

#### Price Drivers

- Weak sowing progress of rabi crop.
- Expected increase in demand from the poultry sector.
- Lower crop estimates in U.S.

#### Technical Analysis:

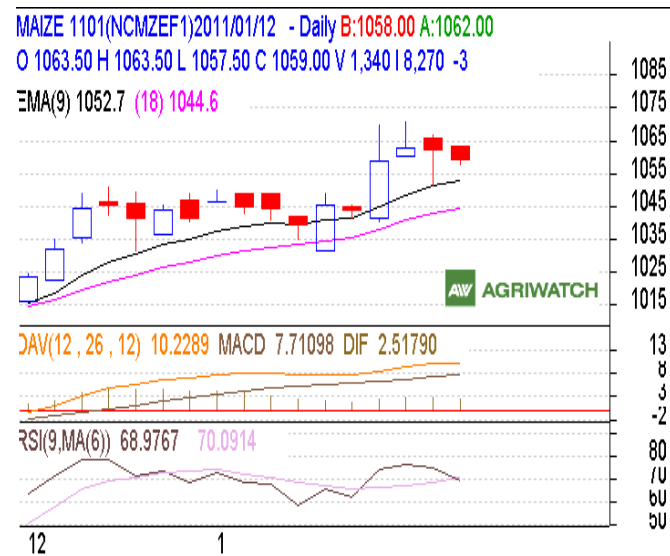
- Candlestick chart depicts bullish sentiment in maize futures prices.
- Prices closed above 9 and 18 days EMA, suggesting bullish market for short term.
- MACD is moving upward in positive territory indicating bullish sentiment.
- RSI is down at over bought zone supporting bullish market ahead.
- It is advisable to Sell around 1060 as there will be range bound movement in prices expected in the next trading session.

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

Call	Entry	T1	T2	SL
<b>SELL</b>	<1064	1060	1056	1073
Support & Resistance				
S2	S1	PCP	R1	R2
1050	1056	1059	1066	1071

#### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	11-01-11	07-01-11	
Nizamabad	1296	1296	Unch
Davangere	502	401	+51
<b>Maize Total</b>	<b>1798</b>	<b>1697</b>	<b>+51</b>



#### International Market (CBOT)

US corn futures end unchanged as traders wait for the U.S. Department of Agriculture to issue crop data Wednesday. Many traders expect harvest and supply forecasts to drop from last month, but futures prices have already rallied hard. Analysts see risk for a sell-off Wednesday if crop adjustments look "neutral" for prices. World grain markets have been surging on bad weather and rising demand. Chicago Board of Trade March corn ends flat at \$6.07 a bushel.

#### Market Analysis:

- Steady to weak sentiment witnessed in key maize cash markets.
- In Delhi, prices were unchanged compared to the previous day prices as a result of amid higher demand from industrial user with tight supply situation.
- In Nizamabad, maize prices were unchanged compared to previous day prices and on sustained demand from Starch industry at current arrival level at mandi are matched.
- Maize prices at Davangere market were down by Rs. 75/Qtl due to reduced offtake from the industrial buyers amid increase in arrivals today. Better demand may occur from the industrial users on concern of rising maize as a result of tight supply situation and 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 same 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 steady to firm in days ahead on weak sowing progress of rabi crop along with strong demand from poultry, starch industry and export market.

#### Spot Prices at Key Markets

Centre	Prices 12-01-11	Chng From Prior day	Arrivals 12-01-11	Chng From Prior day
Delhi	1075	Unch	300	Unch
Nizamabad	1060	Unch	300	Unch
Davangere	1025	-75	7600	+600
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 is for Hybrid maize

#### 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. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>