

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded weak during the week followed by the talks on the reduction of import duty on maize and is likely to trade steady to slightly weak in near term also.

As per trade sources, first consignment of maize import is likely to hit the Indian coast on 30th December, 2015 from Brazil. The quantity is said to be around 14,000 MT. Traders say the deal has been stroke at the rate of 195 \$/MT at sourcing port. At current, INR value the CIF coast of this newly struck deal may be around 221-222 \$/MT. As prices in domestic market is ruling higher; more exports seems very much inside.

There is a rumor in the market that government may allow 13 lakh ton maize imports without any restriction and import duty too has to be slash down from 30% to 3%. It will encourage maize import in coming months.

As per Government data, maize has been sown in 9.96 lakh hectares as on 18th December, 2015, lower by 0.50 lakh hectares than the corresponding period of last year as Bihar has covered 3.44 lakh hectares; lower by 0.10 lakh hectares for the corresponding period of last year. However, other growing states like Maharashtra and Tamil Nadu have covered 1.92 and 1.80 lakh hectares so far respectively which are higher than corresponding period of last year.

Around 2755 MT maize was exported mainly to Srilanka and UAE followed by Yemen and Bahrain during the period 7th December'15 to 13th December'15.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 75 per quintal to Rs. 1550 per quintal. Starch feed makers also quoted it down by Rs. 60 per quintal to Rs. 1600 per quintal as compared to last week.

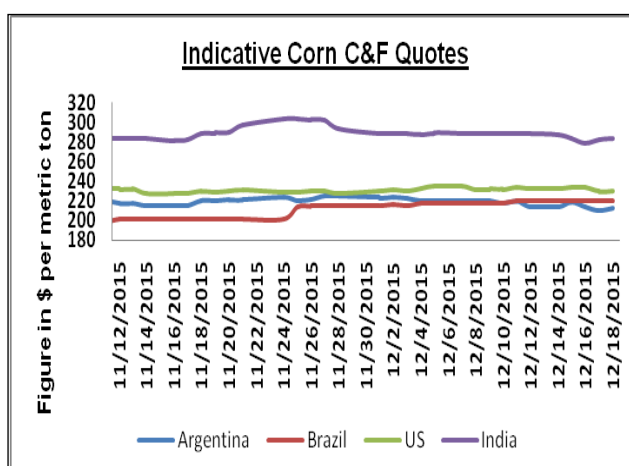
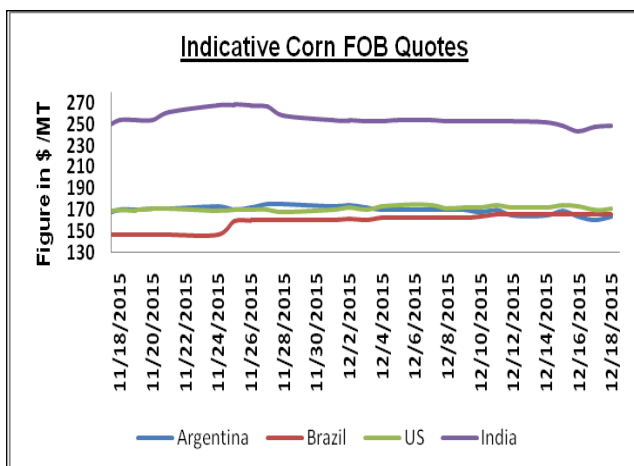
RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize near 1518 levels for a target of 1492 and 1479 with a stop loss at 1533 on closing basis. In Davangere cash market, maize prices are likely to trade down in a range of Rs. 1400-1440 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 1.58 USD/MT to 145.53 USD/MT for March contracts on ample global grain supplies and concern over further fall in export demand for U.S. corn.

EXPORT PARITY TREND:



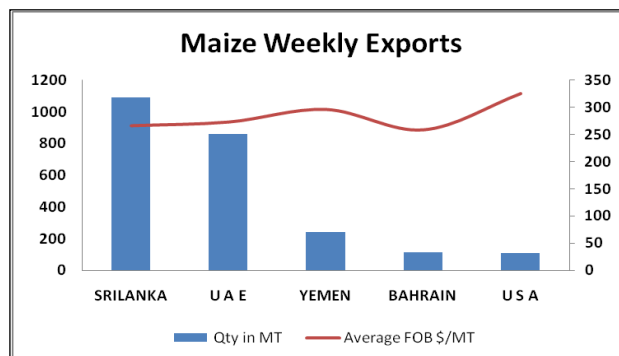
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.42)

As on 18.12.2015	Argentina	Brazil	US	India
FOB	163.09	165.25	170.59	248.31
Cost and Freight (C&F)	213.09	220.25	230.59	283.31

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. Agriwatch expects total export demand to remain lower during 2015/16 due to export disparity.

EXPORT BREAK UP BY MAJOR COUNTRIES

- As per IBIS data, around 2755 MT was exported mainly to Srilanka 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.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

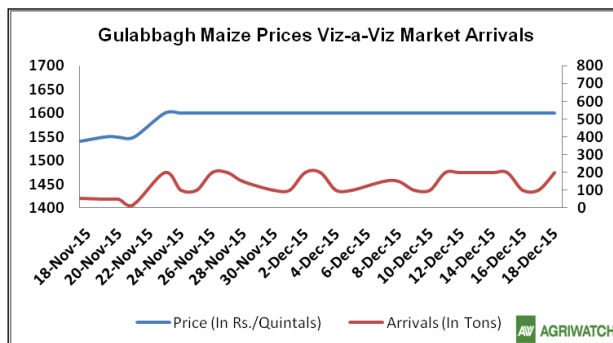
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	15100 (Davangere Origin)	N.A
Namakkal	15500 (Davangere Origin)	N.A
Sangli	15000 (Davangere Origin)	N.A
Chennai	15000 (Davangere Origin)	N.A
Chitradurga	14750 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

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

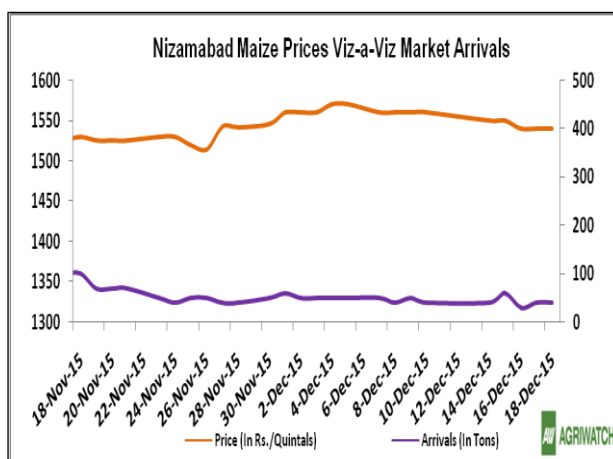
BIHAR:

- Maize is likely to trade down in near term. In Gulabghat, stock of maize could be around 25000 MT which was around 60000 MT during the corresponding period of last year.



ANDHRA PRADESH:

- In Nizamabad, maize stock position in the Government's warehouse is around 15,000 MT and 10,000 MT in the hands of private traders. Stock position in the Government's warehouse was around 20,000 MT and 5,000 MT in the hands of private traders during the corresponding period of last year. Maize is likely to trade steady in the near term.



KARNATAKA:

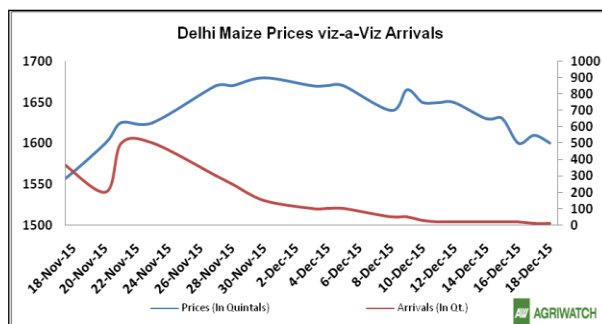
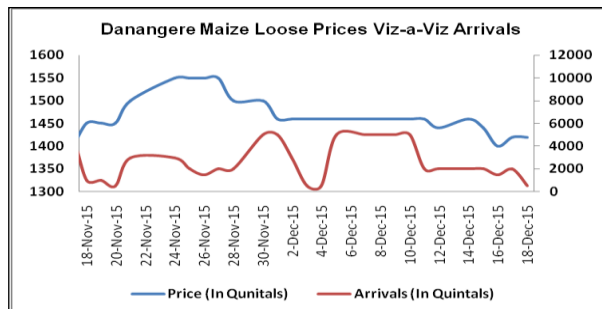
- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1510 per quintal, Rs. 1550 per quintal, Rs. 1475 per quintal, Rs. 1500 per quintal and Rs. 1500 per quintal respectively. Market is expected to trade steady in the near term.

DELHI:

- In Delhi, maize is likely to trade slightly down in the near term.

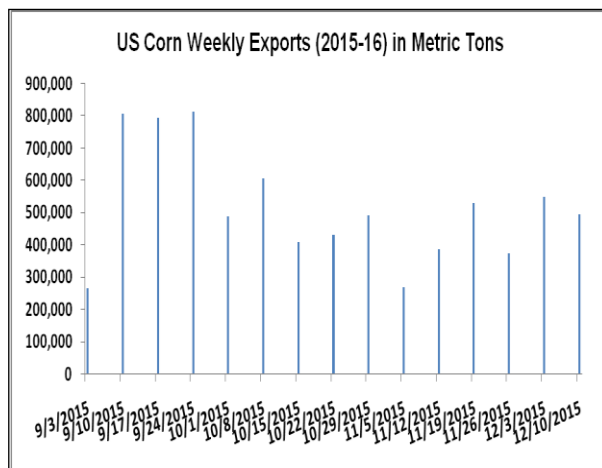
DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly weak amid sluggish demand.



INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- 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 up 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).
- 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.
- Preliminary Japanese government data shows that Japan's use of corn in animal feed production rose to 45.9% in the October'15 from 44.8% during the same month last year as users' reliance on alternatives such as sorghum, wheat and barley decreased.
- A group of Israeli private buyers bought about 80,000 MT of corn, likely to be sourced from European Union or Black sea region, at \$176.60/MT c&f for March/April 2016 shipment and \$176.70 /MT c&f for April/May 2016 shipment.



INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT fall by 1.58 USD/MT to 145.53 USD/MT for March contracts on ample global grain supplies and concern over further fall in export demand for U.S. corn.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(January Contract Weekly Chart)

- Last candlestick depicts down in the market.
- RSI is moving down in neutral zone.
- Prices closed below 9 days EMAs.
- Decrease in prices with lower OI indicates long liquidation.
- Strategy: Sell near 1518 for target 1492 and 1479 in the near term.

Strategy: Sell

Maize NCDEX (January)

Support & Resistance

S2	S1	PCP	R1	R2
1445	1475	1510	1540	1563

DAVANGERE MARKET ANALYSIS: MAIZE


In Davangere cash market, maize prices are likely to trade down in a range of Rs. 1400-1440 per quintal for the week.

ANNEXURE
MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	17-Dec-15	10-Dec-15	16-Nov-15	17-Dec-14	17-Dec-13
Gulabghagh	Bilty	1600	1600	NA	1350	1400
Delhi	Hybrid	1610	1650	1550	1290	1460
Davangere	Loose	1420	1460	1400	1080	1160
Shimoga	Bilty	NA	1550	1550	1030	1170
Ranebennur	Bilty	1430	NA	NA	1160	1200
Bagalkot	Hybrid/Local	1411	1550	1411	1100	1095
Gadag	Local	1410	1450	1401	1072	1122
Nizamabad	Bilty	1540	1560	1520	1225	1245
Khanna	Bilty	NA	NA	NA	1350	1480
Sangli	Bilty	1530	1570	1530	1210	1200
Ahmadabad	Feed	1570	1620	1550	1270	1315
	Starch	1600	1650	1540	1240	1340

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	12/16/2015	12/9/2015	Change
Corn CBOT Prices	16-Mar	145.53	147.11	-1.58
	16-May	147.70	149.27	-1.57
	16-Jul	149.76	151.24	-1.48
	16-Sep	151.14	152.82	-1.68
	16-Dec	154.00	-	-

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