

### 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 buyers' active participation in the futures market.
- Prices closed above 9 day and 18 day EMA, supporting short term upward movement of prices ahead.
- RSI is moving up in the neutral region supporting bullish sentiment in the market for short term.
- MACD is moving upward indicating bullish sentiment.
- Market participants may go for buy at level around 1177.

### Trade Recommendation – Maize NCDEX (April Contract)

Call	Entry	T1	T2	SL
Buy	1177	1180	1184	1173
Support & Resistance				
S2	S1	PCP	R1	R2
1163	1171	1178.5	1190	1195



### International Market (CBOT)

US corn futures finish lower for the third-consecutive day as traders book profits after prices reached 32-month highs. Uncertainty about whether political unrest will slow the global economy and reduce demand for commodities is causing market participants to reduce risk. Expectations for a subdued USDA crop report Thursday sparked selling by commodity funds. Funds sold an estimated 12,000 contracts, a healthy amount. CBOT May corn drops 12c to \$7.05 1/2 a bushel.

### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	08/03/11	07/03/11	
Nizamabad	1439	1439	Unch
Davangere	1555	1505	+50
Maize Total	2944	2994	+50

### Market Analysis

- Mostly firm tone of sentiment witnessed in major key cash maize markets on Tuesday.
- In Davangere, higher offtake by industrial users and exporters directed the maize prices higher by Rs. 15/Qtl at current supply. Firm sentiment reported throughout the trading session which may take the prices on higher side tomorrow.
- The Delhi, sustained demand held the prices at current level despite higher supply. Positive sentiment in the market is expected in next trading session.
- In Nizamabad, prices improved by Rs. 10/Qtl on higher offtake from starch industries at current supply. 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 poultry feed and starch grade maize by Rs. 10 and 15/Qtl respectively, on higher demand amid increased supply. The prices may remain on the higher side tomorrow.
- As per news source, Indonesian buyers imported around 200,000 tons of Indian corn last month and have commitment for 300,000 tons to be shipped in March and April. Cost and freight (C&F) from India to Indonesia in bulk is quoted at around \$325-\$330 a ton, up from C&F \$290-\$310/ton earlier.
- According to a news source, South Korea's Nonghyup Feed Inc. had purchased a 55,000-ton cargo of corn on Tuesday at 193 cents higher than CBOT May futures and another cargo of the same quantity at 178.12 cents over the CBOT July contract, c&f.

*We feel that prices are likely to trade steady to firm for medium term on good demand from the industrial users and exporters. However, Rabi season arrivals may exert some pressure on prices.*

### Spot Prices at Key Markets

Centre	Prices 09-03-11	Chng From Prior day	Arrivals 09-03-11	Chng From Prior day
Delhi	1200	Unch	700	+200
Nizamabad	1040	+10	300	Unch
Davangere	1150	+10	500	Unch
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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