

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 chart pattern indicates the bearish movement of maize prices.
- Prices closed above 9 day and 18 day EMA, supporting short term upward movement of prices ahead.
- RSI is moving down in the neutral region supporting bearish sentiment in the market for short term.
- MACD is moving upward indicating bullish sentiment.
- Market participants are advised to wait for next trading session.

Trade Recommendation – Maize NCDEX (March Contract)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
1126	1136	1145	1154	1164



International Market (CBOT)

U.S. corn futures end lower on demand worries and a lack of fresh supportive news. Crude oil's continued climb is fueling worries about the global economy and commodity demand. But the market remains range bound despite the dip, having closed just above its 20-day moving average. Long-term, worries about extremely tight supplies are underpinning prices. March CBOT corn down 10 1/2c, or 1.5%, to \$7.10 3/4 per bushel.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	07/03/11	05/03/11	
Nizamabad	1439	1439	Unch
Davangere	1555	1505	+50
Maize Total	2944	2994	+50

Market Analysis

- Firm sentiment witnessed in major key cash maize markets on Tuesday.
- The qualities of maize arrivals in the markets are reported to be good which supports the market to remain with firm sentiment.
- The Delhi, prices moved up by Rs.20 /Qtl on fresh buying from poultry users at higher supply. The prices in Delhi market are likely to remain firm in next trading session on active buying from poultry users.
- Fresh buying from industrial users and exporters in Davangere market has supported the maize prices higher by Rs. 30/Qtl at higher supply. The buyers are purchasing actively as the stock is ending. Karnataka produces around 10-15% of Kharif maize during the Rabi season.
- In Nizamabad, prices improved by Rs. 05/Qtl on higher offtake from starch industries at increased market arrivals. Reportedly, due to good demand and lower supply in the market the stockiest are offloading their stocks supporting the prices on higher side. Fresh arrivals are expected in a week time. The prices may remain steady to firm tomorrow.
- In Ahmadabad, prices were up for both the starch and poultry feed grade maize by Rs. 10 and 20/Qtl respectively, on sustained demand amid lower supply. The prices may remain on the higher side tomorrow.
- The outlook for China's corn import this year remains uncertain. Higher global corn prices have limited Chinese demand for corn imports and companies are unlikely to purchase corn at current prices.

We feel that prices are likely to trade range bound with firm bias for medium term on good demand from the industrial users and exporters. However, Rabi season arrivals may start in near term and may exert some pressure.

Spot Prices at Key Markets

Centre	Prices 08-03-11	Chng From Prior day	Arrivals 08-03-11	Chng From Prior day
Delhi	1200	+20	500	+200
Nizamabad	1030	+05	300	+100
Davangere	1150	+30	500	+300
Naughachia	-	-	-	-

*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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