

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 in the market.
- Prices closed below 9 and 18 day EMA and bearish sentiment may continue for short term.
- MACD is moving down and supporting bearish movement in short term.
- RSI is moving down in neutral zone supporting the bearish movement.
- Range bound to firm movement is expected in next trading session and market participants are suggested to go for buying from lower levels.

Trade Recommendation - Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
BUY	>1264	1272	1277	1259
Support & Resistance				
S2	S1	PCP	R1	R2
1260	1264	1264.50	1278	1286



International Market (CBOT)

CBOT corn futures tumble 2.9%, slumping as traders reduce risk premium amid hopes for improved planting opportunities. The market went into the weekend adding premium on fears of severe planting delays; now the forecasts have open window of opportunity for active planting the western Midwest. Today's declines were weather-related as the market has a perception farmers in parts of the western belt could actually finish up some corn seedings before a new rain system moves into the area. CBOT July corn was down 22c at \$7.34 1/2 a bushel.

NCDEX Maize Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	02/05/11	30/04/11	
Nizamabad	564	564	Unch
Davangere	1555	1555	Unch
Maize Total	2119	2119	Unch

Market Analysis

Mostly mixed sentiment witnessed in various markets of maize.

- Maize prices at Delhi continued to remain steady as a result of lack trading activities for maize, wherein high prices of maize provoking poultry users to use in feed and replacing it with feasible price level wheat.
- Maize prices at Naughachia and Nizamabad market were down by Rs. 10/quintal on increased arrivals of Rabi maize to meet the existing higher demand from poultry and starch industry users.
- Rabi maize arrival to market is picked up and moisture content is varying around 15-16% in produce.
- Poultry feed grade maize prices at Ahmadabad were down by Rs. 10/quintal on reduced offtake from the poultry feed users which may shifting to wheat use (mainly in north India) in place of maize to minimize the cost of feed.
- An Indian ministerial panel deferred a decision on lifting a ban on wheat exports as it wanted to first take stock of requirement under a proposed food security law to increase subsidized grain sales. And it may reduce the wheat prices considerably whereby poultry users may go for use of higher quantity of wheat in poultry feed.
- USDA reported corn planting progress as of May 1 at 13% complete. Corn planting increased only 4 points from last week and is well below the ten year average of 43%. This is the slowest planting pace in 16 years, only slightly ahead of 1995 (11%) and 1993 (8%).

We feel that prices are likely to be steady to weak on higher arrivals from major Rabi maize growing areas but the higher demand from poultry and starch industry may continue to hold the prices higher side for medium term.

Spot Prices at Key Markets

Centre	Prices 03-05-11	Chng From Prior day	Arrivals 03-05-11	Chng From Prior day
Delhi	1240	Unch	1000	Unch
Nizamabad	1320	-10	400-500	Unch
Davangere	1300	+40	200	Unch
Naughachia	1000	-10	7000-8000	+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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