

#### Price Drivers

- Weak sowing progress of rabi crop.
- Expected increase in demand from the poultry sector.
- Lowered forecasts for US inventories, tightening global food supplies after adverse weather slashed harvests.

#### Technical Analysis:

- Candle stick pattern shows sideways movement.
- Prices closed above 9 and 18 day EMA, suggesting bullish market for short term.
- RSI is moving up in neutral region and bullish market for short term.
- MACD is moving up and depicting bullish sentiment in short term.
- As the bullish sentiment found for maize futures, participant are suggested to go for buying position in next trading session at level 1078.

#### Trade Recommendation – Maize NCDEX (February Contract)

Call	Entry	T1	T2	SL
Buy	<1078	1085	1090	1068
Support & Resistance				
S2	S1	PCP	R1	R2
1073	1066	1082.50	1090	1093

#### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	14-01-11	13-01-11	
Nizamabad	1296	1296	Unch
Davangere	604	604	Unch
Maize Total	1900	1900	Unch

#### Market Analysis:

- Steady sentiment witnessed in major maize cash markets as result of weak end period as well as festival in south India region. The prices are expected to move up on expected domestic demand from poultry feed industry and overseas demand.
- As per the latest data released by Ministry of Agriculture, the all India sowing acreage of maize stood at 10.34 lakh hectares as on 14<sup>th</sup> Jan 2011, down 0.46 lakh hectares as on same date last year which was 10.80 lakh hectares.
- The unseasonal rain seems to have affected the coverage of rabi maize sowing.
- Global corn trade forecast for 2010/11 is reduced 1.1 million tons to 90.9 million.
- Corn production in Mexico, the world's fourth-largest grower, will rise by 4 percent in 2011 from a year earlier because of more favorable weather conditions.
- Global 2010/11 coarse grain trade is lowered as higher expected prices and tighter supplies reduce corn imports and exports- USDA.
- CBOT corn prices rose to a 29-month high and capped the biggest weekly gain in six weeks on mounting concern that inventories are dropping in the U.S., the world's largest grower and exporter of both crops.

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 overseas market.

#### Spot Prices at Key Markets

Centre	Prices 15-01-11	Chng From Prior day	Arrivals 15-01-11	Chng From Prior day
Delhi	1075	Unch	300	Unch
Nizamabad	Closed	-	Closed	-
Davangere	Closed	-	Closed	-
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

MAIZE 1102(NCMZEG1)2011/01/15 - Daily B:1080.50 A:1081.50

O 1077.00 H 1085.00 L 1077.00 C 1082.50 V 1,070 | 14,160 +2

EMA(9) 1076.0 (18) 1067.7



#### International Market (CBOT)

U.S. corn futures closed near a 30-month high Friday as commodity funds re-entered the market amid expectations for prices to strengthen on long-term supply concerns. Commodity funds had bought an estimated 9,000 contracts by the end of the day session, a moderate amount. The late rebound extended gains after prices rallied hard Wednesday and Thursday on a tightened supply outlook issued by USDA. Corn for March delivery finished up 6 1/4c to \$6.48 3/4 a bushel, up 9% on the week. That was the highest close for a nearby contract since July 2008.

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