

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 bearish movement of prices in the futures market.
- Prices closed above 9 day and above 18 day EMA indicating bullish momentum in the short term.
- MACD is moving flat suggesting sideways movement of prices.
- RSI is moving down in the overbought region indicating bearish price movement in the market ahead.
- Market participants are advised to go for sell around 1218.

Trade Recommendation – Maize NCDEX (April Contract)

Call	Entry	T1	T2	SL
Sell	<1219	1215	1211	1224
Support & Resistance				
S2	S1	PCP	R1	R2
1183	1199	1219	1244	1247

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	26/03/11	25/03/11	
Nizamabad	543	543	Unch
Davangere	1555	1555	Unch
Maize Total	2098	2098	Unch

Market Analysis

- Steady to firm tone of sentiments witnessed in major key cash maize markets on Monday.
- In Delhi, prices traded steady for third straight day due to absence of fresh buying at current supply. The maize prices may trade steady to slightly firm tomorrow.
- In Davangere, maize prices gained Rs. 15/Qtl as compared to last trading session, on higher demand from local users at current 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, maize prices traded steady today at Rs. 1150/Qtl despite lower supply. The moisture content of fresh Rabi crop is reported to be high at around 16% against normally accepted moisture content of 12%.
- Nizamabad spot market will remain closed, starting today, till 6th of April due to affairs related to financial year ending.
- In Ahmadabad, prices of poultry grade maize gained by Rs.10/Qtl on higher offtake from poultry users whereas starch grade maize traded steady on sluggish buying at lower market arrivals. Prices in this centre are likely to trade steady to firm in the next trading session.
- According to the U.S. Department of Agriculture, private exporters reported export sales of 1,250,000 metric tons of corn for delivery to unknown destinations. Of the total, 1,000,000 tons is for delivery during the 2010/2011 marketing year and 250,000 tons is for delivery during the 2011/2012 marketing year.

We feel that prices are likely to trade steady to slightly 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 28-03-11	Chng From Prior day	Arrivals 28-03-11	Chng From Prior day
Delhi	1250	Unch	500	Unch
Nizamabad	CLOSED			
Davangere	1150	+15	400	Unch
Naughachia	1150	Unch	200	-100

*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 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.

DISCLAIMER

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>