

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 bullish sentiment in maize futures prices.
- Prices closed above 9 and 18 days EMA, suggesting bullish market in medium term.
- MACD is moving upward in positive territory indicating bullish sentiment.
- RSI is rising in over bought zone supporting bullish market ahead.
- It is advisable to buy above 1050.

Trade Recommendation – Maize NCDEX (January)

Call	Entry	T1	T2	SL
Buy	>1050	1056	1058	1046
Support & Resistance				
S2	S1	PCP	R1	R2
1046	1049	1057	1060	1064



International Market (CBOT)

US corn futures closed at a three-week low below \$6 a bushel as strength in the dollar pressured prices. The firm dollar weighed on a range of commodities, as it makes dollar-denominated products more expensive for foreign buyers. Corn finished lower with wheat, soybeans and rice. Traders say index funds are selling grain contracts as part of a rebalancing of commodity positions. CBOT March corn closes down 7c at \$5.95 a bushel.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	07-01-11	06-01-11	
Nizamabad	1296	1296	Unch
Davangere	401	350	+51
Maize Total	1697	1646	+51

Market Analysis:

- Mixed tone of sentiment witnessed in key maize cash markets.
- In Delhi, prices by Rs. 10/Qtl amid higher demand from industrial user at current supply. Arrivals are seen tight as supply is diverted towards other destinations, said a trader.
- In Nizamabad, prices traded up by Rs. 05/Qtl on sustained demand from Starch industry at reduced arrivals. On contrary, prices were down by Rs. 30/Qtl in Davangere due to spurt in arrivals.
- In Davangere and Naughachia, prices traded steady in absence of fresh buying at current supply. However, regular demand from exporters is reported from Davangere which may support the prices at higher levels.
- As per the latest data released by Ministry of Agriculture, the all India sowing acreage of maize stood at 9.91 lakh hectares as on 7th Jan 2011, down 0.43 lakh hectares as on date last year which was 10.34 lakh hectares.
- Corn prices are expected to be supported with both U.S. and world ending stocks tightening further.

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 08-01-11	Chng From Prior day	Arrivals 08-01-11	Chng From Prior day
Delhi	1070	+10	300	Unch
Nizamabad	1055	+05	300	-200
Davangere	960	Unch	8000	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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