

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 suggesting bearish sentiment in market.
- MACD is moving down in negative zone and current expectations continue with bearish movement for short term.
- RSI is moving down in neutral zone supporting the bearish movement.
- Range bound to weak market movement expected in next trading session and market participants are suggested to go for selling.

Trade Recommendation - Maize NCDEX (June Contract)

Call	Entry	T1	T2	SL
SELL	<1263	1256	1250	1255
Support & Resistance				
S2	S1	PCP	R1	R2
1242	1250	1244	1265	1274



International Market (CBOT)

CBOT corn futures finish slightly higher in a rebound from limit-down losses Wednesday. Gains in crude oil helped spark the afternoon recovery after an early selloff in oil weighed on grains. Oil is linked to the grains because ethanol is made from corn and funds often trade in a basket of commodities. Funds bought an estimated 7,000 corn contracts, a moderate amount, traders say, with renewed demand for corn from foreign buyer's added support to prices. CBOT July corn rises 3 1/4c to \$6.80 1/2 a bushel.

NCDEX Maize Warehouse Stock (in Tonnes)

Location	Dematted Stocks		Change
	12/05/11	10/05/11	
Nizamabad	336	336	Unch
Davangere	1547	1555	Unch
Maize Total	1883	1891	Unch

Market Analysis

Mostly steady to weak sentiment featured in various cash markets of maize on Friday.

- Karimnagar and Nizamabad (AP) markets remained down on lack of buyers in the market as major concentration moved to paddy arrivals. Stockists may continue to hold the stock to pull up the market prices higher side.
- Maize prices at Davangere remained unchanged as of continued decline in the arrivals.
- Maize prices at Delhi and Naughachia markets remained unchanged on same level of arrivals compared to previous day.
- As per news source, China is in talks with Argentina to buy up an unspecified amount of corn.
- As per FAO, world cereal stocks for the crop seasons ending in 2011 are forecast to decline to their lowest level since 2008, mostly due to depleting coarse grain inventories. Depleted inventories may keep the coarse grains prices higher side for the medium term.
- US Corn production for 2011/12 is projected at a record 13.5 billion bushels, up 1.1 billion from 2010/11 as a 4.0-million-acre increase in intended plantings and a recovery from last year's weather-reduced yields boost expected output.
- Global corn exports are projected higher for 2011/12 with increases for Argentina, Russia, and Ukraine more than offsetting reductions for the United States, Canada, and Brazil and ending stocks for 2011/12 are projected at 129.1 million tons, up 7.0 million from 2010/11.

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 13-05-11	Chng From Prior day	Arrivals 13-05-11	Chng From Prior day
Delhi	1230	Unch	1500	Unch
Nizamabad	1190	-20	700	-300
Davangere	1250	Unch	200	-150
Naughachia	1025	Unch	4000	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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