

### 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 in oversold zone and bearish movement may terminate in short term.
- RSI is moving down in neutral zone supporting the bearish movement.
- Range bound to weak market movement may expected in next trading session and market participants are suggested to go for selling.

### Trade Recommendation - Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
<b>SELL</b>	<1241	1233	1229	1249
Support & Resistance				
S2	S1	PCP	R1	R2
1223	1229	1233	1248	1258



### International Market (CBOT)

CBOT corn futures end lower, unable to buck the broader commodity selling trend, despite ongoing supply worries and a sluggish start to the planting season. Market was also pressured by slowing export demand, a potential sign that high prices may be reducing demand for corn. Corn for July delivery, the most actively traded contract, ended down 20 3/4 cents, or 2.8%, to \$7.08 3/4 a bushel. New crop December contract dropped 9 1/2 cents or 1.4% to \$6.55 3/4.

### Market Analysis

**Mostly mixed sentiment continued in various cash markets of maize on Friday. NCDEX maize futures contract traded with bearish sentiment in today's trading session.**

- Maize prices at Delhi continued to remain steady as a result of lack trading activities for maize.
- Maize prices at southern India major markets mainly Davangere and Nizamabad were weak and fall by Rs. 10/qtl and Rs. 25/qtl respectively on improvement in the purchase from poultry and starch users. Increase in arrivals also noticed.
- Maize prices at Naghachia market were marginal up by Rs. 5/qtl on higher arrivals today to meet the existing demand from the poultry and starch industry users.
- As per FAO officials, corn is going to play a critical factor in determining what the trend will be for the food crops in general. Because, U.S corn stocks already critically tight, any uptick in demand could pose a critical threat to the world market.
- 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 06-05-11	Chng From Prior day	Arrivals 06-05-11	Chng From Prior day
Delhi	1240	Unch	1500	+500
Nizamabad	1310	-10	800	+100
Davangere	1230	-25	250	+50
Naughachia	1020	+05	6000	+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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