

## 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 bullish sentiment in the market.
- Prices closed above 9 day and above 18 day EMA indicating the bullish momentum in the short term.
- MACD is moving up indicating bullish sentiment in the market for short term.
- RSI is moving up in the neutral region supporting bullish movement.
- Maize futures are likely to trade range-bound with firm bias in next session.

## Trade Recommendation – Maize NCDEX (April Contract)

Call	Entry	T1	T2	SL
<b>Sell</b>	1199	1196	1193	1204
Support & Resistance				
S2	S1	PCP	R1	R2
1181	1188	1198	1201	1207

## NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	21/03/11	19/03/11	
Nizamabad	1469	1469	Unch
Davangere	1555	1555	Unch
<b>Maize Total</b>	<b>3024</b>	<b>3024</b>	<b>Unch</b>

## Market Analysis

- Steady to weak tone of sentiments witnessed in major key cash maize markets on Monday.
- In Delhi, prices remained steady for third straight trading session due to sluggish buying from poultry user at higher supply. The maize prices may remain steady tomorrow.
- In Davangere, maize prices dipped by Rs. 10/Qtl on reduced offtake from industrial users and exporters at current supply. Trading activity will decline as maize stock is ending. Karnataka produces Rabi maize less than 1/4<sup>th</sup> of the Kharif crop.
- Rabi maize arrivals in Andhra Pradesh have started hitting spot markets in small quantities. Moisture content of 13-14% is reported in the fresh arrivals.
- In Ahmadabad, poultry grade maize traded steady while. Starch grade maize gained Rs. 30/Qtl on lower supply. Prices may trade steady to firm in next trading session.
- According to the US Grains Council, numbers of shiploads of corn on the high seas destined for Japan are being redirected away from ports that were damaged.
- As per the U.S. Department of Agriculture reported private exporters struck deals to sell 116,000 metric tons of corn for delivery to unknown destinations during the 2010-2011 marketing year.

*We feel that prices are likely to trade steady to firm for short 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 21-03-11	Chng From Prior day	Arrivals 21-03-11	Chng From Prior day
Delhi	1250	Unch	400	+100
Nizamabad	CLOSED	-	CLOSED	-
Davangere	1145	-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



## International Market (CBOT)

US corn futures close sharply higher as strong demand renews concerns about low supplies. China purchased corn from the US following a price break and may make further purchases this year, according to an employee of an international trade service agency. South Korea contracted purchases for at least eight cargoes of corn totaling 455,000 tons this week. CBOT May corn climbs 37c to \$6.83 1/2 a bushel.

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