

### 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, indicating bearish movement ahead.
- RSI is moving down in neutral region suggesting bearish market in short term.
- MACD is moving down depicting bearish sentiment.
- Participants are suggested to go for sell at level below 1100.5.

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

Call	Entry	T1	T2	SL
<b>Sell</b>	<1100.5	1097	1093	1104
Support & Resistance				
S2	S1	PCP	R1	R2
1084	1092	1100.5	1115	1123



### International Market (CBOT)

US corn futures close lower on profit-taking and spillover selling from steep losses in wheat. Traders took money off the table ahead of the weekend and the end of the month. Futures prices had room to pull back after reaching 30-month highs recently. A 2.4% slide in wheat added pressure because both grains are used for livestock feed. CBOT March corn finish down 1% to \$6.44 a bushel. May \$6.54 1/2 down 6 1/2 c, Jly \$6.59 3/4 down 6 1/4c, Sep \$6.11 3/4 down 6c.

### 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.
- In Nizamabad, prices were up by Rs. 15/Qtl on brisk buying from starch industries at current supply. Sustained demand and restricted arrivals are likely to keep the prices on higher side. Rabi maize arrival will start in March.
- In Delhi and Davangere, prices remained same due to sluggish demand at current supply. Maize quality is reported to be good.
- 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 28<sup>th</sup> Jan 2011, down 0.13 lakh hectares as on date last year which was 11.05 lakh hectares.
- U.S. corn demand got a boost on Friday from a sale to Japan. The government reported that private exporters struck deals to sell 151,683 metric tons of corn for delivery to Japan during the 2010-11 marketing, which ends on Aug. 31.
- Though the weather condition in Argentina has improved, after dryness at early stage of crop, the corn production is still expected to be lower. Corn harvesting in Argentina starts next month.

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 29-01-11	Chng From Prior day	Arrivals 29-01-11	Chng From Prior day
Delhi	1150	Unch	300	Unch
Nizamabad	1110	+15	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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