

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

Trade Recommendation - Maize NCDEX (May Contract)

| Call | Entry | T1 | T2 | SL |
|----------------------|-------|------|------|------|
| BUY | >1236 | 1243 | 1252 | 1228 |
| Support & Resistance | | | | |
| S2 | S1 | PCP | R1 | R2 |
| 1236 | 1240 | 1251 | 1258 | 1266 |



International Market (CBOT)

CBOT corn futures close higher as supply worries boost the market even as other commodities stumble. Concern about extremely tight supplies this summer fueled gains, along with the sluggish start to the planting season. Farmers unable to plant corn on time will switch to soybeans instead because corn yields drop the later the crop is planted. May CBOT corn climbs 7 1/2c to \$7.26 1/2 per bushel.

NCDEX Maize Warehouse Stock (in Tonnes)

| Location | Dematted Stocks | | Change |
|--------------------|-----------------|-------------|-------------|
| | 04/05/11 | 03/05/11 | |
| Nizamabad | 615 | 564 | +51 |
| Davangere | 1555 | 1555 | Unch |
| Maize Total | 2170 | 2119 | +51 |

Market Analysis

Mostly mixed sentiment continued in various markets of maize on Thursday.

- 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 low quality wheat and bajra.
- Maize prices at Naughachia and Nizamabad were firm and rose by Rs. 10/qtl and Rs. 15/qtl respectively on improvement in the purchase from poultry and starch users.
- Maize prices at Davangere were down by Rs. 65/qtl on reduced offtake from the poultry and starch users.
- NCDEX spot maize prices were down by 1.19 percent compared to prices in the beginning of week. Prices were down from Rs. 1284.75/quintal to Rs. 1269.45/quintal in the week period on pressure from Rabi maize arrival.
- South African yellow-corn exports almost quadrupled to a 14-year high as traders found new markets for a surplus of the grain after farmers reaped a bumper crop. As per the South African Grain Information Services, shipments jumped to 1.02 million metric tons in the year ended April 30 from 261,608 tons in the prior period.
- China is behind one of the biggest-ever purchases of US corn will underpin prices of the grain, even if the US harvest recovers from sowing delays to achieve bumper yields.
- USDA reported corn planting progress as of May 1 at 13% complete and lagged planting progress supported new crop contract futures at CBOT in earlier days and prices came down considerably on weather reports that weather improvement in short term which will facilitate improved planting.

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 05-05-11 | Chng From Prior day | Arrivals 05-05-11 | Chng From Prior day |
|------------|-----------------|---------------------|-------------------|---------------------|
| Delhi | 1240 | Unch | 1000 | +300 |
| Nizamabad | 1320 | +10 | 500-700 | Unch |
| Davangere | 1255 | -65 | 200 | Unch |
| Naughachia | 1015 | +15 | 5000 | +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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