

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 bearish sentiment for short term.
- Prices closed below 9 and above 18 day EMA and bearish sentiment in short term.
- MACD is moving up, further supporting bullish movement of prices for short term.
- RSI is moving down in neutral zone supporting the bearish movement.
- Market participants are suggested to go for selling from higher levels.

Trade Recommendation - Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
SELL	<1321	1312	1307	1328
Support & Resistance				
S2	S1	PCP	R1	R2
1299	1311	1307	1330	1336

NCDEX Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	23/04/11	20/04/11	
Nizamabad	614	614	Unch
Davangere	1555	1555	Unch
Maize Total	2169	2169	Unch

Market Analysis
Mostly steady to weak sentiment witnessed in various markets of maize on Monday.

- Maize prices at Davangere were down by Rs. 40/qlt on reduced offtake from the traders at reduced arrival levels. And prices at Naughachia (Bihar) were down by Rs. 50/qlt on higher arrivals at current demand level.
- During the year 2010-11 total (Kharif & Rabi) area under maize in India reported at around 8.81 million hectares which is up by 6.02 percent compared to the last year's area of 8.31 million hectares.
- Overall maize crop output (Kharif and Rabi) from India is expected to be on higher side at around 19.26 million tonnes against last year's 16.72 million tonnes.
- As per the Agriwatch production estimates, India will have a total availability of 19.61 million tonnes (including carry-in of 0.35 MMT and production of 19.26) which outpaces India's total domestic requirement of 18.9 (including expected export of 2 MMT).
- Carry-out stocks for the fiscal 2010-11 are expected to rise by 102.8 per cent to 0.71 MMT which is more than sufficient to meet growing requirement of poultry and starch industry for almost one and half months.
- Since wheat prices (Rs. 1000-1050/qlt) 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.
- Increased domestic demand from poultry and starch industries couple with strong export demand continued to support to the domestic maize prices.

We feel that prices are likely to be range bound to week on 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 25-04-11	Chng From Prior day	Arrivals 25-04-11	Chng From Prior day
Delhi	1400	Unch	Nil	-
Nizamabad	1330	+10	500-700	Unch
Davangere	1250	-40	200	-100
Naughachia	1050-1100	-50	5000	+3000

*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)

CBOT corn futures finish higher; with deferred contracts rising the most as forecasts show wet weather will continue to delay plantings. Market rebounds after sinking yesterday as meteorologists say conditions look soggy into early May. Yet, farmers can plant the crop quickly if the weather improves. CBOT July corn ends up 4c at \$7.44 1/2 a bushel. CBOT December corn, which represents the crop being planted for harvest next fall, was up 10c at \$6.65 1/2.

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