

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 weak bias in next session.

Trade Recommendation – Maize NCDEX (March Contract)

Call	Entry	T1	T2	SL
SELL	<1140	1134	1131	1144
Support & Resistance				
S2	S1	PCP	R1	R2
1125	1129	1130	1146	1154



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
	19-02-11	18-02-11	
Nizamabad	1441	1441	Unch
Davangere	1454	1454	Unch
Maize Total	2895	2895	Unch

Market Analysis

- Mostly steady tone of sentiment witnessed in maize key cash markets on Monday.
- In Davangere, maize prices gained Rs.35/qlt on some fresh buying from starch industry at current supply levels.
- In Delhi, Nizamabad and Naughachia, maize prices were steady on sluggish market activities.
- Maize prices rose up to Rs 15 per quintal in the wholesale grains market today on pick up in industrial demand.
- Prices of U.S. corn have soared since last year because of bad weather damaging crops and rising demand from China and India. This has created problems for South Korea, the world's third-largest corn buyer.
- As per the news source, South Korea is looking to build a strategic grain reserve and is planning to buy cargoes of corn. The reserve would be for grains total about 12 percent of annual consumption and seeking to buy a combined of 552,000 tonnes of corn.
- 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.

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 21-02-11	Chng From Prior day	Arrivals 21-02-11	Chng From Prior day
Delhi	1120	Unch	300	Unch
Nizamabad	1120	Unch	200	Unch
Davangere	1060	+35	1000	Unch
Naughachia	1100	Unch	500	Unch

*Prices in Rs/QtI, Arrivals in Bags (1 bag =1 qtl), All are Bilty prices except in Delhi which is for Hybrid maize

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