

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

Trade Recommendation - Maize NCDEX (May Contract)

Call	Entry	T1	T2	SL
SELL	<1247	1236	1226	1254
Support & Resistance				
S2	S1	PCP	R1	R2
1222	1235	1243	1258	1267



International Market (CBOT)

CBOT corn ends sharply lower on good US planting weather and outside market pressure. Combination of rapid planting progress, particularly in Iowa, and pressure from a broad-based recent plunge in commodities, "is a death trap for corn," analyst said. Market tumbled 9.3% on the week as crude oil plunged to an eight-week low. While corn supplies remain very tight, improved weather eases worries that the soggy weather would lead to fewer corn acres and lower yield. CBOT July corn ends down 22 1/2c, or 3.2%, to \$6.86 1/4.

NCDEX Maize Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	06/05/11	05/05/11	
Nizamabad	336	336	Unch
Davangere	1555	1555	Unch
Maize Total	1891	1891	Unch

Market Analysis

Steady sentiment featured in various cash markets of maize on Saturday.

- Due to weekend period maize market was reported inactive today.
- In domestic market trade participants are expecting that, higher supply and waning demand by traders at higher levels may pressurize the maize prices in coming days.
- Poultry feed users may shift to use low quality wheat in the feed ingredient in place of maize as bumper wheat production achieved in the country this year and continued ban on wheat may bring prices at more cheap level which will provoke poultry feed to use higher amount of wheat.
- China's spring sowing is proceeding well, with progress so far considerably faster than last year as a result of ample soil moisture and sufficient availability of inputs. Therefore, corn output this year may increase slightly, to 170 million tons, from last year's 167 million tons on increased acreage.
- 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.

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 07-05-11	Chng From Prior day	Arrivals 07-05-11	Chng From Prior day
Delhi	1240	Unch	1200	300
Nizamabad	1310	Unch	800	Unch
Davangere	1230	Unch	250	Unch
Naughachia	1020	Unch	6000	Unch

*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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