

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 indicates the bearish sentiment in the market.
- Prices closed below 9 and above 18 day EMA, indicating range bound movement of prices ahead.
- RSI is moving down in the neutral region supporting bearish sentiment in the market for short term.
- MACD is moving down depicting bearish sentiment.
- Maize futures are likely to trade range-bound with firm bias in next session.

Trade Recommendation – Maize NCDEX (March Contract)

Call	Entry	T1	T2	SL
BUY	>1128	1132	1139	1120
Support & Resistance				
S2	S1	PCP	R1	R2
1106	1118	1121	1146	1157



International Market (CBOT)

US corn futures close lower but avoid sharp losses that hit other grain markets. Profit-taking dragged down prices down 0.8% after reaching a 31-month high Monday, traders say. Worries about tight supplies and strong demand prevented a steeper slide; end-of-season corn supplies are projected to come in at a 15-year low. Prices need to rise to curb demand, analysts say, who also note it will take more than one good harvest to rebuild inventories. CBOT March corn falls 5 1/4c to \$6.90 1/2 a bushel. Soybeans, by contrast, dropped 2.5%, while wheat lost 3.6%.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	15-02-11	14-02-11	
Nizamabad	1443	1443	Unch
Davangere	1354	1354	Unch
Maize Total	2797	2797	Unch

Market Analysis

- Steady tone of sentiment witnessed in maize key cash markets on Wednesday on occasion of festival Eid-ul-Fitr and inactive trading activities found at the most of the mandis.
- Maize prices at Delhi and Naughachia remained unchanged as a result of sluggish market activities and no takers for maize at lower arrival levels.
- As per an international body US Grains Council, maize export from India may more than triple to 2.5 million tonnes in 2010-11, buoyed by estimates of a record domestic output and scope of higher global prices. India exported about 0.7 million tonnes of maize last year.
- According to the government's second advance estimate, maize output is expected to touch a record 20.03 million tonnes in 2010-11, higher than the demand of 17-18 million tonnes.
- Global Maize prices in Chicago have firmed up due to tight supply in the US and likely crop damage in Argentina due to La Nina weather pattern. US government projected its closing corn stock at 17.14 million tonnes, the lowest in around 15 years, as record quantity of the crop is used to make ethanol.
- As per the news source, The Mexican secretary said that the 700,000-ton reserve of white maize will be enough to provide the grain to the approximately 20 million Mexicans with the lowest incomes. Two weeks of freezing temperatures at Mexico wiped out the crops.

We feel that prices are likely to trade with steady to weak bias for short term but will recover in medium term on increasing demand from the industrial users as well as poultry industry demand at reduced arrival levels.

Spot Prices at Key Markets

Centre	Prices 16-02-11	Chng From Prior day	Arrivals 16-02-11	Chng From Prior day
Delhi	1120	Unch	300	Unch
Nizamabad	Closed	-	-	-
Davangere	Closed	-	-	-
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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