

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 market.
- Prices closed below 9 and above 18 day EMA, indicating range bound movement of prices ahead.
- RSI is moving up in the neutral region indicating bullish sentiment in the market for short term.
- MACD is moving down indicating 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	>1123	1129	1133	1120
Support & Resistance				
S2	S1	PCP	R1	R2
1118	1122	1124	1137	1142



NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	24/02/11	23/02/11	
Nizamabad	1439	1439	Unch
Davangere	1505	1505	Unch
Maize Total	2944	2944	Unch

Market Analysis

- Steady to firm sentiment witnessed in major key cash markets as a result of improved demand in market.
- Maize prices at Davangere prices were up by Rs.5/qlt on better buying support from the stockists on projected improvement in demand from the industrial users.
- Maize prices at Nizamabad, Delhi and Naughachia continued to remain unchanged on sluggish trade activities at current arrival levels.
- According to China National Grain and Oil Information Center, China's corn plantings rose 4.2% to 32.5 million hectares in 2010, after an increase of 4.4% in 2009. An even bigger area is expected to be planted this year.
- As per the South African Grain Information Service's weekly report, South Africa exported 24,297 tons of white maize in the week ended February 18 from 102,234 tons the week before.
- According to news source, Egypt has purchased 120,000 mt of U.S. corn during this season.
- U.S. Department of Agriculture weekly inspections. corn for export reached 38.1 million bushels for the week ended Feb. 16, up from 27.5 million a week earlier. That topped traders' expectations for inspections of 28 million to 33 million.

We feel that prices are likely to trade with steady to firm bias for medium on improving purchases from stockists on demand from the industrial users and rabi season arrivals may start in near terms.

Spot Prices at Key Markets

Centre	Prices 25-02-11	Chng From Prior day	Arrivals 25-02-11	Chng From Prior day
Delhi	1120	Unch	300	Unch
Nizamabad	1120	Unch	100-200	Unch
Davangere	1050	+5	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

International Market (CBOT)

Strong demand and ongoing supply concerns should spark a turnaround in US corn futures following recent losses, analysts say. USDA projects season-end supplies of the grain will stay tight in the upcoming marketing year, which begins Sept. 1. Forecasts for large plantings don't ensure a large harvest because weather is unknown. Yet, futures stumbled Thursday on selling linked to global economic uncertainty and unrest in North Africa, traders say. CBOT May corn ends down 5 3/4c to \$6.96 1/2 a bushel.

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