

#### Price Drivers

- Higher production estimates for current Rabi season.
- Expected increase in demand from the poultry sector.
- Lower crop estimates in U.S.

#### Technical Analysis:

- Candlestick chart depicts sideways movement of maize futures prices.
- Prices continue to remain above 9 and 18 days EMA, suggesting that the intermediate term trend is bullish.
- MACD is moving upward in positive territory indicating bullish sentiment.
- RSI and Stochastic is easing in neutral zone supporting bearish market ahead.
- It is advisable to sell below 1046.

#### Trade Recommendation – Maize NCDEX (January)

Call	Entry	T1	T2	SL
<b>Sell</b>	<1046	1043	1041	1049
Support & Resistance				
S2	S1	PCP	R1	R2
1036	1041	1043	1051	1054



#### International Market (CBOT)

CBOT corn futures traded higher on Friday after ending slightly lower on year-end profit-taking and pressure from wheat. The corn prices were supported by worries about the Argentina crop and China's increasing demand. March CBOT corn closed up 13 cents, or 2.1%, to \$6.29. The May contract was 12 1/2 higher at \$6.36 1/2. December 2011 settled 10 3/4 cents higher at \$5.62.

#### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	01-01-11	30-12-10	
Nizamabad	1296	1296	Unch
Davangere	350	0	+350
<b>Maize Total</b>	<b>1646</b>	<b>1296</b>	<b>+350</b>

#### Market Analysis:

- Mixed tone of sentiment witnessed in key maize cash markets.
- In Delhi, prices were up by Rs. 5/Qtl on higher demand from feed industry at current supply.
- In Nizamabad, prices increased by Rs. 5/Qtl due to higher offtake by starch industry despite increase in supply.
- In Naughachia, prices continued to trade steady for over a week in absence of fresh buying.
- In Andhra Pradesh, the arrival of Rabi maize in the market is expected to start by second to third week of March this year.
- As per data released by Ministry of Agriculture, the sowing area of maize stood at 9.44 lakh hectares as on 31<sup>st</sup> Dec. 2010, which is 0.21 lakh hectares less than last year on this date.

**We feel that prices are likely to trade steady to slightly firm in days ahead on demand from poultry, starch industry and export market.**

#### Spot Prices at Key Markets

Centre	Prices 03-12-10	Chng From Prior day	Arrivals 03-12-10	Chng From Prior day
Delhi	1040	+05	300	Unch
Nizamabad	1040	+05	500	+100
Davangere	910	Unch	15000	Unch
Naughachia	1100	Unch	500	Unch

\*Prices in Rs/Qtl, Arrivals in Bags (1 bag =1 qtl), All are Bilty prices except in Delhi which

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