

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

More or less overall maize cash market traded steady during the week and is expected to be steady to slightly weak in the near term. Agriwatch expects total maize area in India for this Rabi season at 13.17 Lakh Hectare. As per Government data, maize has been sown in 12.65 lakh hectares as on 8th January, 2016, lower by 0.07 lakh hectares than the corresponding period of last year. Bihar has covered 4.29 lakh hectares; higher by 0.33 lakh hectares of the corresponding period of last year. Maharashtra and Tamil Nadu have covered 2.07 and 1.87 lakh hectares respectively which are higher than corresponding period of last year while in A.P, Coastal Karnataka and Gujarat it has been sown in 1.06 ,0.83 and 0.69 and lakh hectares respectively, lower than the corresponding period of last year.

Considering the current weather conditions, Agriwatch expects maize production for this Rabi season at 4.64 MMT with the expected yield of 3597 kg/ hectare.

Around 5187 MT was exported mainly to Srilanka followed by UAE during the period 4th January'16 to 10th January'16, higher by 3.2% as compared to last week.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 10 per quintal to Rs. 1560 per quintal while starch feed makers quoted it steady at Rs. 1600 per quintal as compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for February contract near 1487 levels for a target of 1467 and 1457 with a stop loss at 1499 on closing basis. In Davangere cash market, maize prices are likely to trade slightly down in a range of Rs. 1400-1420 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

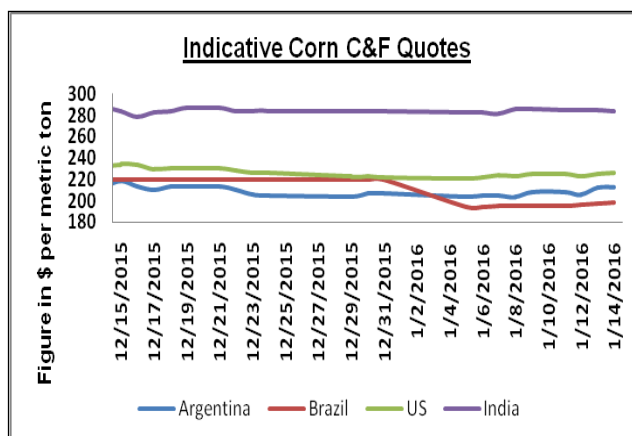
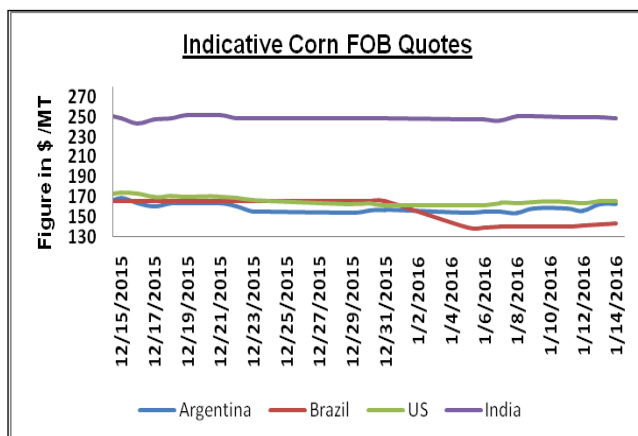
Corn prices on CBOT rose by 1.18 USD/MT to 140.12 USD/MT for March contracts as last week demand for U.S corn was high.

At 6,38,230 MT (for the period 1st Jan- 7th Jan, 2016) exports were up 78 percent from the previous week and 14 percent from the prior 4-week average.

USDA quarterly stocks report shows totaled old corn crop stocks in all positions on December1, 2015 at 284.78 MMT, up by 5.7 MMT from December 1, 2014.

USDA lowered its corn production forecast for U.S by 1.329 MMT to 345.486 MMT for 2015/16 as compared to December month forecast.

EXPORT PARITY TREND:



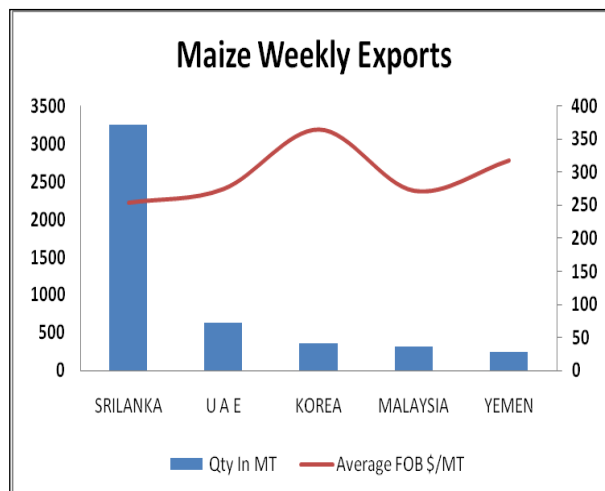
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 67.09)

As on 14.01.2016	Argentina	Brazil	US	India
FOB	162.60	143.64	166.10	248.86
Cost and Freight (C&F)	212.60	198.64	226.10	283.86

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 5187 MT was exported mainly to Srilanka followed by UAE during the period 4th January'16 to 10th January'16, higher by 3.2% 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:

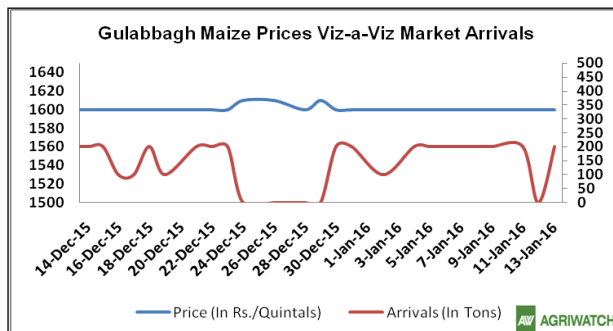
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14700 (Davangere Origin)	N.A
Namakkal	15000 (Davangere Origin)	N.A
Sangli	14500 (Davangere Origin)	N.A
Chennai	15000 (Davangere Origin)	N.A
Chitradurga	14500 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

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

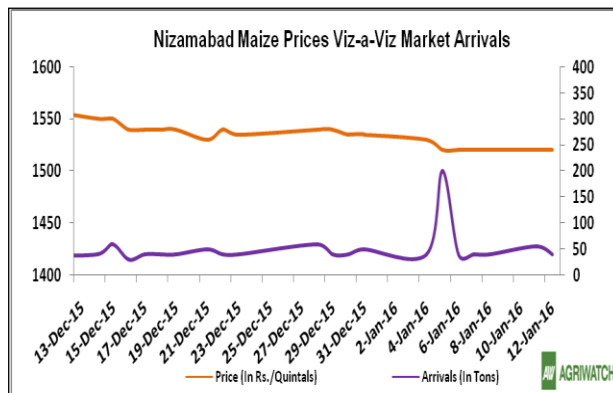
BIHAR:

- Maize is likely to trade slightly firm in near term. In Gulabghat, stock of maize could be around 22000 MT.



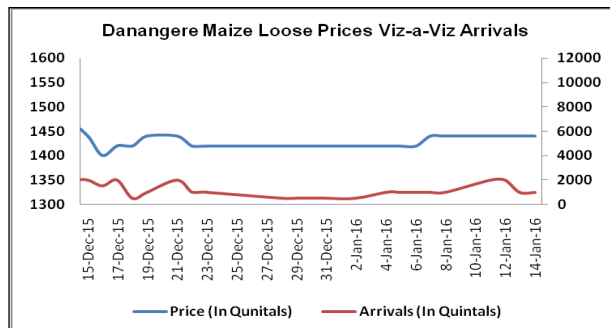
ANDHRA PRADESH:

- 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. 1470 per quintal, Rs. 1500 per quintal, Rs. 1450 per quintal, Rs. 1450 per quintal and Rs. 1500 per quintal respectively. Maize stock position in the hands of private traders is around 14,000 MT. Market is expected to trade slightly down in the near term.

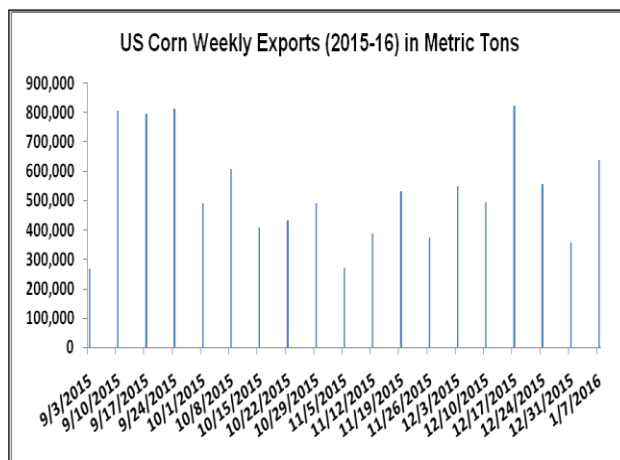


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly weak on the expectation of imports in the near term.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 10,039,093 metric tons in the 2015-16 marketing year. At 6,38,230 MT (for the period 1st Jan- 7th Jan, 2016) exports were up 78 percent from the previous week and 14 percent from the prior 4-week average. The primary destinations were Mexico (214,400 MT), Japan (151,600 MT), Colombia (143,500 MT), Peru (56,700 MT), Cuba (25,000 MT), and Guatemala (22,000 MT).
- Corn ending stocks for U.S are forecasted higher by 0.446 MMT to 45.782 MMT for 2015/16 as compared to December month forecast and 1.362 MMT from the last year as exports from U.S is forecasted lower by 1.0 MMT to 43.5 MMT as compared to last month and 2.273 MMT as compared to last year.
- USDA lowered its corn production forecast for U.S by 1.329 MMT to 345.486 MMT for 2015/16 as compared to December month forecast and 14.276 MMT from the last year.
- USDA quarterly stocks report shows totaled old corn crop stocks in all positions on December 1, 2015 at 284.78 MMT, up by 5.7 MMT from December 1, 2014. Of the total stocks, 173.46 MMT are stored on farms, down by 3.64 from December 1, 2014. Off-farm stocks, at 111.32 MMT, up by 6.26 percent from the last year.



INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT rose by 1.18 USD/MT to 140.12 USD/MT for March contracts as last week demand for U.S corn was high. However, it is likely to trade down further on ample global supplies.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(February Contract Weekly Chart)

- Candlestick depicts down in the market.
- RSI is moving down in neutral zone.
- Prices closed below 9 days EMAs.
- Strategy: Sell near 1487 for target 1467 and 1457 in the near term.

Strategy: Sell

Maize NCDEX (February)

Support & Resistance				
S2	S1	PCP	R1	R2
1410	1443	1476	1520	1564

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize prices are likely to trade slightly down in a range of Rs. 1400-1420 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	14-Jan-16	07-Jan-16	14-Dec-15	14-Jan-15	14-Jan-14
Gulabbagh	Bilty	1600	1600	1600	1435	1420
Delhi	Hybrid	1650	NA	1630	1440	1410
Davangere	Loose	1440	1440	1460	1150	1200
Shimoga	Bilty	1490	1400	NA	1070	NA
Ranebennur	Bilty	1500	1475	1550	1150	1250
Bagalkot	Hybrid/Local	1451	1461	1501	NA	1185
Gadag	Local	1325	1382	1448	NA	1069
Nizamabad	Bilty	1520	1520	1550	1225	NA
Khanna	Bilty	NA	NA	NA	1450	1450
Sangli	Bilty	1570	1540	1550	1280	NA
Ahmadabad	Feed	1560	1580	1600	1380	1260
	Starch	1600	1600	1625	1400	1280

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	01/13/2016	01/7/2016	Change
Corn CBOT Prices	Mar-16	140.12	138.94	1.18
	May-16	142.29	141.11	1.18
	Jul-16	144.75	143.47	1.28
	Sep-16	147.21	145.73	1.48
	Dec-16	150.36	149.08	1.28

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