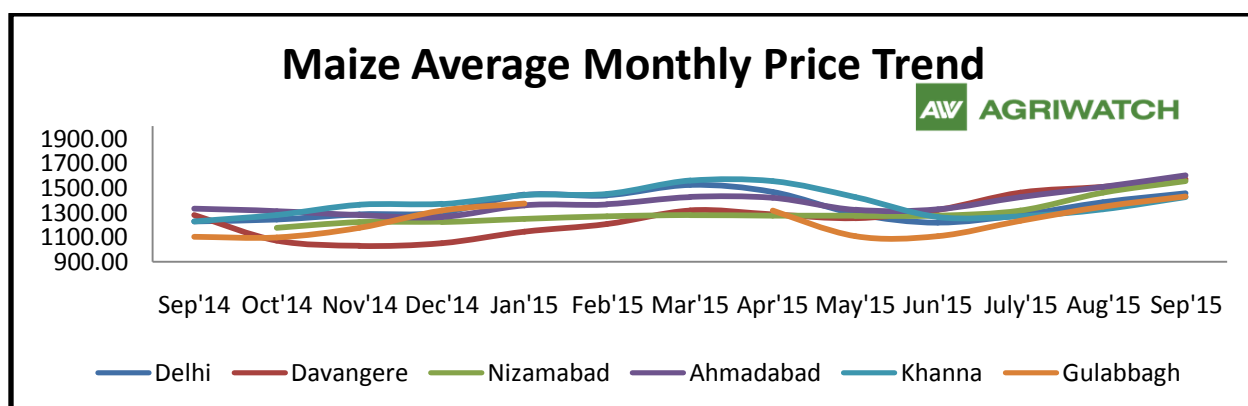


## EXECUTIVE SUMMARY:

All maize cash markets traded firm during the month of September on the expectation of lower kharif crop production amid higher demand from south Indian feed makers as compared to last month and corresponding period of last year. It is likely to trade range bound in the months ahead amid regular feed makers demand and supply. During the month of October, new crop arrivals from Karnataka and A.P. could weigh on market sentiments. In contrast, fresh demand from feed makers and lower availability of crop, especially in Karnataka, could support the market sentiments.



## INDIA MAIZE BALANCE SHEET

Maize Year-(Oct-Sep)	2014-15E	2015-16F	Oct-Dec'15 F
Opening Stocks (MMT)	1.98	3.52	3.52
Production (MMT)	20.76	20.53	11.75
Farmer's Release (MMT)	17.90	17.70	8.71
Govt. Procurement (MMT)	1.09	1.09	0.49
Pvt. Trade Release (MMT)	16.81	16.61	3.97
Seed Retention (MMT)	0.23	0.23	0.04
Imports (MMT)	0.01	0.01	0.00
<b>Total Supply (MMT)</b>	<b>22.75</b>	<b>24.06</b>	<b>15.27</b>
Export (MMT)	1.20	1.01	0.25
Domestic Consumption (MMT)	18.03	18.35	7.71
<b>Total Demand (MMT)</b>	<b>19.23</b>	<b>19.36</b>	<b>7.96</b>
<b>Ending Stock (MMT)</b>	<b>3.52</b>	<b>4.70</b>	<b>7.31</b>

As per 1st advanced estimates for 2015-16, released by Ministry of Agriculture, Production of maize for kharif season is estimated at 15.51 MMT, lower by 0.52 MMT from the 1st advance estimate for 2014-15. However, Agriwatch expects maize production for this Kharif season to be at 14.68 MMT with the expected yield of 2194 kg/ hectare.

Total maize production in India could be around 20.53 MMT in 2015-16 against our yearly total demand of 19.36 MMT.

With carryout of 3.52 MMT total availability goes up to 24.06 MMT in 2015/16.

Maize Year-(Oct-Sep)	2014-15E	2015-16F
Monthly Use	1.90	2.01
Stock to Use Ratio	0.15	0.20
Stock to Month Use Ratio	1.86	2.34

Consumption Break Up For 2015-16 F (Figures in MMT)	
Poultry & Cattle feed	11.33
Starch & Brewery	4.63
Human Consumption	1.66
Seed	0.23
Shortage & Wastage	0.50

- E= AW Estimates, F=AW Forecast

## RAINFALL STATUS

State	Rainfall From 1.6.15 - 30.9.15		
	Rainfall Status in %	Actual Rain (mm)	Normal Rain (mm)
Karnataka	-20	666.9	832.2
West Madhya Pradesh	4	914.5	876.1
East Rajasthan	-10	556.6	615.8
Maharashtra	-27	732.5	1007.3
Uttar Pradesh	-46	459.3	846.1
Andhra Pradesh	4	522.8	504.3
Telangana	-20	600.8	755.2
Bihar	-28	742.3	1027.6
Gujarat	-14	568.7	657.6
All India	-14	760.6	887.5

(SOURCE: IMD.GOV.IN)

### STATE - WISE AREA FORECAST

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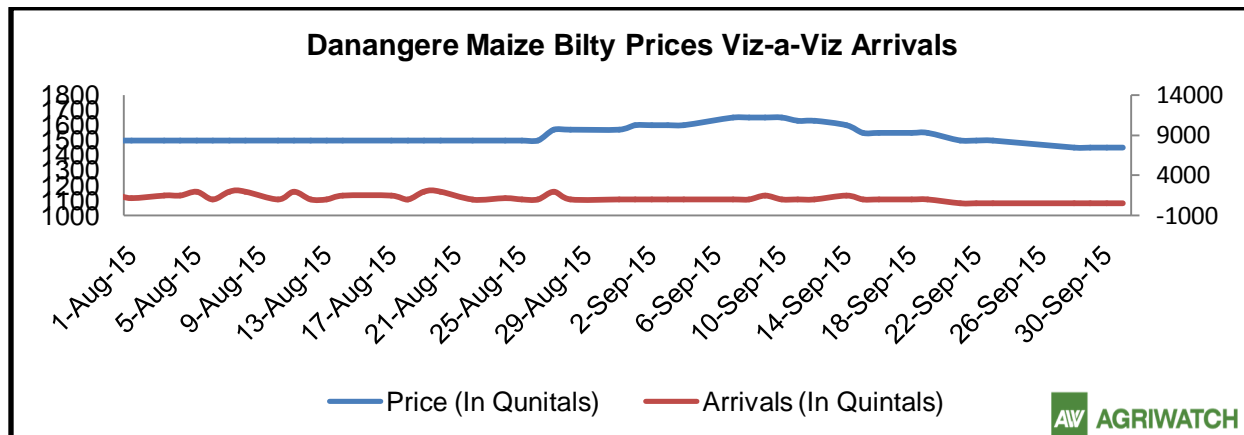
State	Area In 000 Ha.	
	2015 (Planted)	2015*F (Harvested)
<b>Karnataka</b>	1043	917.8
<b>West Madhya Pradesh</b>	1098	1010.2
<b>East Rajasthan</b>	980.0	901.6
<b>Maharashtra</b>	767.0	705.6
<b>Uttar Pradesh</b>	819.0	737.1
<b>Andhra Pradesh</b>	490.0	441.0
<b>Bihar</b>	426.0	404.7
<b>Gujarat</b>	301.0	270.9
<b>All India</b>	7662.0	7010.1

As per Government data, maize have been sown in 76.62 lakh hectares as on 1st October,2015, higher by 0.99 lakh hectares than the corresponding period of last year.

\*FORECASTED BY AGRIWATCH

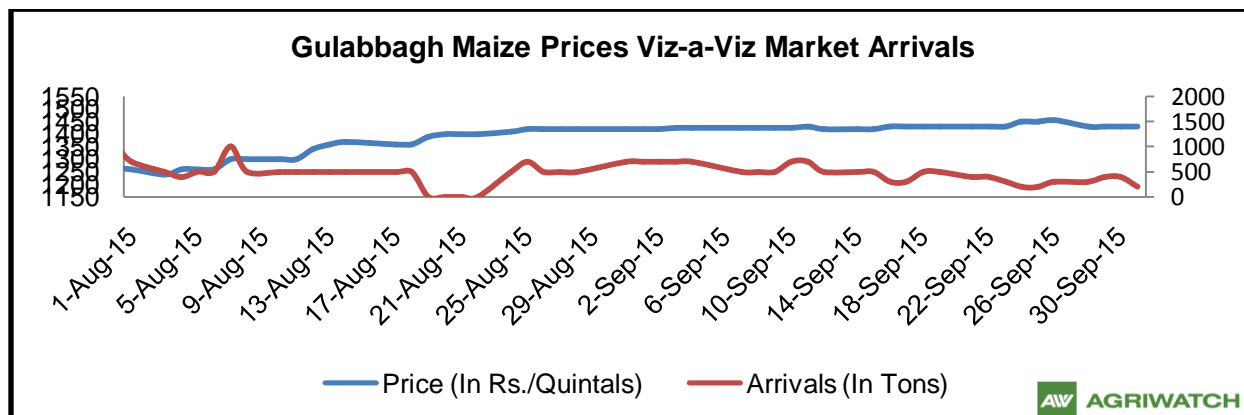
## STATE - WISE MARKET DYNAMICS

### Karnataka

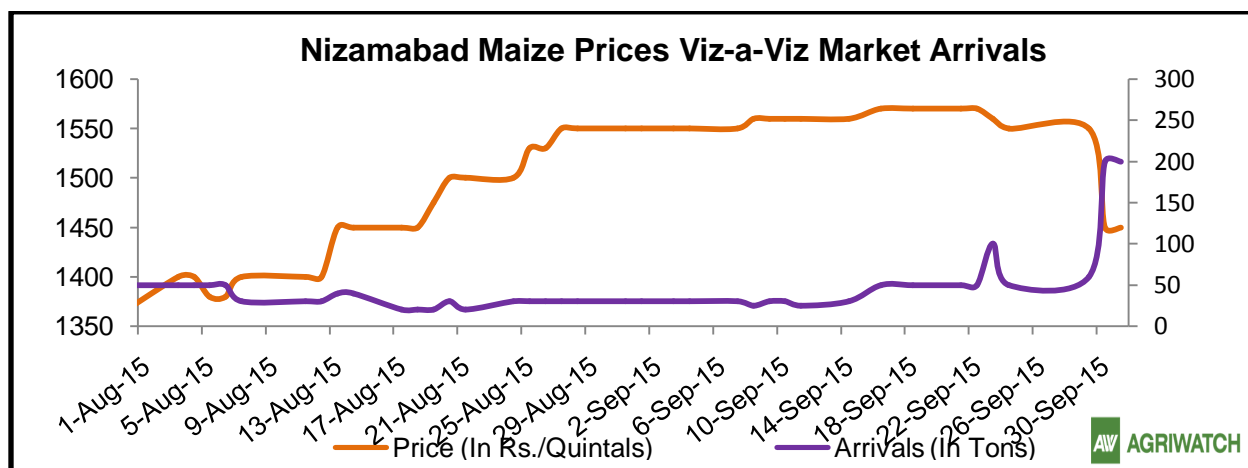


Maize sourced from Davangere is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1675 per quintal, Rs. 1600 per quintal, Rs. 1530 per quintal, Rs. 1600 per quintal and Rs. 1600 per quintal respectively. In Karnataka, stock of maize(Private+Farmers) could be around 15,000 MT which was around 40,000 MT during last year. It is expected to trade steady amid regular demand and supply till the high quantity of new crop arrives into the market.

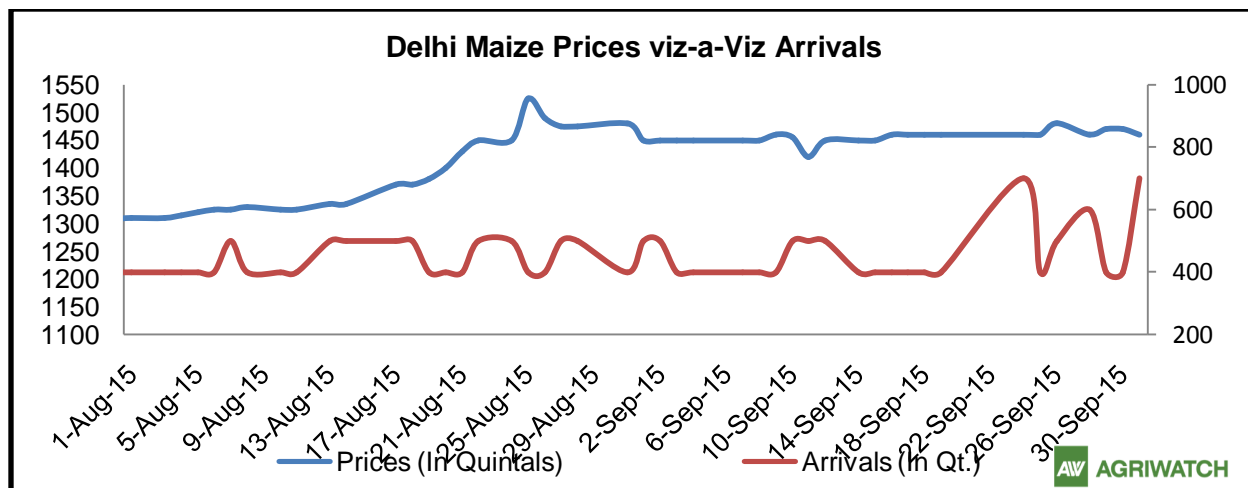
### BIHAR:



Maize sourced from Bihar is moving towards Kolkata at Rs.1675-1700 per quintal. Maize could trade steady to slightly firm in the near term. Stock of maize could be around 3, 41,100 MT which is same as compared to last year.

**ANDHRA PRADESH:**


In A.P, new crop arrivals entered into the market and contain high moisture at around 16-20%. Stock of maize in the Government's warehouse is almost empty. The stock position was around 40,000 MT during the corresponding period of last year. Market is likely to trade steady to slightly firm on the expectation of fresh demand in the weeks ahead.

**DELHI**


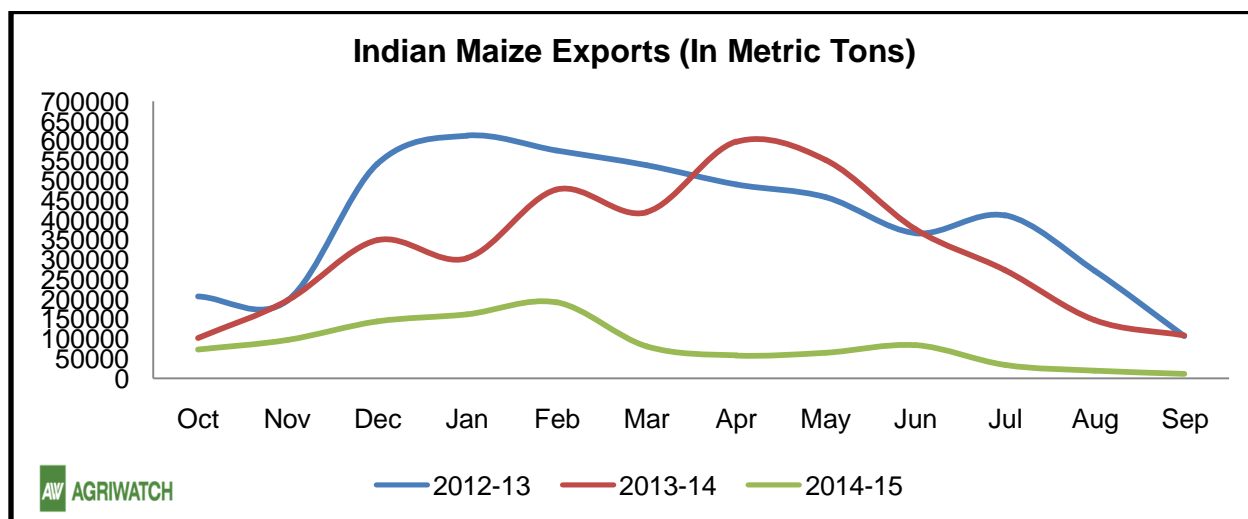
In Delhi, on average maize traded firm by Rs. 72 per quintal to Rs 1415-1480 per quintal as compared to last month and is likely to trade steady in the near term amid regular feed makers demand.

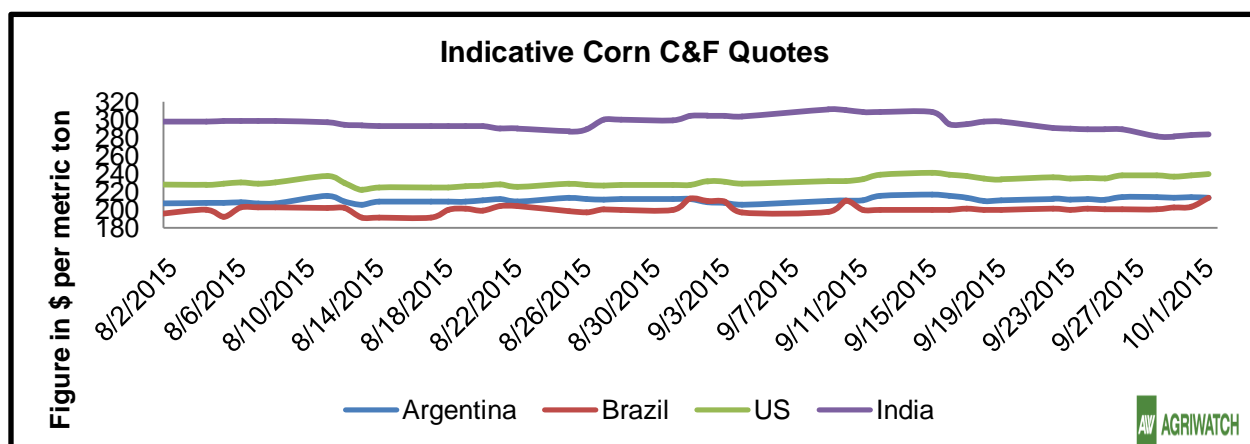
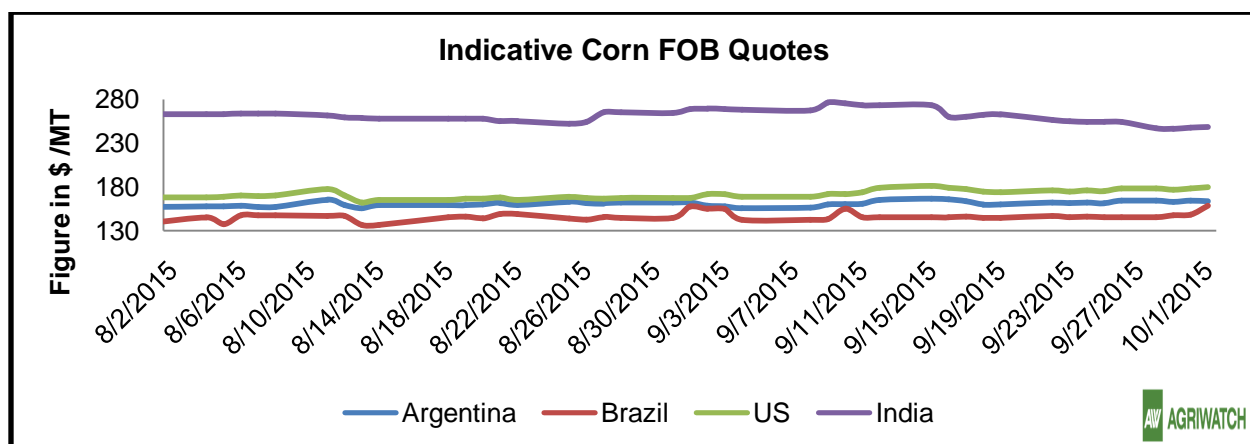
Month-wise Average prices of Maize at various markets					
Market	2015-Sep	2015-Aug	2014-Sep	% Change from Prev. Month	% Change from Prev. Year
Delhi	1456	1385	1228	5.10	18.54
Davangere	1567	1509	1281	3.85	22.34
Shimoga	1460	1430	1304	2.10	11.96
Bagalkot	1467	1325	1129	10.69	29.95
Gadag	1322	1291	1187	2.40	11.37
Nizamabad	1552	1462	1197	6.18	29.72
Khanna	1424	1325	1229	7.49	15.88
Ludhiana	1357	1336	1231	1.59	10.24
Sangli	1645	1602	1364	2.69	20.61
Naugachia	1456	1329	1076	9.55	35.32

### PRICE OUTLOOK:

Maize is likely to trade range bound amid regular demand and supply.

### ON THE EXPORT FRONT:

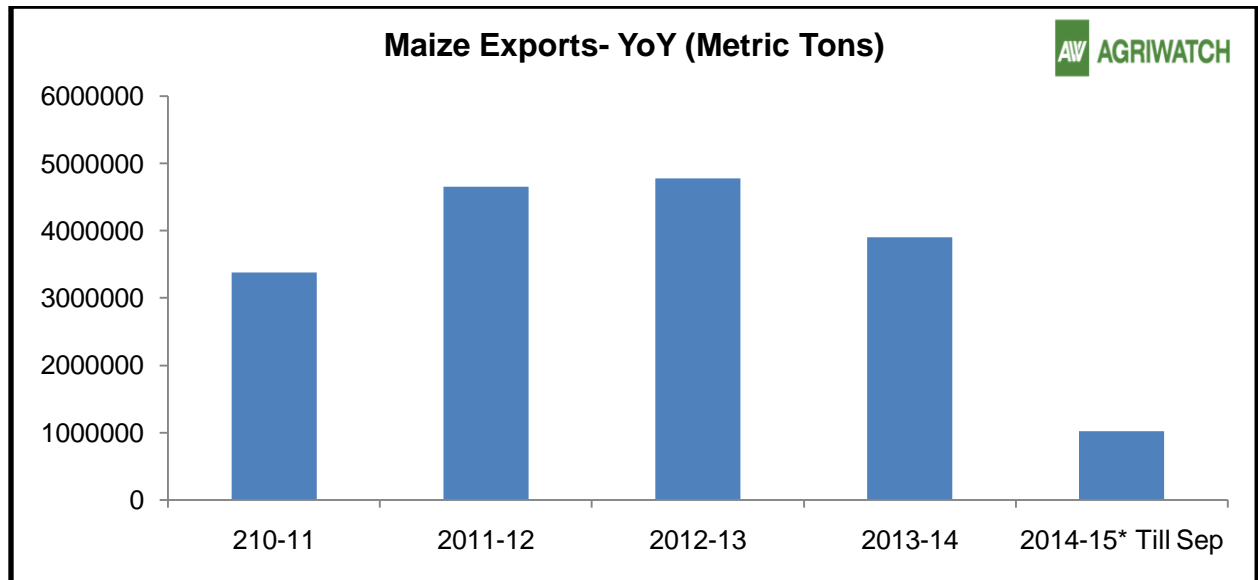




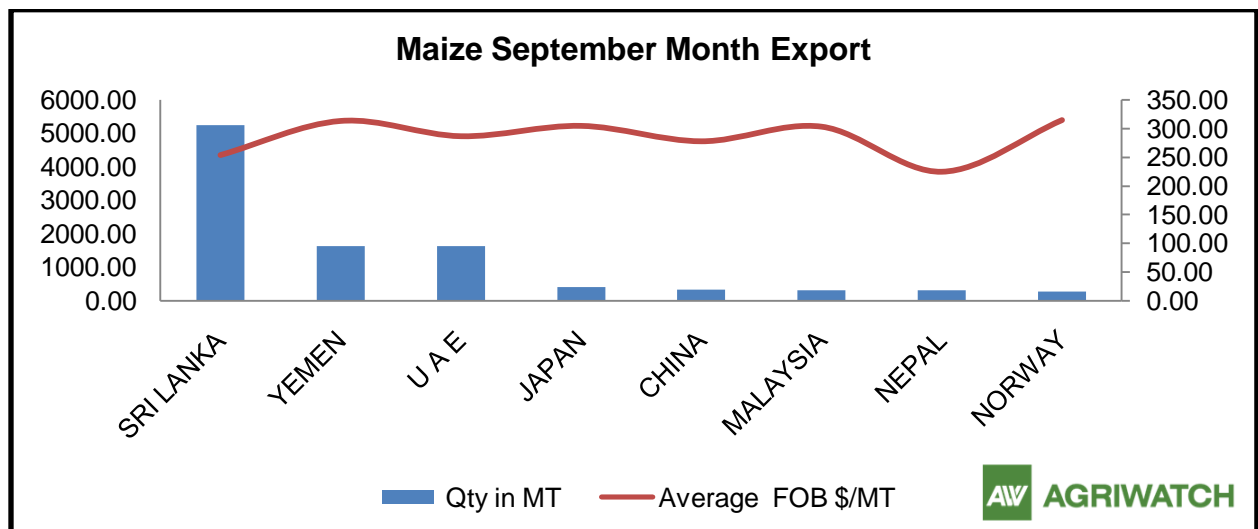
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 65.55)				
As on 1.10.2015	Argentina	Brazil	US	India
FOB	163.68	158.55	179.45	248.51
Cost and Freight (C&F)	213.68	213.55	239.45	283.51

Export demand is likely to remain lower during 2015/16 due to export disparity.

### YEAR ON YEAR MAIZE EXPORTS



### MAIZE SEPTEMBER MONTH' EXPORT



As per IBIS data, around 11236 MT was exported in the month of September'15 mainly to Sri Lanka, Yemen and UAE.



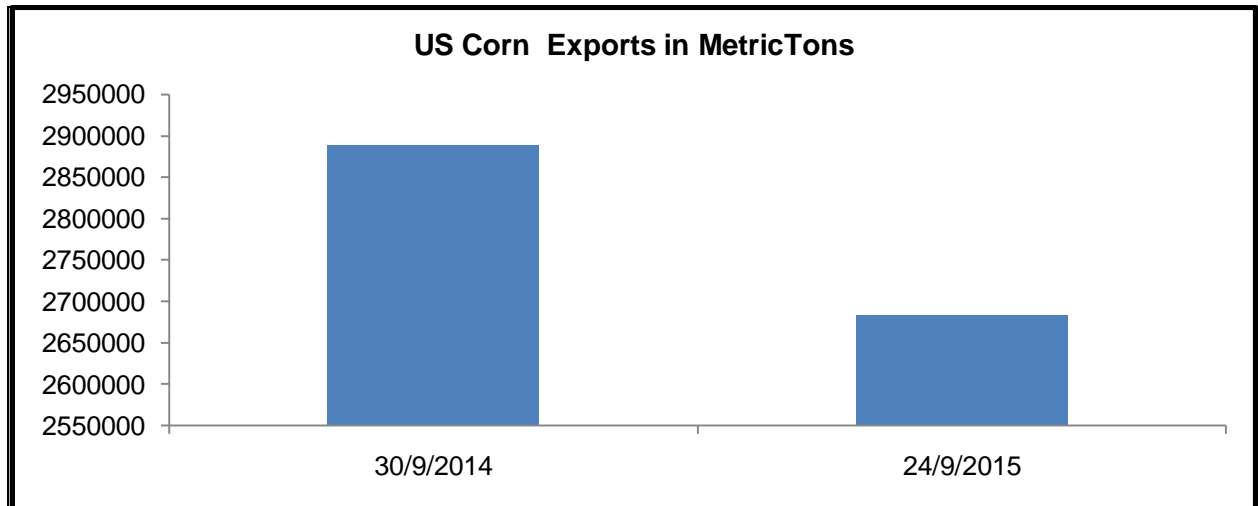
October 5<sup>TH</sup>, 2015

## FUTURES MARKET ANALYSIS: NCDEX MAIZE (NOVEMBER CONTINUOUS WEEKLY FUTURE CHART)

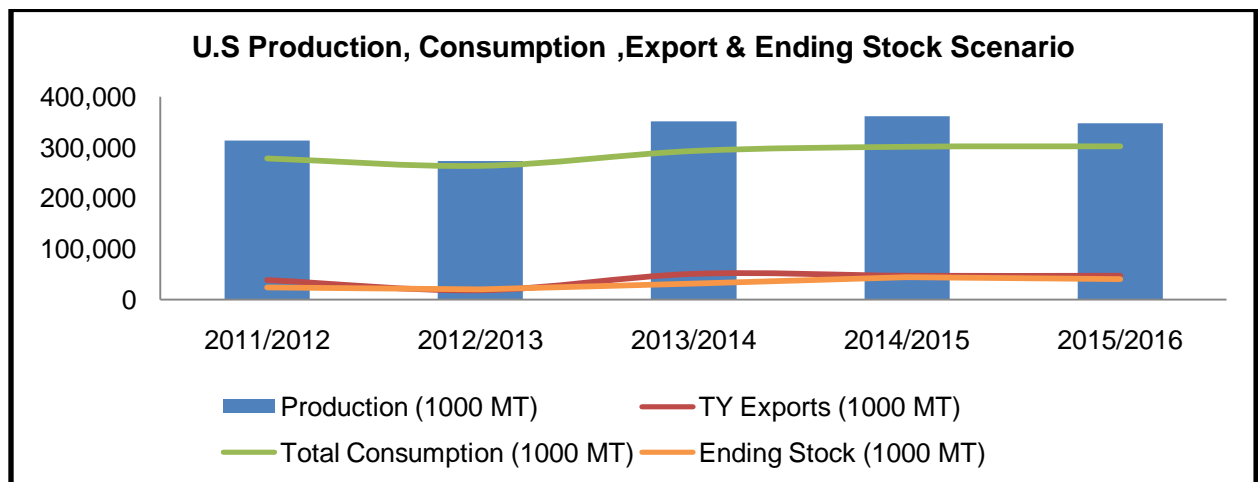


- Candlestick depicts firmness in the market.
- Prices closed above 9 and 18 days EMAs.
- Increase in prices with higher OI indicates long build up.
- Strategy: Buy above 1375 and target1 and target2 would be 1405 and 1420.

Support & Resistance				
S2	S1	PCP	R1	R2
1297	1344	1391	1421	1447

**INTERNATIONAL MARKET SCENARIO:**
U.S.


As per USDA, U.S corn exports reached 26, 83,245 metric tons in the 2015-16 marketing year. At 8,13,809 MT (for the period 18<sup>th</sup> Sep-24<sup>th</sup> Sep, 2015) exports were up by 2 percent from the last week. The primary destinations were Mexico (233,200 MT), Japan (206,400 MT), Colombia (111,700 MT), Egypt (68,700 MT), Venezuela (59,900 MT), Peru (30,500 MT), and Taiwan (29,300 MT).



USDA forecasted corn production of U.S at 345.073 MMT, lower by 2.569 MMT from the August projection, with the yield forecast at 10.51 MT/ hectare, 0.08 MT/hectare lower than last month's projection. Corn ending stocks for U.S are forecasted lower by 3.077 MMT to 40.448 MMT for 2015/16 as compared to last month and 0.481 MMT from the last year.

USDA quarterly stocks report shows totaled old corn crop stocks in all positions on September 1, 2015 at 43.97 MMT, up by 41 percent from September 1, 2014. Of the total stocks, 15.06 MMT are stored on farms, up by 28 percent from the last year. Off-farm stocks, at 28.91 MMT, up by 48 percent from the last year.

October 5<sup>TH</sup>, 2015

As per USDA, corn use in ethanol production increased in July by 6.8 million bushels to 448 million bushels as compared to last month.

As per the latest crop progress report released by USDA, Corn dent condition is 97% as on 27<sup>th</sup> Sep, 2015, higher by 2% from the last year but same from the last 5 year average period. 71% Corn has matured, higher by 14% from the last year but lower by 1% from the last 5 year average period. Around 18% of Corn has been harvested, higher by 7% from the previous year but lower by 5% from the last 5 year average period. 68% crop of corn is in good to excellent condition, lower by 6% from the previous year.

### ARGENTINA

USDA has left unchanged its ending stock estimates for Argentina at 1.018 MMT for 2015/16 in the new estimate, lower by 0.495 MMT as compared to last year.

Argentina's Rosario grains exchange increased its corn production forecast by 1.5 MMT to 27.3 MMT for 2014-15 seasons.

### BRAZIL

USDA decreased its ending stock estimates for Brazil by 1.4 MMT to 15.172 MMT from the August month estimate for 2015/16 as export estimate increased by 1 MMT to 29 MMT.

Safras raised its projection for new Brazilian corn crop by 2.4 MMT to 88.6 MMT as compared to last year.

### CHINA

USDA increased its corn ending stock forecast for China by 0.2 MMT to 90.41 MMT for 2015/16 from the last month.

The National Development and Reform Commission said that China has set 2016 low-tariff rate import quotas for corn at 7.2 MMT.

A Chinese government think-tank reduced its country's corn production forecast by 3 MMT to 229 MMT, still a record, after drought in parts of the northeast. (Source: Reuters)

### UKRAINE

USDA decreased its ending stock estimates for Ukraine by 0.6 MMT to 1.703 MMT from the last month for 2015/16.

### MEXICO

USDA corn ending stock forecast was increased for Mexico by 0.65 MMT to 3.444 MMT for 2015/16 as compared to last month forecast.

### INDONESIA

USDA has left unchanged its corn ending stock forecast for Indonesia at 2.574 MMT for 2015/16 as compared to last month.

## MALAYSIA

USDA unchanged its corn ending stock forecast for Malaysia at 0.44 MMT for 2015/16 as compared to last month forecast.

## INTERNATIONAL CORN HIGHLIGHTS

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	30.9.2015	30.8.2015	Change
Corn CBOT Prices	Dec-15	153.11	147.6	5.51
	Mar-16	157.34	152.13	5.21
	May-16	160.10	154.68	5.42
	Jul-16	162.06	156.46	5.60
	Sep-16	158.92	NA	-

The IGC decreased its forecast for the 2015/16 global corn crop by 1 MMT to 967 MMT from the last month, also below the prior season's 1005 MMT crop. The reason for decrease is mainly due to damage from drought in EU. Forecast for global corn ending stock decreased by 4 MMT to 199 MMT as compared to last year.

USDA forecasted corn production of the world at 978.098 MMT, lower by 7.511 MMT from the August projection and 21.864 MMT from the last year. Corn ending stocks for the world are forecasted lower by 5.402 MMT to 189.686 MMT for 2015/16 as compared to last month and 2.123 MMT from the last year.

South Korea's Major Feed mill Group purchased 204,000 MT corn for February 2016 arrival; likely to be sourced from the U.S. Gulf or South America. Some 69,000 MT of corn for Feb. 5 arrival was purchased at \$185.45/MT c&f plus a \$1.25/MT surcharge for additional port unloading. A further 70,000 MT was purchased for Feb. 15 arrival at \$186.20/ MT c&f plus a \$1.25 /MT surcharge for additional port unloading. Another 65,000 MT was purchased for Feb. 25 arrival at \$187.50 /MT c&f plus a \$1.25/MT surcharge for additional port unloading.

## INTERNATIONAL OUTLOOK:

Corn prices rose by \$ 5.51 / MT to \$ 153.11 /MT for December contract on CBOT as USDA forecasted corn production of the world at 978.098 MMT, lower by 7.511 MMT from the August projection. Besides, IGC decreased its forecast for the 2015/16 global corn crop by 1 MMT to 967 MMT from the last month.

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