

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 up, further supporting bullish movement of prices in medium term.
- RSI is moving down in neutral zone supporting the bearish movement.
- Market participants are suggested to go for selling from higher sides.

Trade Recommendation - Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
Sell	<1324	1318	1313	1329
Support & Resistance				
S2	S1	PCP	R1	R2
1309	1316	1316	1326	1331

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	15/04/11	13/04/11	
Nizamabad	461	461	Unch
Davangere	1555	1555	Unch
Maize Total	2016	2016	Unch


International Market (CBOT)

After setting a fresh all-time record of \$7.83 per bushel on CBOT corn futures end up by 0.82 percent higher in the fortnight period on shrinking supplies to settle at \$7.42 cents per bushel from \$7.36 cents per bushel. Sharp rise in CBOT corn futures mainly noticed on bullish factor that, USDA's lower-than expected inventory forecast. 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. Analysts says that, corn prices need to rise strongly in the near term to ration demand, including feed industry.

Market Analysis

Steady to firm sentiment was witnessed in various markets of Maize.

- Maize prices at Delhi market remained unchanged on lack major trade activities in maize.
- Maize prices at Nizamabad market were up by Rs. 20/qtl on increased purchase from the poultry and industrial users.
- Maize prices at Naughachia remained unchanged on reduced offtake from the buyers on lean arrival levels.
- Regular offtake of the commodity from poultry and starch industries supporting maize prices and restricting its prices to fall down despite start of Rabi crop arrival to mandies.
- Since wheat prices (Rs. 1000-1050/qtl) 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.
- Maize prices at spot market were sturdily up and ranged from Rs 25-150/Qtl on good demand from buyer side during fortnight period.
- NCDEX spot prices of maize (feed/industrial grade) is up by 8.60 percent at Davangere, 10.40 percent at Karimnagar and 7.80 percent at Nizamabad compared to last month prices. And currently maize (feed/industrial grade) is trading in the price range of 1224 to 1264 per quintal on higher demand from the buyer's side.

We feel that prices are likely to trade range bound as the unfavorable weather condition restricting the arrival of fresh crop produce to markets and higher demand from poultry and starch industry may move the prices higher side for short term.

Spot Prices at Key Markets

Centre	Prices 18-04-11	Chng From Prior day	Arrivals 18-04-11	Chng From Prior day
Delhi	1400	Unch	Nil	-
Nizamabad	1290	+20	500	Unch
Davangere	1300	-	-	-
Naughachia	1150	Unch	2000	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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