

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Maize cash markets traded mixed during the week and is expected to be steady in the near term. As per Government data, maize has been sown in 13.20 lakh hectares as on 15th January, 2016, lower by 0.27 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 2.10 and 2.01 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 1.23 ,0.83 and 0.71 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 4359 MT was exported mainly to Srilanka followed by UAE; mainly through JNPT Sea followed by Janori ICD during the period 11th January'16 to 17th January'16, lower by 16% as compared to last week.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 10 per quintal to Rs. 1570 per quintal while starch feed makers quoted it firm by Rs. 25 per quintal to Rs. 1625 per quintal as compared to last week.

RECOMMENDATION:

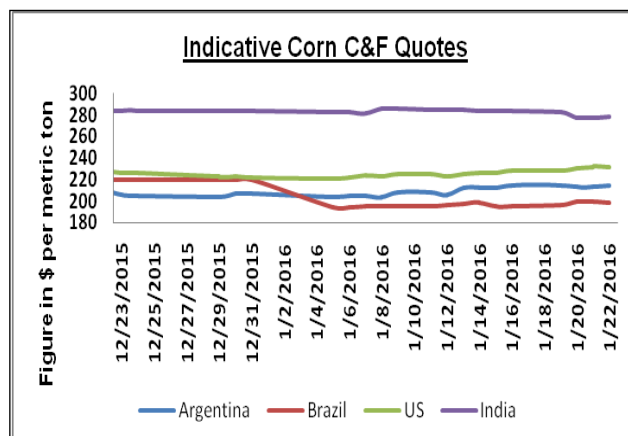
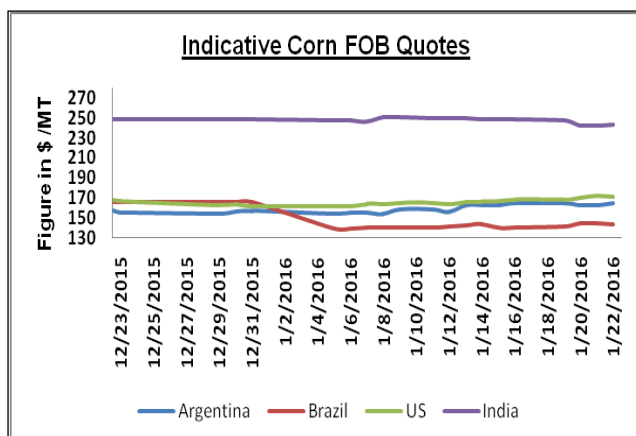
Weekly Call - : Market participants are advised to go short in Maize for February contract near 1448 levels for a target of 1424 and 1412 with a stop loss at 1462 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade slightly down in a range of Rs. 1390-1410 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 6.20 USD/MT to 145.14 USD/MT for March contracts during last week.

At 5,71,590 MT (for the period 8th Jan- 14th Jan, 2016) exports were down 10 percent from the previous week and 4 percent from the past 4-week average.

EXPORT PARITY TREND:



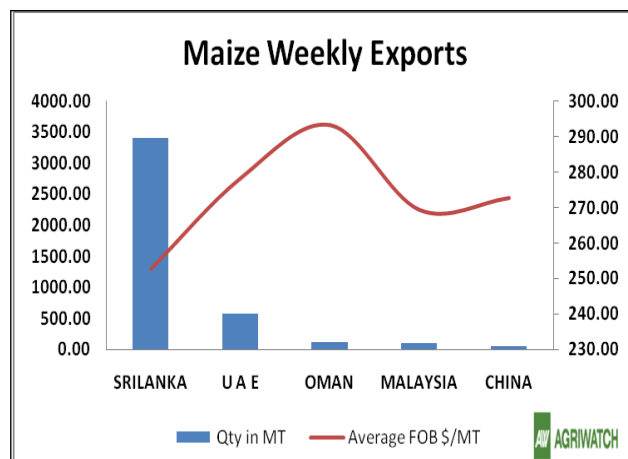
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 67.74)

As on 22.01.2016	Argentina	Brazil	US	India
FOB	164.17	143.55	171.26	243.48
Cost and Freight (C&F)	214.17	198.55	231.26	278.48

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 4359 MT was exported mainly to Srilanka followed by UAE; mainly through JNPT Sea followed by Janori ICD during the period 11th January'16 to 17th January'16, lower by 16% 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:

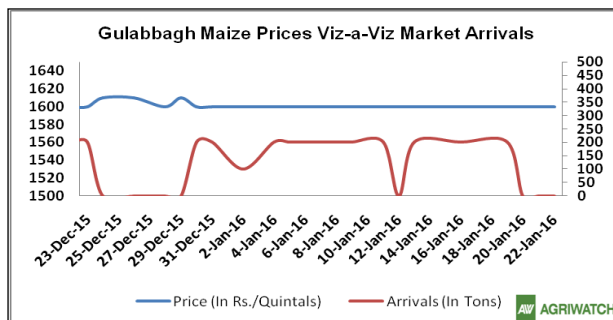
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14700 (Davangere Origin)	N.A
Namakkal	15000 (Davangere Origin)	N.A
Sangli	14500 (Davangere Origin)	N.A
Chennai	15000 (Davangere Origin)	N.A
Chitradurga	14500 (Davangere Origin)	N.A

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:

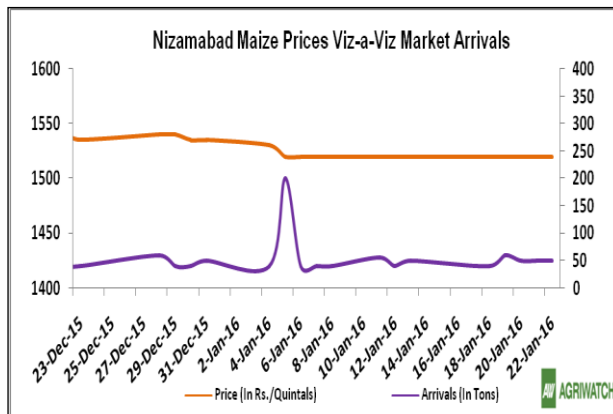
BIHAR:

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



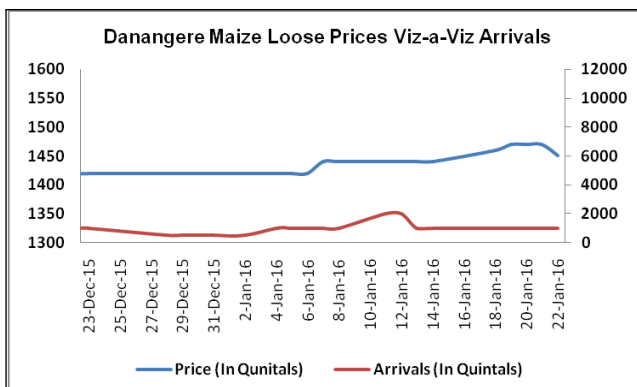
ANDHRA PRADESH:

- 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.

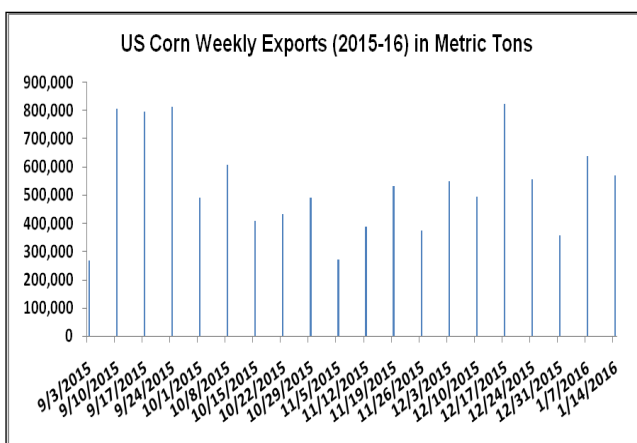


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady in the near term till the imported maize comes into the market.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 10,610,683 metric tons in the 2015-16 marketing year. At 5,71,590 MT (for the period 8th Jan- 14th Jan, 2016) exports were down 10 percent from the previous week and 4 percent from the previous 4-week average. The primary destinations were Mexico (298,400 MT), Japan (125,100 MT), Saudi Arabia (76,500 MT), Colombia (22,900 MT), El Salvador (21,100 MT), Peru (11,000 MT), and Taiwan (6,600 MT).



INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT rose by 6.20 USD/MT to 145.14 USD/MT for March contracts during last week. However, it is likely to trade down ahead due to low demand for U.S corn.

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 1448 for target 1424 and 1412 in the near term.

Strategy: Sell
Maize NCDEX (February)
Support & Resistance

S2	S1	PCP	R1	R2
1390	1410	1438	1465	1493

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade slightly down in a range of Rs. 1390-1410 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	21-Jan-16	14-Jan-16	21-Dec-15	21-Jan-15	21-Jan-14
Gulabbagh	Bilty	1600	1600	1600	1400	1420
Delhi	Hybrid	1650	1650	1600	1450	1410
Davangere	Loose	1420	1440	1440	1080	1160
Shimoga	Bilty	1490	1490	1400	1080	1110
Ranebennur	Bilty	1514	1500	1408	1180	1200
Bagalkot	Hybrid/Local	1441	1451	1460	1156	1165
Gadag	Local	1420	NA	1406	1136	1121
Nizamabad	Bilty	1520	1520	1530	1270	1275
Khanna	Bilty	NA	NA	NA	1500	1460
Sangli	Bilty	1525	1570	1525	1264	1245
Ahmadabad	Feed	1575	1560	1575	1350	1340
	Starch	1625	1600	1600	1350	1330

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	01/20/2016	01/13/2016	Change
Corn CBOT Prices	Mar-16	145.14	138.94	6.20
	May-16	146.91	141.11	5.80
	Jul-16	148.98	143.47	5.51
	Sep-16	150.75	145.73	5.02
	Dec-16	153.70	149.08	4.62

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