

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 suggesting bearish sentiment for short term.
- MACD is moving down in negative zone and current expectations continue with bearish movement for short term.
- RSI is moving up in neutral zone supporting the bullish movement.
- Range bound to firm market movement 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	1248	1229
Support & Resistance				
S2	S1	PCP	R1	R2
1230	1236	1247	1249	1256



International Market (CBOT)

CBOT US corn futures finish sharply higher in a rebound from last week's 9% fall. Surging prices for crude oil and precious metals and weakness in the dollar supported the recovery as commodity funds re-entered the markets to buy. Nearby corn contracts fell; most fueled by ideas that fund liquidation and export demand will slow limiting corn prices at or near all-time highs. CBOT July corn surges 21 1/4c to \$7.07 1/2 a bushel.

NCDEX Maize Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	09/05/11	07/05/11	
Nizamabad	336	336	Unch
Davangere	1555	1555	Unch
Maize Total	1891	1891	Unch

Market Analysis

Mostly steady to firm sentiment featured in various cash markets of maize on Tuesday.

- Maize prices at Davangere and Nizamabad market were up by Rs. 30/qlt and Rs. 65/qlt on higher demand from the starch as well as poultry industry. Rabi maize crop moisture content at Nizamabad mandi recorded at 14-15% and arrivals remained lower side.
- Maize prices at Naughachia were remained steady on reduced arrivals which was possible to meet the existed demand in the market from buyers.
- 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.
- Prevailing maize FOB prices were India- \$310-320/ton, Argentina- \$302-305/ton and US-\$295-297/ton. Considerable amount of reduction in FOB prices of maize is noticed from US as well as Argentina and India's FOB prices remained unchanged compared to prices at previous month on higher domestic demand.
- US corn FOB prices were down on lack of export demand.
- Corn supplies at US remain very tight, improved weather eases worries that the soggy weather would lead to fewer corn acres and lower yield.
- USDA put corn plantings at 13 per cent complete as of Sunday, off last year's pace of 66 per cent complete this time last year and under the five-year average pace of 40 per cent for this time of year.

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 10-05-11	Chng From Prior day	Arrivals 10-05-11	Chng From Prior day
Delhi	1240	Unch	2000	Unch
Nizamabad	1290	+65	700	-300
Davangere	1250	+30	250	+100
Naughachia	1025	Unch	5000	-5000

*Prices in Rs/Qt, Arrivals in Bags (1 bag = 1 qtl), All are Bilty prices except in Delhi which is for Hybrid maize.

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