

## 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 bullish movement of prices in the futures 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 overbought region indicating short term market is still bullish.
- Market participants are advised to go for buy around 1220.

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

Call	Entry	T1	T2	SL
Buy	1220	1224	1228	1215
Support & Resistance				
S2	S1	PCP	R1	R2
1180	1196	1223	1235	-

### NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	23/03/11	22/03/11	
Nizamabad	1469	1469	Unch
Davangere	1555	1555	Unch
Maize Total	3024	3024	Unch

## Market Analysis

- Steady to slightly firm tone of sentiments witnessed in major key cash maize markets on Thursday.
- In Delhi, prices were up by Rs. 05/Qtl on sustained demand from poultry users at lower supply. The maize prices may trade steady to slightly firm tomorrow.
- In Davangere, maize prices gained Rs. 05/Qtl as compared to last trading session, on sustained demand from local users against lower supply. There is a strong demand from local users which is likely to keep the prices on higher side in coming days. However, restricted supply is reported as Kharif crop is almost exhausted.
- In Naughachia, fresh crop arrival has started in small quantities (around 200 bags) and currently prices are prevailing on higher side at Rs. 1150/Qtl. Reported moisture content is high which is around 16-17% against normal requirement of 12%. A good number of buyers are reported in the market, however, low arrivals is not meeting the quantity demanded by the purchasers. Peak in market arrival is likely to start by second week of April.
- According to trade source, India has exported around 1-1.2 million tonnes of maize so far in current marketing season most of which was shipped to southeast Asian countries. India's current export quotes are at 305-310 USD. Around 30-40 thousand metric ton of maize is reportedly shipped to Indonesia in recent past at USD 305-310 per ton.
- According to South African Grain Information Service (SAGIS), total exports reached 1.644 million tonnes at the end of February.

*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 24-03-11	Chng From Prior day	Arrivals 24-03-11	Chng From Prior day
Delhi	1265	+05	500	-500
Nizamabad	1220	Unch	500	Unch
Davangere	1125	+05	500	-100
Naughachia	1150	-	200	-

\*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 end lower amid profit-taking after the government didn't confirm talk of export sales to China. Chatter about such deals pushed prices sharply higher last week by renewing concerns about tight supplies. Still, lingering supply worries limited losses today as wet weather may prevent farmers from planting enough corn this spring to replenish inventories. The USDA will issue its plantings estimate March 31. CBOT May corn drops 5 3/4c to \$6.81/bushel.

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