

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Maize cash markets are likely to trade firm due to stockiest demand. Besides, demand from Bangalore and Namakkal could also support the maize prices.

In Bihar, around 80% maize crop harvesting has been completed. Crop is in good condition.

India exported 3484 MT maize during the week ended 15th May'16 against 3584 MT previous week ending 01st April'16.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 5 per quintal to Rs. 1535 per quintal. Starch feed makers quoted it firm by Rs. 20 per quintal at Rs.1560 per quintal compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for Jun contract near 1388 levels for a target of 1412 and 1424 with a stop loss at 1376 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1400-1470 per quintal for the week.

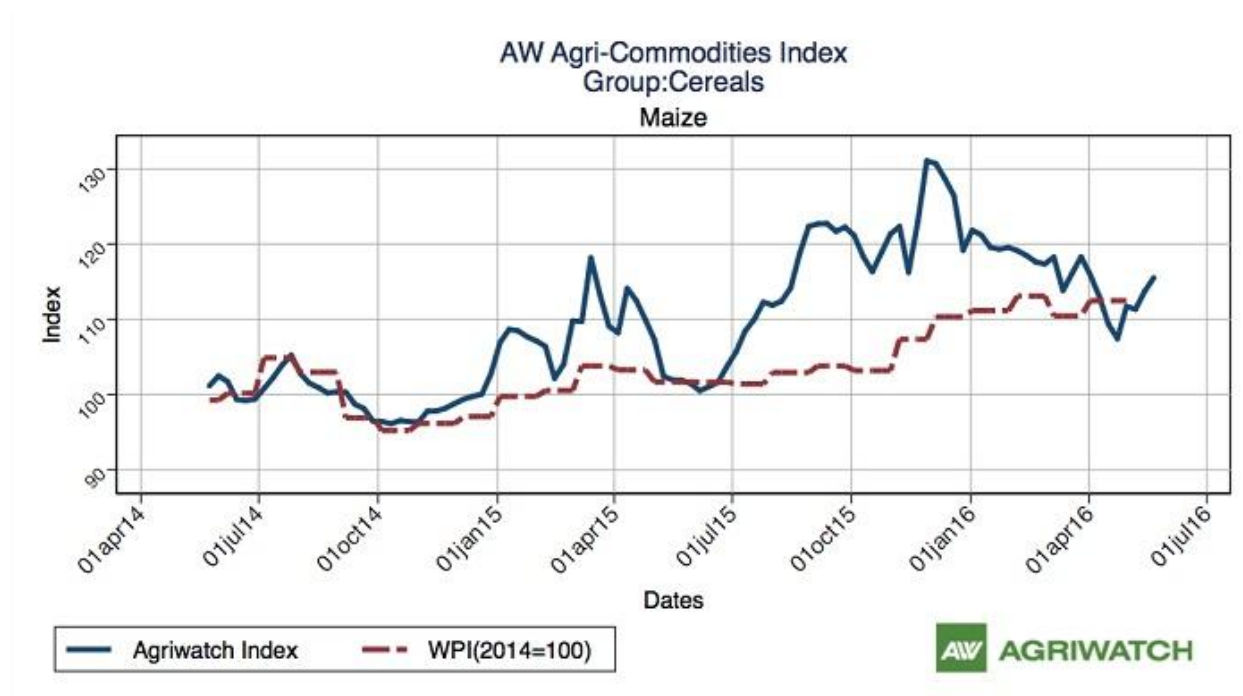
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 10.03 USD/MT to 157.24 USD/MT for May contracts due to weather uncertainty.

At 1.17 MMT (for the period 6th May- 12th May, 2016) exports were up 3 percent from the previous week, but down 1 percent from the prior 4-week average.

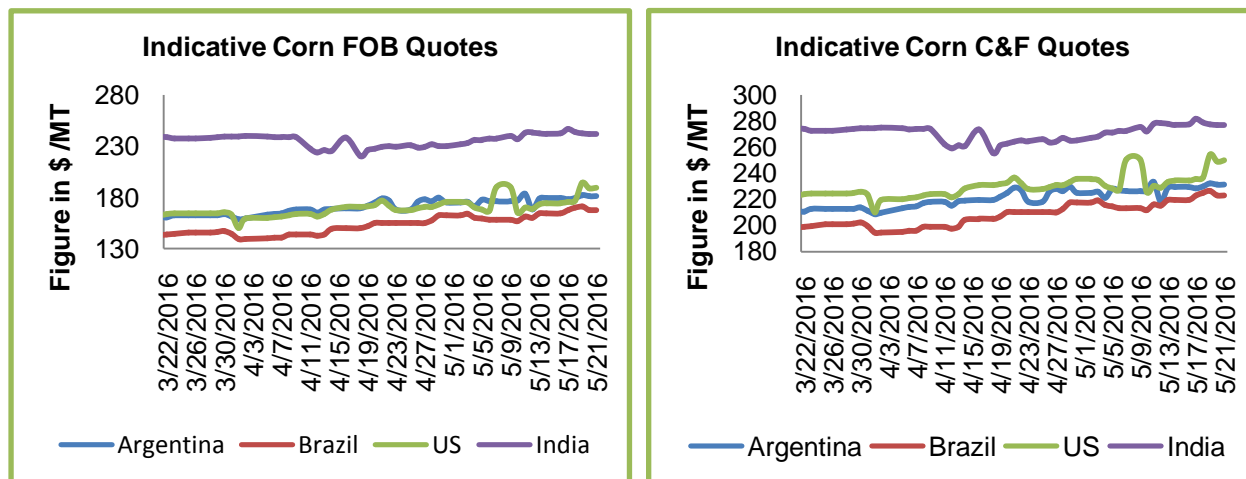
In U.S, 75% corn planting has been completed as of 15th May, 2016, down 7% compared to last year but higher by 5% from last 5 year average period.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index up 1.16% during the week ended May 21, 2016 compared to previous week. The base for the Index and all sub-Indices is 2014 (= 100). Detailed charts and index computation methodology can be viewed on the ET website and on Agriwatch.com.

EXPORT PARITY TREND



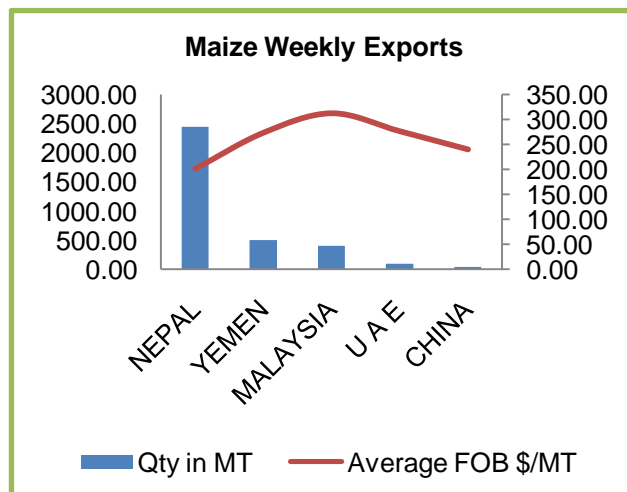
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 67.42)

As on 21.05.2016	Argentina	Brazil	US	India
FOB	181.10	167.97	189.73	241.86
Cost and Freight (C&F)	231.10	222.97	249.73	276.86

As depicted by the above data, there is no parity for Indian maize as gap of prices between India and other exporting countries is wide. More import is possible in new M.Y if prices get firmer.

EXPORT BREAK UP BY MAJOR COUNTRIES

- As per IBIS data, India exported 3484 MT maize during the week ended 15th May'16 against 3584 MT previous week ending 08th May'16. Maize has been exported at an average FoB of \$218.09/ MT. Indian maize is exported mainly to Nepal followed by Yemen and Malaysia mainly through Raxul LCS followed by JNPT Sea.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

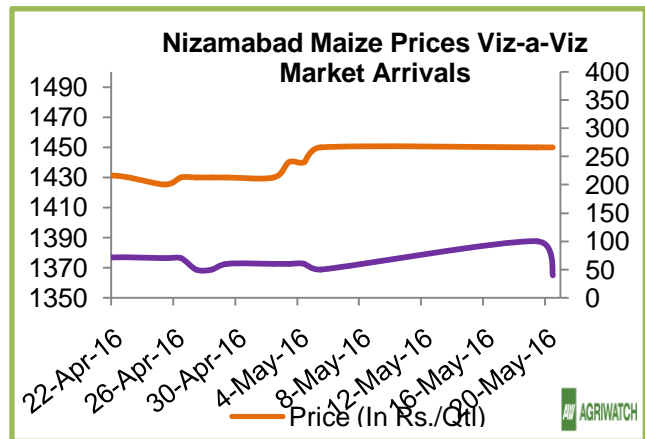
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	15700 (Davangere Origin)	N.A
Namakkal	15800 (Davangere Origin)	N.A
Chennai	15500 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

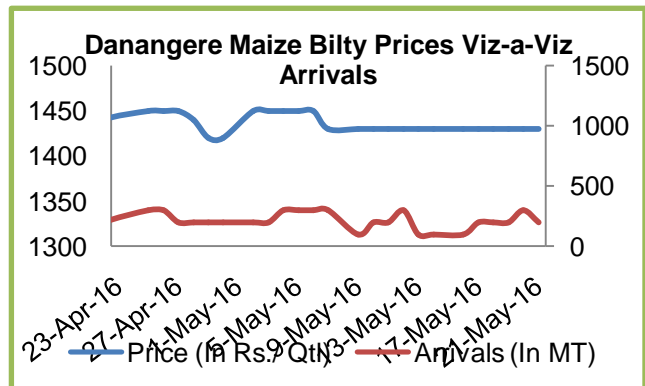
During the week under review, overall steady to slightly firm sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In A.P, maize is likely to trade firm amid high demand and low supply. In Nizamabad, stock of maize could be around 20000 MT which was 10000 MT compared to last year.

KARNATAKA:

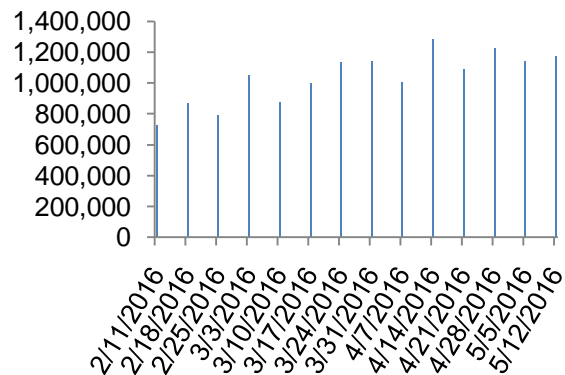
- Maize sourced from Davangere moved towards Bangalore, Nammakal and Chennai at Rs. 1570 per quintal, Rs. 1580 per quintal, and Rs. 1550 per quintal respectively. Market is expected to trade firm in the near term due to high demand from Bangalore and Namakkal feed makers.

DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade firm in the near term due to stockiest demand.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 26.896 MMT in the 2015-16 marketing year. At 1.17 MMT (for the period 6th May-12th May, 2016) exports were up 3 percent from the previous week, but down 1 percent from the prior 4-week average. The primary destinations were Japan (347,400 MT), Mexico (265,800 MT), Taiwan (69,500 MT), South Korea (67,900 MT), Saudi Arabia (55,000 MT), Peru (49,500 MT), Algeria (45,600 MT), and Chile (45,300 MT).
- In U.S, 75% corn planting has been completed as of 15th May, 2016, down 7% compared to last year but higher by 5% from last 5 year average period. 43% crop of corn has emerged, down 5% from last year but higher by 9% from last 5 year average period.

US Corn Weekly Exports (2015-16) in Metric Tons**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT rose by 10.03 USD/MT to 157.24 USD/MT for May contracts due to weather uncertainty.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

MAIZERAB 1606(NCMRBM6)2016/05/22 - Weekly B:1400.00 A:1402.00
 O 1408.00 H 1416.00 L 1391.00 C 1401.00 V 4,360 I 22,640 +4 +0.29%
 SMA(40) 0.00000 EMA(9) 0.00000 (18) 0.00000

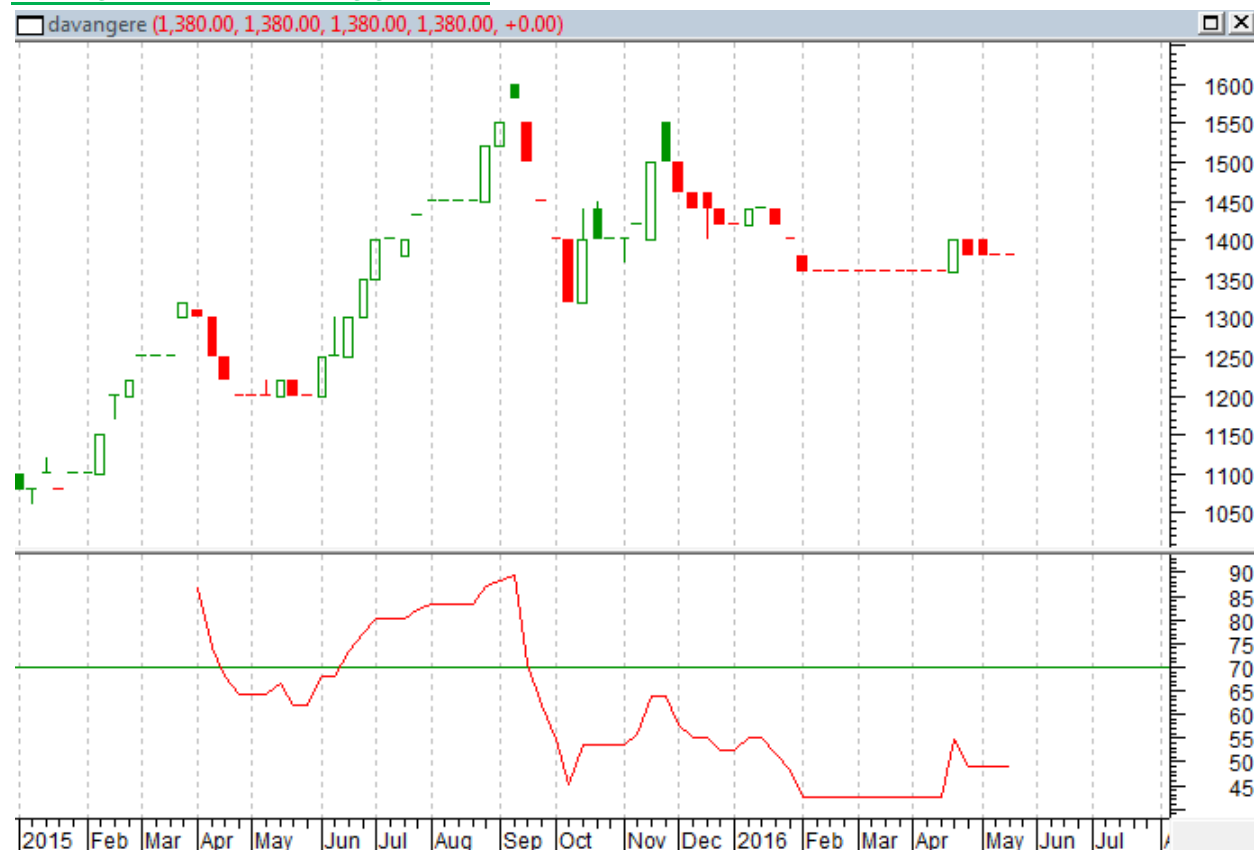

(Jun Contract Weekly Chart)

- Candlestick depicts firmness in the market.
- RSI is moving in overbought zone.
- Prices closed above 9 and 18 days EMAs.
- Increase in prices with higher volume and OI indicates long build up.
- Strategy: Buy above 1388 for target 1412 and 1424 in the near term.

Strategy: Buy
Maize NCDEX (Jun)

Support & Resistance				
S2	S1	PCP	R1	R2
1271	1334	1397	1448	1499

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1400-1470 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	19-May-16	12-May-16	19-Apr-16	19-May-15	19-May-14
Gulabbagh	Bilty	1270	1250	1150	1120	1140
Delhi	Red	1480	1425	1400	1300	1330
Davangere	Bilty	1430	1430	1420	1250	1350
Shimoga	Bilty	1600	1600	1460	1280	1260
Ranebennur	Bilty	1510	1460	1440	1320	1310
Bagalkot	Hybrid/Local	1466	1490	1411	1316	NA
Gadag	Local	1324	1381	1329	1217	NA
Nizamabad	Bilty	1500	Closed	1420	1270	1260
Khanna	Bilty	1460	1490	1610	1340	1325
Sangli	Bilty	1620	1595	1520	1370	1320
Ahmadabad	Feed	1540	1525	1500	1300	1300
	Starch	1570	1530	1510	1335	1320

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	5/18/2016	5/11/2016	Change
Corn CBOT Prices	16-May	157.24	147.21	10.03
	16-Jul	158.33	148.58	9.75
	16-Sep	159.80	149.67	10.13
	16-Dec	162.66	151.73	10.93
	16-Mar	164.13	154.98	9.15

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