

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 bullish momentum in the short term.
- MACD is moving up supporting bullish movement of prices.
- RSI is moving up in the overbought region warranting the bulls.
- Market participants are advised to go for sell around 1254.

Trade Recommendation – Maize NCDEX (April Contract)

Call	Entry	T1	T2	SL
sell	<1255	1251	1248	1258
Support & Resistance				
S2	S1	PCP	R1	R2
1205	1120	1255	1267	1280



International Market (CBOT)

US corn futures finish sharply higher as Thursday's USDA's lower-than-expected inventory forecast fuels supply fears for a second day. Tight stocks confirm high prices hasn't slowed down demand from grain users, including livestock producers, and point toward a cut in government's season-end supply outlook next week. CBOT May corn ended up 42 3/4c, or 6.2%, at \$7.36. The daily trading limit Monday will revert back to 30c from Friday's extended level of 45c.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	01/03/11	31/03/11	
Nizamabad	543	543	Unch
Davangere	1555	1555	Unch
Maize Total	2098	2098	Unch

Market Analysis

- Steady to weak tone of sentiments witnessed in major key cash maize markets on Saturday.
- In Delhi, prices continued trade steady due to sluggish demand from poultry users at current supply. The maize prices may trade steady with weak bias in next trading session.
- In Davangere, maize prices dipped by Rs.10/Qtl as compared to last trading session, on lower offtake from local users and exporters despite lower supply. Lower market activity is reported due to cricket world cup final today. The prices may open higher in next trading session as good demand is seen in the market.
- In Naughachia, maize prices remained steady due absence of fresh buying at current supply. Moisture content of maize is reported to be around 14-15%.
- In Ahmadabad, prices of poultry feed grade maize traded steady while, starch grade maize gained Rs. 20/Qtl on higher demand from industrial users.
- As per the U.S. Department of Agriculture weekly export sales, corn export for the period March 18-24, 2011 totaled 1.91 million MT, a marketing-year high, which is noticeably higher from the previous week and from prior 4-week average. Increased exports were reported for Japan, Taiwan, Egypt, South Korea and Mexico. The higher weekly sales are supporting the maize prices.

We feel that prices are likely to trade steady to slightly weak as the fresh crop arrival have started in the spot markets (Bihar and Nizamabad) and is likely to exert pressure on prices for short term. However, good demand from poultry, starch industry and exporters may restrict sharp fall of prices or even sustain the prices at current level.

Spot Prices at Key Markets

Centre	Prices 02-04-11	Chng From Prior day	Arrivals 02-04-11	Chng From Prior day
Delhi	1250	Unch	500	Unch
Nizamabad	CLOSED			
Davangere	1190	-10	400	-300
Naughachia	1190	Unch	100	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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