

Price Drivers

- Fresh Rabi crop arrivals.
- Higher demand from the poultry, starch industry and exporters.
- India is likely to have normal monsoon in the current season- IMD
- Lowered forecasts for US inventories, tightening global food supplies after adverse weather slashed harvests.

Technical Analysis:

- As charts suggests that range bound to firm bias for short term. .
- Prices closed above 9 and 18 day EMA and bullish sentiment may continue for short term.
- MACD is moving up, further supporting bullish movement of prices in medium term.
- RSI is moving up in neutral zone supporting the bullish movement.
- Market participants are suggested to go for buying from lower levels.

Trade Recommendation - Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
BUY	>1315	1320	1324	1308
Support & Resistance				
S2	S1	PCP	R1	R2
1312	1320	1318.50	1326	1333

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	20/04/11	19/04/11	
Nizamabad	614	461	+153
Davangere	1555	1555	Unch
Maize Total	2169	2016	+153

Market Analysis
Steady to weak sentiment witnessed in various markets of maize on Thursday.

- Maize prices at Delhi market remained unchanged on lack major trade activities in maize.
- Maize prices at Davangere were down by Rs. 10/qttl on reduced offtake from the traders at reduced arrival levels. And prices at Naughachia (Bihar) and Nizamabad were remained unchanged from previous day.
- Peak arrivals from Andhra Pradesh and Bihar may pressurize the prices in short term but regular offtake from the poultry and starch industries may hold at higher levels by supporting the maize prices.
- Since wheat prices (Rs. 1000-1050/qttl) 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. And it may also impact on import requirement from the countries.
- IGC reported that, corn markets are particularly tight, with total supplies expected to fall by 0.8% this year and Inventories are expected to fall even further next season, with carryover stocks expected to decline 8 million tons from this season's low levels to 111 million tons- IGC.
- South Africa's government raised its forecast of maize output for the 2010/11 season to 10.88 million tonnes from 10.83 million tonnes in its previous forecast.
- USDA reported corn planting progress (as of April 17) at 7% complete, up from 3% a week ago, but well below 16% a year ago and the ten-year average of 10%. Cool and wet weather delaying planting of corn and farmers need favorable conditions to sow and harvest a large crop to rebuild low inventories.

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 20-04-11	Chng From Prior day	Arrivals 20-04-11	Chng From Prior day
Delhi	1400	Unch	Nil	-
Nizamabad	1290	Unch	500-700	Unch
Davangere	1290	-10	200-300	-200
Naughachia	1100-1150	Unch	2000	Unch

*Prices in Rs/Qttl, Arrivals in Bags (1 bag = 1 qtl), All are Bilty prices except in Delhi which is for Hybrid maize.


International Market (CBOT)

CBOT corn futures finish sharply lower as traders take profits. Deferred contracts fell hardest on chatter about drier, long-range forecasts that looked more favorable for planting. Meteorologists see little improvement in near-term weather. Slide triggered pre-placed sell orders, which accelerated the decline, traders note. CBOT July corn drops 16 1/2c to \$7.40 1/2 a bushel; December corn loses 20 1/2c to \$6.55 1/2.

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