

Price Drivers

- Fresh Rabi crop arrivals.
- Higher demand from the poultry sector and exporters.
- Higher demand from starch industry.
- Lowered forecasts for US inventories, tightening global food supplies after adverse weather slashed harvests.

Technical Analysis:

- As charts suggests, price corrects from the highs, trend may remain range bound with weak bias.
- Prices closed above 9 day and above 18 day EMA
- MACD is moving down, further supporting bearish movement of prices.
- RSI is moving up in the neutral zone warranting the bears.

Trade Recommendation – Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
Sell Below	1322	1313	1308	1329
Support & Resistance				
S2	S1	PCP	R1	R2
1300	1306	1318	1325	1335



International Market (CBOT)

Chicago Board of Trade futures are called 7 cents to 9 cents lower. In overnight trade, corn for May delivery at the Chicago Board of Trade was down 8 3/4 cents, or 1.2%, to \$7.46 3/4 per bushel. After setting a fresh all-time record of \$7.83 3/4 Monday, the market has been dragged lower this week by profit-taking and pressure from other commodities, including crude oil, due to worries about the global economy and demand. Weekly export sales topped trader expectations. The USDA reported weekly net sales of 1.1 million metric tons, including 848,000 for the 2010-11 marketing year and 253,500 for the 2011-12 year. The old crop sales in particular bested trader expectations.

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	13/04/11	12/04/11	
Nizamabad	461	461	Unch
Davangere	1555	1555	Unch
Maize Total	2016	2016	Unch

Market Analysis

Steady sentiment was witnessed in various markets of Maize.

- Regular offtake of the commodity from poultry and starch industries has supported its prices and restricted its prices to move in southwards direction.
- Since wheat prices are lower compared to the corn prices and due to this, poultry and animal feed millers are substituting wheat in place of corn to some extent.
- Robust demand of Indian corn in global markets coupled with low carry-in stocks has improved the corn prices in domestic markets and is further expected to keep the prices on higher note.
- Although arrival of new crop has started in Bihar but failed to create supply pressure in the local markets and this has also supported bullish sentiments. Disruptive weather in Bihar has also resulted in lower supplies.
- New crop in Bihar contains higher moisture level (around 16%) compared to the normal level and this has raised the demand of good quality maize.
- Since new crop arrival in Bihar will improve from mid May onwards and this might check maize prices in near term.

We feel that prices are likely to trade range bound as the impact of fresh crop arrival (Bihar and Nizamabad) is likely to offset the impact of good demand from poultry and starch industry.

Spot Prices at Key Markets

Centre	Prices 15-04-11	Chng From Prior day	Arrivals 15-04-11	Chng From Prior day
Delhi	1400	-	Nil	Unch
Nizamabad	1270	-	500	Unch
Davangere	NA	-	-	-
Naughachia	1175	-	2000	-1000

*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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