

■ MAIZE

■ August 29, 2007

Domestic Market Recap

During Tuesday's trade, most of the major Maize markets were closed due to Raksha Bandhan except Pune. In Pune, spot prices of both starch quality and pune truck bilty traded down on increased arrivals against a lower buying. Both the markets received increased arrivals of 15 motors against the 10 motors yesterday. Rest of the markets remain closed during Tuesday. The markets will be opened tomorrow. In the global markets, as per the report of the U.S. Department of Agriculture on Monday, private exporters sold 120,000 metric tonnes of corn to Egypt in the 2007-08 marketing year. As of August 24, Argentina sold 13.5 million tonnes of corn 2006-07 (March-February) for export against the 7.14 million tonnes during 2005-06. The International Grains Council estimated maize output in the current year is likely to be around 755 million tonnes, up 8.5 per cent on year due to higher production expected in the US. The council estimated the global maize consumption is to be around 762 million tonnes due to a sharp rise in industrial use.

Domestic Spot Market Prices

Market	Variety	Prices (Rs/ctl)		Change	Arrivals
		28.08.07	27.08.07		
Delhi (ex-godown)	Red Maize Bihar	-	840-845	-	1 motor
Nizamabad (Bilty)	Red Maize	-	700-705	-	
Davangere (Bilty)	Red Maize	-	675-680	-	
Naugachia, Bihar (Loose)	Red Maize	-	725	-	
Ahmedabad	Poultry feed mills	-	815-820	-	
Ahmedabad	Starch	-	790	-	
Pune	Starch Quality	750	750-755	-5	1500 bags
Pune	Sangli truck Bilty	725	730	-5	

International Futures Quotes (as of August 27, 2007)**CBOT**

Contract Month	Open	High	Low	Settle	Change
September 2007	335.00	337.00	331.50	335.75	-5.75
December 2007	352.00	354.25	348.50	353.00	-5.75
March 2008	367.00	370.00	365.00	369.25	-5.00

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

CBOT corn futures stumbled lower Monday. December Corn finished down 5.75 cents at \$353.00 per bushel; this was 1.25 off the high and 4.5 up from the low. September Corn closed down 5.75 cents at \$335.75 per bushel. This was 4.25 up from the low and 1.25 off the high. The market succumbed to light speculative sales amid bearish private crop estimates and advancing harvest activity in the southern belt. The lower tone has been continuing since Friday's pro-farmer crop estimate as it estimated that there will be big crop this year. The weekly export inspections report showed corn inspections at 33.5 million bushels as compared with 37-43 million expected. In addition, the USDA reported a sale of 120,000 tonnes of corn to Egypt. The International Grains Council's said maize output in the current year is likely to be around 755 million tonnes, up 8.5 per cent on year due to higher production expected in the US. The council estimated the global maize consumption is to be around 762 million tonnes due to a sharp rise in industrial use.

■ MAIZE

■ August 28, 2007

FUTURES MARKETS:

Maize futures at NCDEX traded weak Tuesday. Initially the most active September contract traded up and tested a high of Rs.719/qlt. However, the prices traded down thereafter on increased selling pressure at higher level and tested low at Rs.712.50/qlt. The maize future closed at Rs.713.50/qlt. The contract opened weak at Rs.716/qlt against the previous close of Rs.720/qlt and traded in the range of Rs.712.50-719/qlt. The Volumes decreased marginally while Open Interests have increased marginally.

PRICE DRIVERS:**Bullish:**

- Increasing growth of poultry industries
- Lower stocks in exchange warehouse
- Flood damaged 10-20 crops in Bihar

Bearish:

- Expected larger crops than the last year
- Acreage under kharif maize crops was up at 7.3 million hectares against 6.9 million hectares from April 1 to August 24, a year ago during the same period.
- Subdued Export activities

TECHNICALS:

A long dark candlestick with long upper shadow shows selling pressure at higher level. Prices closed well below the short term and medium term EMAs. MACD is dipping down in the negative region. Stochastic as well as RSI is falling deeper in neutral region. Maize is expected to trade down with possibility of steady to slightly weak opening.

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

Month	S2	S1	PCP	R1	R2
September	703	705	713.5	719	721

RECOMMENDATION:

SELL NCDEX - September below 714 with target 709, then 707. Put stop loss near 717.

Do not carry forward the position until the next day.

Weather Impact Analysis

While South India features normal to better rains, Monsoon is reviving in Central and North India. Eastern India is slowly recovering from floods

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. IASI and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in