

#### 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 for short 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 sell around 1055 as there will be down trend expected in the next trading session.

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

Call	Entry	T1	T2	SL
<b>SELL</b>	<1058	1051	1044	1068
Support & Resistance				
S2	S1	PCP	R1	R2
1046	1050	1061	1060	1070



#### NCDEX Warehouse Stock (in Tonnes)

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

#### 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. The USDA may lower its estimate of global stockpiles of corn to 127.3 million tons at the end of this season, from 130 million tons last month. CBOT March corn closes down 7c at \$5.95 a bushel.

#### Market Analysis:

- Mixed tone of sentiment witnessed in key maize cash markets.
- In Delhi, prices were unchanged compared to the previous day prices, prices may rise in medium term period as a result of amid higher demand from industrial user with tight supply situation as supply is diverted towards other destinations.
- In Nizamabad, maize prices were up by Rs. 5/Qtl on sustained demand from Starch industry at current arrival level at mandi.
- Maize prices at Davangere were down by Rs. 10/Qtl due to spurt in arrivals with reduced offtake from the traders. Prices may rise in medium term period as a result of demand from exporters.
- 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 7<sup>th</sup> 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.
- As per the news source, the corn harvest in Argentina will drop to 20.4 million tons this year from 22.5 million tons a year ago, after drought hurt the crop.

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

#### Spot Prices at Key Markets

Centre	Prices 10-01-11	Chng From Prior day	Arrivals 10-01-11	Chng From Prior day
Delhi	1070	Unch	300	Unch
Nizamabad	1060	+5	300	Unch
Davangere	950	-10	9800	+1800
Naughachia	1075-1100	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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