

#### 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 continued 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 1047.

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

Call	Entry	T1	T2	SL
<b>Sell</b>	<1047	1043	1041	1050
Support & Resistance				
S2	S1	PCP	R1	R2
1036	1041	1044	1051	1054

#### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	03-01-11	01-12-10	
Nizamabad	1296	1296	Unch
Davangere	350	350	Unch
<b>Maize Total</b>	<b>1646</b>	<b>1646</b>	<b>Unch</b>

#### Market Analysis:

- Mixed tone of sentiment witnessed in key maize cash markets.
- In Delhi and Nizamabad, prices continued to trade up by Rs. 5/Qtl each on higher demand from feed and Starch industry, respectively, at current supply.
- In Davangere, prices traded lower by Rs. 5/Qtl due to sluggish demand at current supply.
- In Naughachia, prices continued to trade steady for over a week in absence of fresh buying.
- 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.
- Rain forecasted in Argentina and Brazil. As much as 3.4 centimeters of rain is expected in parts of Argentina in next three days which will at least cover 40% of corn crop. Brazil will benefit from normal rainfall the next 10 days.

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 04-12-10	Chng From Prior day	Arrivals 04-12-10	Chng From Prior day
Delhi	1045	+05	300	Unch
Nizamabad	1045	+05	500	Unch
Davangere	905	-05	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



#### International Market (CBOT)

U.S. corn futures slipped Thursday on an improved South American weather outlook and profit-taking following recent gains. Drought conditions in Argentina had helped push prices to new 29-month highs in recent days, and the lack of fresh supportive news gave reason for traders to take profits on their long positions. CBOT corn for March delivery slipped 8 1/2 cents, or 1.4%, to \$6.20 1/2 a bushel.

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