

Price Drivers

- Fresh Rabi crop arrivals.
- Higher demand from the poultry sector and exporters.
- 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 continuously in the overbought region, warranting the bulls.
- Market participants are advised to go for buy around 1230.

Trade Recommendation – Maize NCDEX (April Contract)

Call	Entry	T1	T2	SL
Buy	>1229	1234	1238	1225
Support & Resistance				
S2	S1	PCP	R1	R2
1183	1199	1230.5	1244	1247



International Market (CBOT)

US corn futures close lower on profit-taking ahead of the weekend. Traders took money off the table following a recent rally fueled by talk China had re-entered the market and bought US corn. The USDA seemed to validate the chatter Friday by reporting sales of 1.25M tons to unknown destinations. Meanwhile, demand could provide renewed support next week as traders say the USDA may announce more export business Monday. CBOT May corn slides 13c to \$6.89 1/2 a bushel.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	25/03/11	24/03/11	
Nizamabad	543	543	Unch
Davangere	1555	1555	Unch
Maize Total	2098	2098	Unch

Market Analysis

- Steady tone of sentiments witnessed in major key cash maize markets on Saturday.
- In Delhi, prices traded steady due to absence of fresh buying at current supply. The maize prices may trade steady to slightly firm on Monday.
- In Davangere, maize prices gained Rs. 05/Qtl as compared to last trading session, on sustained demand from local users at 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 Ahmadabad, prices of both poultry and starch grade maize gained by Rs.05 and Rs.15/Qtl respectively, on lower market arrivals. Prices in this centre are likely to trade steady to firm in the next trading session.
- As per the U.S. Department of Agriculture weekly export sales, corn export for the period March 10-17, 2011 totaled 895,000 MT were down 14 percent from the previous week and 13 percent from the prior 4-week average. Increased exports were reported for Japan, Colombia, Venezuela, Mexico and South Korea.
- According to Mexico's Agriculture Ministry, the country managed to replant 269,000 hectares of white corn in Sinaloa. The goal had been between 2.5 million and 3 million tons after freezes in February destroyed more than 4 million tons of the crop in the state. State's white corn production this season will be between 2.1 million and 2.3 million tons.

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 26-03-11	Chng From Prior day	Arrivals 26-03-11	Chng From Prior day
Delhi	1250	Unch	500	Unch
Nizamabad	1220	Unch	500	-200
Davangere	1135	+05	400	-100
Naughachia	1150	Unch	300	Unch

*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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