

**SELL NCDEX** - Aug below 786 with target towards 780. Put stop loss near 789.

**Do not carry forward the position until the next day.**

**Weather Impact Analysis**

Rainfalls in the vegetative growth stage of kharif crop are favourable. However, very heavy rainfalls and water stagnation are not desirable.

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2007 Indian Agribusiness Systems Pvt Ltd.