

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 bullish 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	>1132	1138	1141	1126
Support & Resistance				
S2	S1	PCP	R1	R2
1122	1126	1134	1145	1153



International Market (CBOT)

US corn futures end slightly lower on pressure from soybeans and a hike in Chinese bank reserve requirements. As fresh corn export sales to Mexico were a fresh reminder that high prices have yet to choke off demand, particularly for exports. Corn is seen as having the strongest fundamentals among the major crops, and analysts say prices must remain strong to encourage farmer plantings. March corn closed down 3c to \$7.09 3/4 per bushel. The market gained 3 1/4c on the week.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	18-02-11	16-02-11	
Nizamabad	1441	1443	-2
Davangere	1454	1354	+100
Maize Total	2895	2797	+98

Market Analysis

- Steady tone of sentiment witnessed in maize key cash markets on Saturday.
- Due to weekend period and inactive trading activities found at the most of the mandis.
- Maize prices at Nizamabad, Delhi, Davangere and Naugachia market today unchanged on sluggish trade activities at current supply and demand levels.
- As per the news source, Mexico's Agriculture Ministry said that, 122,434 hectares of crops have been replanted in the northern state of Sinaloa after freezes at the beginning of the month destroyed millions of tons of corn. Agriculture Ministry said, it expects to grow 2.4 million tons of corn through replanting and another 600,000 tons from corn that was damaged but still standing after the freeze, for a total of three million tons.
- According to a new USDA report, corn delivered in February at Gulf of Mexico ports rose to 58 cents to 59 cents a bushel above March futures, compared with 56 cents to 57 cents yesterday.
- As per the news sources, Agriculture ministry of Zambia expects to produce more than 2.8 million tonnes of maize in the current 2010/2011 season, a slight increase from the 2.7 million tonnes as compared to the last year. Zambia's maize yields which rose about 34 percent to 2.25 tonnes per hectare in the 2009/10 season were expected to increase further this season.
- A group of Israeli private buyers has purchased about 30,000 tonnes of U.S. origin corn in a tender which closed on Thursday and traders said that corn was purchased at \$1.40 a tonne c&f above the Chicago July corn contract, which was the equivalent of \$339.50 a tonne c&f at the time of the trade.

We feel that prices are likely to trade with steady to firm bias for medium term on concern of reduced stock levels at amid increasing demand from the industrial users as well as poultry industry demand at reduced arrival levels.

Spot Prices at Key Markets

Centre	Prices 19-02-11	Chng From Prior day	Arrivals 19-02-11	Chng From Prior day
Delhi	1115	Unch	300	Unch
Nizamabad	1120	Unch	200	Unch
Davangere	1025	Unch	1000	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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