

## EXECUTIVE SUMMARY

**Overall maize cash market traded firm except Ludhiana and Khanna market** during the week under review.

**In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm** by Rs. 30 per quintal to Rs. 1380 per quintal while **starch feed makers quoted maize firm** by Rs. 50 per quintal to Rs. 1450 per quintal as compared to last week.

**As per 2<sup>nd</sup> advance estimate released by ministry of agriculture**, maize production is estimated at 22.97 million tons for 2014/15.

**As per ministry of agriculture, maize have been sown in 15.37 lakh hectares as of 13th February, 2015** during Rabi season, lower by 0.16 lakh hectares as compared to last year.

**Lower acreage reported in A.P, Bihar, Gujarat and Jharkhand.**

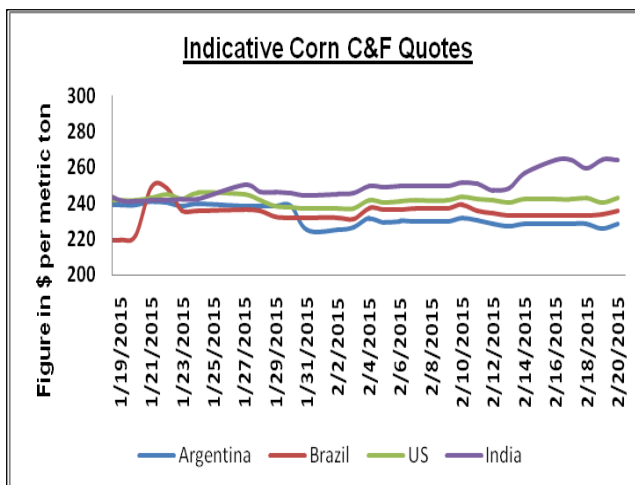
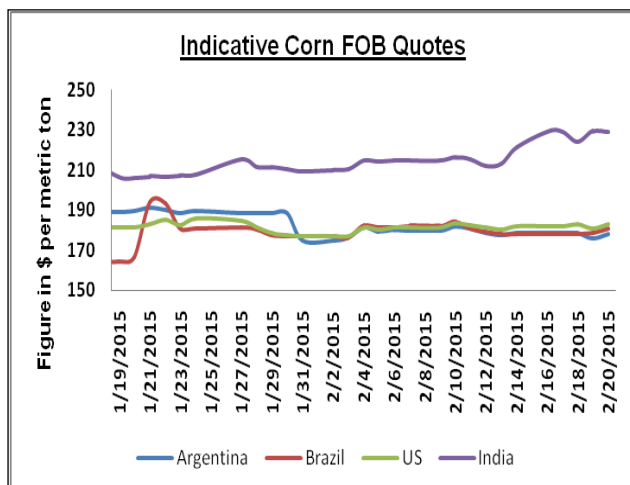
As per trade sources, **in Bihar, around 5-7% area has shifted towards wheat.** However, weather conditions are favorable at the time which will lead to higher yield.

**A.P. crop is expected to arrive in the first week of March while Bihar crop is expected to arrive till the third week of March.**

## BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

| Destination        | By Road (Rs/MT)               | By Rake (Rs/MT)             |
|--------------------|-------------------------------|-----------------------------|
| <b>Bangalore</b>   | 13300<br>(Davangere Origin)   | 12700<br>(Davangere Origin) |
| <b>Namakkal</b>    | 13500<br>(Davangere Origin)   | N.A                         |
| <b>Chitradurga</b> | 12800<br>(Davangere Origin)   | N.A                         |
| <b>Sangli</b>      | 13500<br>(Davangere Origin)   | N.A                         |
| <b>Chennai</b>     | 13500<br>(Davangere Origin)   | N.A                         |
| <b>Gujarat</b>     | 13500<br>(Maharashtra Origin) | N.A                         |

### ON THE EXPORT FRONT:

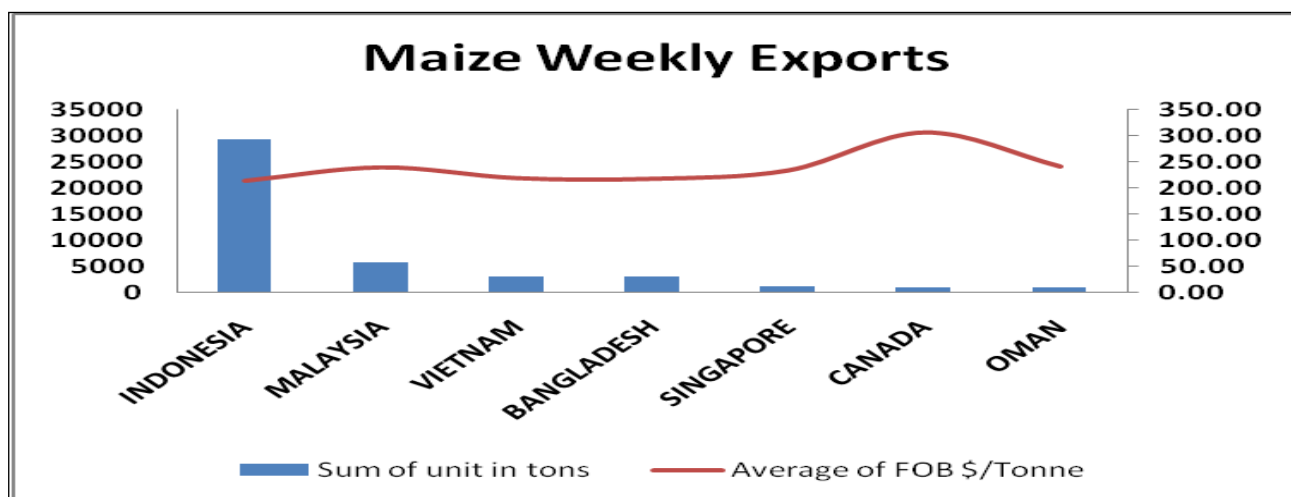


#### Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 62.25)

| As on 20.2.2015        | Argentina | Brazil | US  | India  |
|------------------------|-----------|--------|-----|--------|
| FOB                    | 178.25    | 180.95 | 183 | 229.07 |
| Cost and Freight (C&F) | 228.25    | 235.95 | 243 | 264.07 |

### EXPORT BREAK UP BY MAJOR COUNTRIES FOR THE PERIOD OF 9<sup>TH</sup> FEB TO 15<sup>TH</sup> FEB'2015

As per IBIS data, exports of corn were reported around 0.044 million tons for the period of 9th Feb to 15th Feb'15 mainly to Indonesia, Malaysia and Vietnam.



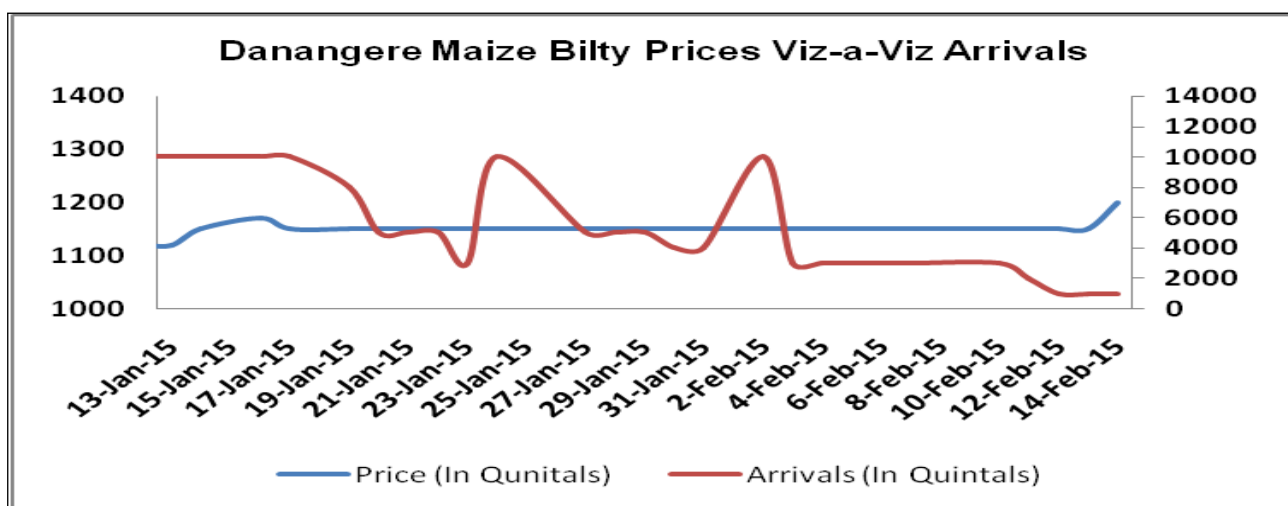
## CURRENT MARKET DYNAMICS:

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

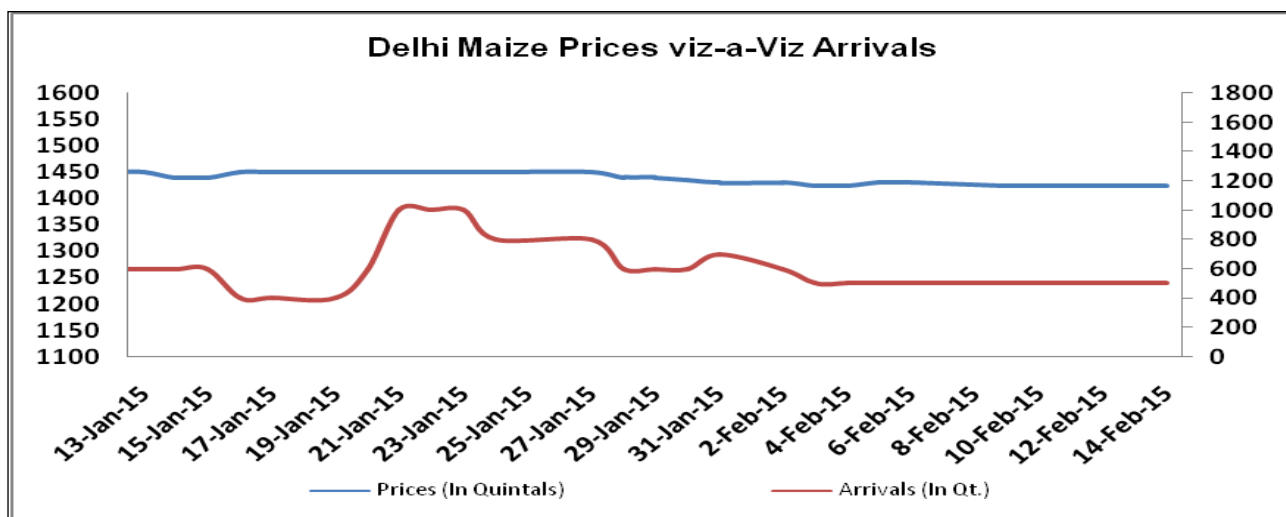
### BIHAR

As per trade sources, around 5-7% maize crop area has shifted towards wheat crop. However, weather conditions are favorable at the time which will lead to higher yield. Bihar crop is expected to arrive till the third week of March.

### KARNATAKA:



Maize crop contains around 13-14% moisture and it is moving towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1330 per quintal, Rs. 1350 per quintal, Rs. 1280 per quintal, Rs. 1350 per quintal and Rs. 1350 per quintal respectively, sourced from Davangere. Despite the continued demand for maize; prices are unlikely to move up due to low quality arrival. As per trade sources, around 8-10% arrival is damaged and fungus affected. As per trade sources, one rake was loaded for Suguna Foods, Bangalore at Rs. 1270 per quintal on Friday, sourced from Davangere.

**DELHI:**


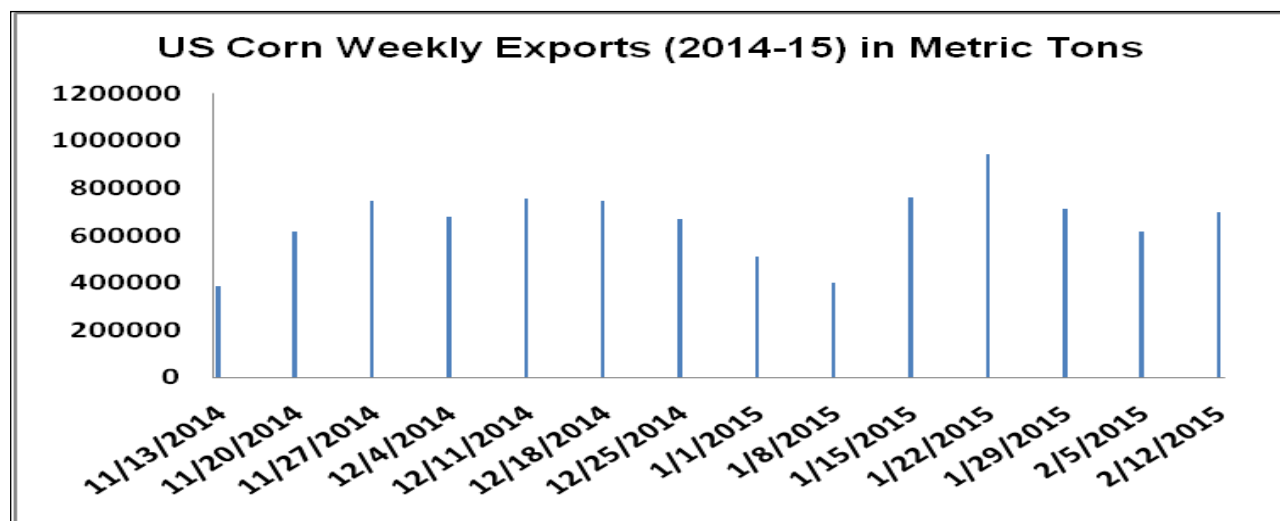
In Delhi, hybrid maize traded firm by Rs. 15 per quintal to Rs 1440 per quintal as compared to last week due to low crop arrival. Sources revealed that stock of maize could be around 3000 quintal and is likely to trade slightly firm in the near term.

**MAIZE SPOT MARKET PRICES (RS. /QUINTAL)**

| Market     | Grade        | 20-Feb-15 | 13-Feb-15 | 20-Jan-15 | 20-Feb-14 | 20-Feb-13 |
|------------|--------------|-----------|-----------|-----------|-----------|-----------|
| Delhi      | Hybrid       | 1440      | 1425      | 1450      | 1350      | 1435      |
| Davangere  | Loose        | 1200      | 1100      | 1080      | 1170      | 1310      |
| Shimoga    | Bilty        | 1130      | 1100      | 1080      | 1110      | 1360      |
| Ranebennur | Bilty        | 1190      | NA        | 1150      | 1160      | NA        |
| Bagalkot   | Hybrid/Local | 1280      | 1185      | 1182      | 1158      | 1271      |
| Gadag      | Local        | 1146      | 1081      | 1192      | 1140      | 1326      |
| Nizamabad  | Bilty        | 1280      | 1265      | 1270      | 1260      | 1310      |
| Khanna     | Bilty        | 1440      | 1450      | 1500      | 1450      | 1450      |
| Ludhiana   | Bilty        | 1300      | 1300      | 1300      | 1450      | 1460      |
| Sangli     | Bilty        | 1310      | 1280      | 1275      | 1229      | 1400      |
| Ahmedabad  | Feed         | 1380      | 1350      | 1370      | 1300      | 1460      |
|            | Starch       | 1450      | 1400      | 1375      | 1340      | 1500      |

**DOMESTIC MAIZE OUTLOOK:** We expect domestic maize market could be steady to range bound in the near term.

## INTERNATIONAL MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS



As per USDA, U.S accumulated corn export figures reached to 16,638,639 metric tons for the 2014-15 marketing year. Exports of 6,96,200 MT were up by 13 percent from the last week but down 5 percent from the prior 4-week average; reported by U.S to Japan (158,500 MT), Mexico (154,000 MT), Algeria (87,800 MT), Colombia (68,700 MT), Morocco (60,200 MT), Chile (35,000 MT), and Costa Rica (26,800 MT) for the period February 6-12, 2015.

Preliminary Japanese government data shows that Japan's use of corn in animal feed production fell to 44.2% in the Dec'14 from 45.2% during the same month last year while users' reliance on alternatives such as sorghum, wheat and barley also decreased. (Source: Reuters)

| Maize CBOT Weekly Futures Price Listing (USD/Ton) |                |           |           |        |
|---|----------------|-----------|-----------|--------|
|   | Contract Month | 19.2.2015 | 12.2.2015 | Change |
| Corn CBOT Prices                                  | Mar-15         | 153.41    | 150.75    | 2.66   |
|   | May-15         | 156.55    | 153.9     | 2.65   |
|   | Jul-15         | 159.51    | 156.75    | 2.76   |
|   | Sep-15         | 162.16    | 159.21    | 2.95   |
|   | Dec-15         | 165.21    | 162.56    | 2.65   |

## INTERNATIONAL MAIZE OUTLOOK:

Corn prices were increased by \$ 2.66 / MT to \$ 153.41 /MT for March contract on CBOT market as compared to last week as USDA forecasted lower planted acres for U.S corn in the 2015-16 marketing year in response to falling prices.

**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**

**(March Contract Weekly Chart)**

- Candlestick chart pattern reveals that prices could go down in the market.
- RSI is moving in neutral zone.
- Strategy: Buy above 1234 level and target1 and target2 would be 1254 and 1264 in the near term.

**Strategy: Buy**
**Maize NCDEX (March)**
**Support & Resistance**

| S2   | S1   | PCP  | R1   | R2   |
|------|------|------|------|------|
| 1197 | 1218 | 1240 | 1269 | 1299 |

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