

### Executive Summary:

- In Ahmadabad region of Gujarat, poultry feed makers quoted maize steady at Rs.1800 per quintal. Starch feed makers quoted it down by Rs. 20 per quintal to Rs. 1750 per quintal.
- Maize sourced from Davangere moved towards Bangalore, Nammakal, and Chennai at Rs. 1900 per quintal each. Market is expected to trade firm in the near term.
- With increasing price in domestic cash market and artificially created tight supply, Government may allow corn import once again to curb the firm trend in the market. However, it may be conditional like non GM corn. There is still uncertainty over availability of non-gm crop in global market. There is a problem in Brazil at production front regarding non gm crop.
- Meanwhile, PEC has received offer from one firm to buy/import 50,000 yellow corn. The lowest offer was \$254.55 /MT c&f for shipment to the Adani Tuna terminal in the port of Kandla followed by \$255.30 /MT c&f for shipment to other terminals in Kandla submitted by the same trading house.
- In A.P, maize is likely to trade firm amid good demand and subdued supply side. In Nizamabad; stock of maize could be around 17000 MT which was 25000 MT compared to last year.
- As per IBIS data, India exported 4500MT maize during the week ended 12<sup>th</sup> Jun'16 against 6192 MT previous week ending 5<sup>th</sup> Jun'16. Maize has been exported at an average FoB of \$215.35/ MT. Indian maize is exported mainly to Nepal followed by Malaysia mainly through Raxul LCS followed by JNPT Sea.
- The Cabinet Committee on Economic Affairs has given its approval to increase the MSP of Maize by Rs. 40 per quintal to Rs. 1365 per quintal for kharif season of 2016-17. The prices would be effective from 1.10.2016.

### International Market Commentary:

- Corn prices on CBOT down yesterday by 1.28 USD/MT to 154.72 USD/MT for July contracts on positive U.S crop condition. In U.S, 75% crop of corn is in good to excellent condition unchanged from the last week.
- Preliminary Japanese government data shows that Japan's use of corn in animal feed production rose to 46.5% in the April'16 from 45.1% during the same month last year as users' reliance on sorghum and barley decreased.

**Outlook and Recommendation:** Maize cash market is likely to trade firm in the near term.

#### NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close
<b>July-16</b>	+48.00	1590.00	1662.00	1590.00	1662.00
<b>Aug-16</b>	+49.00	1655.00	1697.00	1653.00	1697.00
<b>Sep-16</b>	+46.00	1690.00	1727.00	1689.00	1723.00

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

Contract	Volume	Change	OI	Change
<b>July-16</b>	14960	5730	26460	-3160
<b>Aug-16</b>	11470	4980	21460	3940
<b>Sep-16</b>	2480	1380	2570	1300

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

Spread	July-16	Aug-16	Sep-16
Spot	-62		
<b>July-16</b>		35	-
<b>Aug-16</b>			26

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

Stocks	Demat	In-Process	Total	FED
	22.June.16	22.June.16	22.June.16	20.June.16
Gulabgh	5406	50	5456	5406
Davangere	59	0	59	59
Nizamabad	-	-	-	-
New Delhi	-	-	-	-
Sangli	31	0	31	31
Jalgaon	-	-	-	-

**Spot Prices at Key Markets**

	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		23-Jun-16	22-Jun-16	Change	23-Jun-16	22-Jun-16	Change
New Delhi	Hybrid (U.P.)	1675	1625	50	NA	NA	-
Koppal	Loose	1750	1680	70	NA	NA	-
Davangere	Bilty	1750	1800	-50	2000	1000	1000
Ranebennur	Hybrid/Local	NA	NA	-	NA	NA	-
Bagalkot	Hybrid/Local	1508	NA	-	115	NA	-
Gadag	Local	NA	NA	-	NA	NA	-
Hubli	Local	NA	NA	-	NA	NA	-
Shimoga	Hybrid/Local	NA	NA	-	NA	NA	-
Nizamabad	Bilty	1720	1640	80	200	200	Unch
Karimnagar	Local	1500	NA	-	1	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1870	1850	20	NA	NA	-
Yeola-Nashik	Bilty	NA	NA	-	NA	NA	-
Naugachia	Bilty	1525	1500	25	NA	NA	-
Kolkata	Mill Delivery	1650	1600	50	3333	3333	Unch
Ahmadabad	Feed	1800	1800	Unch	4000	5000	-1000
	Starch	1750	1770	-20			
Gulabgachh	Local	NA	NA	-	2000	5000	-3000
	Bilty	1600	1550	50			
Khanna	Local	1530	1520	10	4500	6000	-1500
	Bilty	1610	1650	-40			
Ludhiana	Local	Closed	Closed	-	6000	Closed	-
	Bilty	Closed	Closed	-			

**CBOT Corn Daily Futures Price Listing (USD/MT) as on 22 June, 2016**

Contract Month	Open	High	Low	Close	Change
Jul-16	156.10	157.87	154.42	154.72	-1.28
Sep-16	158.36	160.03	156.49	156.78	-1.57
Dec-16	160.72	162.59	158.72	159.05	-1.87
Mar-17	163.58	165.45	161.41	161.71	-1.97
May-17	164.95	166.82	162.79	163.08	-2.07

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