

Price Drivers

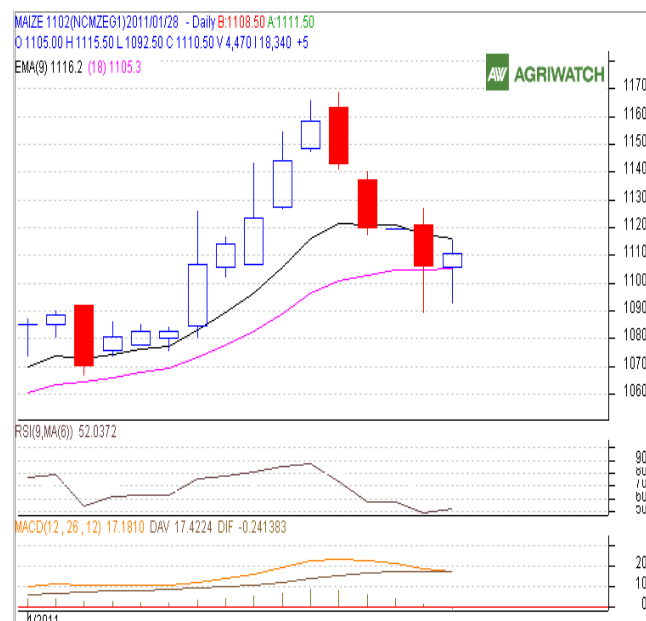
- Weak sowing progress of rabi crop.
- Expected increase in demand from the poultry sector.
- Lowered forecasts for US inventories, tightening global food supplies after adverse weather slashed harvests.

Technical Analysis:

- Candle stick pattern shows bullish movement.
- Prices closed below 9 and above 18 day EMA, indicating range bound movement ahead.
- RSI is moving up in neutral region suggesting bullish market in short term.
- MACD is moving down depicting bearish sentiment.
- Participants are suggested to go for buy at level above 1109.

Trade Recommendation – Maize NCDEX (February Contract)

Call	Entry	T1	T2	SL
BUY	>1109	1114	1118	1105
Support & Resistance				
S2	S1	PCP	R1	R2
1085	1090	1110	1121	1127



International Market (CBOT)

US corn futures close lower on sluggish weekly export sales. They slumped 54% on week and 31% from the prior four-week average, according to government data. Futures prices felt additional pressure from losses in the wheat market, as both grains are used for animal feed. CBOT March corn closes down 7c at \$6.50 3/4 a bushel. May 6.61 down 7c, Jly 6.66 down 6 3/4, Sep 6.17 3/4 down 7c.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	27-01-11	25-01-11	
Nizamabad	1341	1341	Unch
Davangere	703	703	Unch
Maize Total	2044	2044	Unch

Market Analysis:

- Steady tone of sentiment witnessed in maize key cash markets except for Delhi where prices dipped by Rs. 15/Qtl on slack buying at current supply.
- In Davangere, though the prices remained same as of yesterday, the traders feel that today's sustained buying and depleting stock may keep the prices on higher side in days ahead.
- As per the latest data released by Ministry of Agriculture, the all India sowing acreage of maize stood at 10.92 lakh hectares as on 28th Jan 2011, down 0.13 lakh hectares as on date last year which was 11.05 lakh hectares.
- USDA announced weekly corn export sales of 904,900 metric tons (35 million bushels) for the current marketing year and 125,000 metric tons (4.9 million bushels) for the 2011/12 marketing year.
- Corn harvesting in Argentina starts next month. The Buenos Aires Cereals Exchange kept its forecast for Argentina's commercial corn production at 19.5 million metric tons. The exchange warning that recent showers have offered scant relief for the developing crop.
- China, the world's second-biggest corn consumer, may limit imports this year after the government told industrial users to stop buying the domestic supply.

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 28-01-11	Chng From Prior day	Arrivals 28-01-11	Chng From Prior day
Delhi	1135	-15	300	Unch
Nizamabad	1095	Unch	200	Unch
Davangere	1035	Unch	20000	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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