

Executive Summary:

- In Ahmadabad region of Gujarat, poultry feed makers quoted maize up by Rs. 25 per quintal to Rs. 1575 per quintal while starch feed makers quoted it steady at Rs. 1600 per quintal.
- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1510 per quintal, Rs. 1550 per quintal, Rs. 1475 per quintal, Rs. 1500 per quintal and Rs. 1500 per quintal respectively.
- In Gujarat, maize has been sown in 0.41 lakh hectares as on 11th December, 2015, lower by 0.08 lakh hectares than the corresponding period of last year while in Maharashtra, it has been sown in 1.8 lakh hectares, higher by 0.41 lakh hectares than the corresponding period of last year.
- As per IBIS data, around 2755 MT was exported mainly to Sri Lanka and UAE followed by Yemen and Bahrain during the period 7th December'15 to 13th December'15, lower by 16.3% as compared to last week. Agriwatch expects total export demand to remain lower during 2015/16 due to export disparity.
- As per Government data, maize has been sown in 8.14 lakh hectares as on 11th December, 2015, lower by 1.51 lakh hectares than the corresponding period of last year as Bihar has covered 1.85 lakh hectares; lower by 1.69 lakh hectares for the corresponding period of last year. However, other growing states like Tamil Nadu, Maharashtra and Karnataka have covered 1.80, 1.54, 1.80 and 0.79 lakh hectares so far respectively which are higher than corresponding period of last year.

International Market Commentary:

- Corn prices on CBOT rose yesterday by 1.77 USD/MT to 147.30 USD/MT for March contracts due to short covering.
- Prevailing drought condition in major maize growing belt of South Africa has under pinned local maize market at record high. Farmers failed to plant maize in free state province due to lack of ceiling. Besides local currency Rand plunged considerably and it drove maize price up. The December white maize contract, which expires next week, was 0.6 percent higher at 4,140 rand a tonne after scaling a peak of 4,160 rand.
- Informa Economics lowered its corn planting projection of U.S for 2016 by 1.174 million to 88.926 million acres as compared to last month.
- As per USDA, U.S corn exports reached 76,63,047 metric tons in the 2015-16 marketing year. At 4,95,044 MT (for the period 4th Dec- 10th Dec, 2015) exports were 2 percent from the previous week and 11 percent from the prior 4-week average. The primary destinations were Mexico (194,300 MT), Japan (105,500 MT), Colombia (96,600 MT), Peru (66,200 MT), Nicaragua (12,800 MT), and Taiwan (8,900 MT).

Outlook and Recommendation: Maize cash market is likely to plunge followed by the talks on the reduction of import duty on maize.

NCDEX Maize Futures

| Contract | +/- | Open | High | Low | Close |
|---------------|--------|---------|---------|---------|---------|
| Dec-15 | +22.00 | 1500.00 | 1510.00 | 1500.00 | 1504.00 |
| Jan-16 | +25.00 | 1491.00 | 1518.00 | 1490.00 | 1508.00 |
| Feb-16 | +27.00 | 1512.00 | 1537.00 | 1512.00 | 1526.00 |

*Prices are taken at 5:00 p.m.

| Contract | Volume | Change | OI | Change |
|---------------|--------|--------|-------|--------|
| Dec-15 | 660 | 420 | 1710 | -490 |
| Jan-16 | 4470 | 3050 | 11670 | 80 |
| Feb-16 | 650 | 380 | 2290 | -90 |

*Volume and OI are taken at 5:00 p.m.

| Spread | Dec-15 | Jan-16 | Feb-16 |
|---------------|--------|--------|--------|
| Spot | 36 | | |
| Dec-15 | | 4 | - |
| Jan-16 | | | 18 |

*Basis –Nizamabad (Spread calculated as at 5:00 p.m. price)

| Stocks | Demat | In-Process | Total | FED |
|-----------|------------------|------------------|------------------|------------------|
| | 18.Dec.15 | 18.Dec.15 | 18.Dec.15 | 14.Dec.15 |
| Gulabghat | - | - | - | - |
| Davangere | 4888 | 200 | 5088 | 3984 |
| Nizamabad | 3476 | 0 | 3476 | 3830 |
| New Delhi | - | - | - | - |
| Sangli | 10087 | 81 | 10168 | 8953 |
| Jalgaon | 30 | 0 | 30 | 30 |

Spot Prices at Key Markets

| | Grade | Prices (Rs./qtl) | | | Arrivals in Quintal | | |
|--------------|---------------|------------------|-----------|--------|---------------------|-----------|--------|
| | | 19-Dec-15 | 18-Dec-15 | Change | 19-Dec-15 | 18-Dec-15 | Change |
| New Delhi | Hybrid (U.P.) | 1600 | 1600 | Unch | 10 | 10 | Unch |
| Koppal | Loose | 1440 | 1440 | Unch | 4000 | 4000 | Unch |
| Davangere | Bilty | NA | NA | - | 1000 | 500 | 500 |
| Ranebennur | Hybrid/Local | NA | 1500 | - | NA | NA | - |
| Bagalkot | Hybrid/Local | 1450 | 1641 | -191 | 485 | 717 | -232 |
| Gadag | Local | 1405 | 1400 | 5 | 2609 | 559 | 2050 |
| Hubli | Local | NA | NA | - | NA | NA | - |
| Shimoga | Hybrid/Local | NA | 1400 | - | NA | 737 | - |
| Nizamabad | Bilty | 1540 | 1540 | Unch | 400 | 400 | Unch |
| Karimnagar | Local | NA | 1449 | - | NA | 5 | - |
| Khammam | Local | NA | 1425 | - | NA | 4 | - |
| Sangli | Feed | 1533 | 1540 | -7 | NA | NA | - |
| Yeola-Nashik | Bilty | NA | NA | - | NA | NA | - |
| Naugachia | Bilty | NA | NA | - | NA | NA | - |
| Kolkata | Mill Delivery | NA | NA | - | NA | NA | - |
| Ahmadabad | Feed | 1575 | 1550 | 25 | 5000 | 4000 | 1000 |
| | Starch | 1600 | 1600 | Unch | | | |
| Gulabbagh | Local | NA | NA | - | 1000 | 2000 | -1000 |
| | Bilty | 1600 | 1600 | Unch | | | |
| Khanna | Local | NA | NA | - | NA | NA | - |
| | Bilty | NA | NA | - | | | |
| Ludhiana | Local | 1450 | 1450 | Unch | NA | NA | - |
| | Bilty | 1500 | 1500 | Unch | | | |

CBOT Corn Daily Futures Price Listing (USD/MT) as on 18 Dec, 2015

| Contract Month | Open | High | Low | Close | Change |
|----------------|--------|--------|--------|--------|--------|
| Mar-16 | 147.30 | 149.37 | 146.71 | 147.40 | 0.10 |
| May-16 | 149.57 | 151.63 | 148.98 | 149.76 | 0.10 |
| Jul-16 | 151.93 | 153.90 | 151.34 | 152.03 | 0.20 |
| Sep-16 | 153.41 | 155.18 | 152.82 | 153.41 | Unch |
| Dec-16 | 156.06 | 158.03 | 155.47 | 156.26 | 0.20 |

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