

### 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 bearish movement.
- Prices closed below 9 and 18 day EMA, suggesting bearish market ahead.
- RSI is moving down in neutral region giving caution that bearish market may continue for medium term.
- MACD is moving down depicting bearish sentiment.
- As per the market's bearish sentiment, participants are suggested to go for sell at level below 1123.

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

Call	Entry	T1	T2	SL
<b>SELL</b>	<1121	1117	1113	1126
Support & Resistance				
S2	S1	PCP	R1	R2
1085	1106	1119	1144	1158

### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	25-01-11	19-01-11	
Nizamabad	1341	1341	Unch
Davangere	703	703	Unch
<b>Maize Total</b>	<b>2044</b>	<b>2044</b>	<b>Unch</b>



### International Market (CBOT)

US corn futures closed lower in setback from 30-month highs last week. Traders took some money off the table amid concerns about the potential for weaker demand. Weekly US corn export inspections of 25.9 million bushels fell short of expectations. Weekly US corn export sales as of Jan. 13, 20 weeks into the marketing year, were 56% of the government's target for the year. That's below the five-year average of 57%. CBOT March corn ends down 2c at \$6.55 1/4 a bushel. The May contract was 2 cents lower at \$6.65. December 2011 were steady at \$5.87 1/4.

### Market Analysis:

- Mostly steady tone of sentiment witnessed in maize key cash markets.
- In Delhi, prices were up by Rs. 10/Qtl on higher offtake by poultry users at current supply. Traders feel that prices will remain firm ahead.
- In Davangere and Nizamabad, maize prices were steady in absence of fresh buying. However, regular demand from exporters is reported from Davangere.
- South Africa expects to seal a deal with buyers in India and Saudi Arabia for about 100,000 tonnes of its surplus maize before the end of February. South Africa produced 12.815 million tonnes of corn in the 2009/10 season.
- China's unexpected purchase of 150,000 tonnes of Australian wheat may affect the expected net corn imports from US. The feed wheat bought by China was cheaper than U.S. corn, and Australia has a large quantity of feed wheat to sell after excessive rains downgraded the quality of the crop.

We feel that prices are likely to trade with steady to weak bias for short term on profit booking by traders and firm sentiment ahead is expected 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 25-01-11	Chng From Prior day	Arrivals 25-01-11	Chng From Prior day
Delhi	1035	+10	300	Unch
Nizamabad	1090	Unch	300	Unch
Davangere	1035	Unch	22000	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 is for Hybrid maize

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