

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded steady to slightly weak during the week under review and is expected to be steady in the near term. As per Government data, maize has been sown in 14.01 lakh hectares as on 22nd January, 2016, lower by 0.73 lakh hectares than the corresponding period of last year. Bihar has covered 4.29 lakh hectares; higher by 0.06 lakh hectares than the corresponding period of last year. Maharashtra and Tamil Nadu have covered 2.12 and 2.01 lakh hectares respectively which are lower than corresponding period of last year. Besides, in A.P, Coastal Karnataka and Gujarat it has been sown in 1.32, 0.83 and 0.81 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 1557 MT was exported mainly to Srilanka followed by UAE; mainly through JNPT Sea during the period 18th January'16 to 24th January'16, lower by 64% as compared to last week.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize steady in a range of Rs. 1550-1580 per quintal. Starch feed makers also quoted it steady in range of Rs. 1550-1625 per quintal as compared to last week.

RECOMMENDATION:

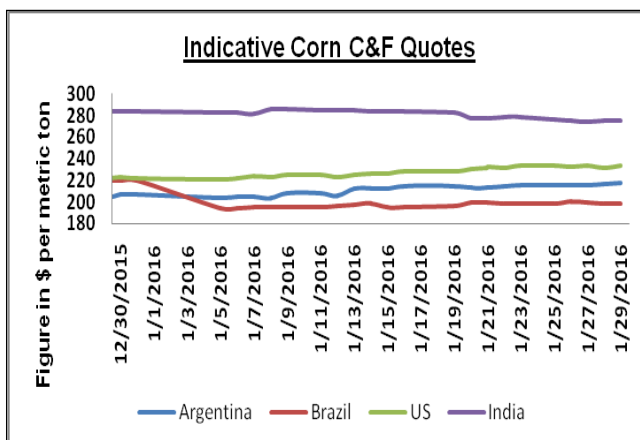
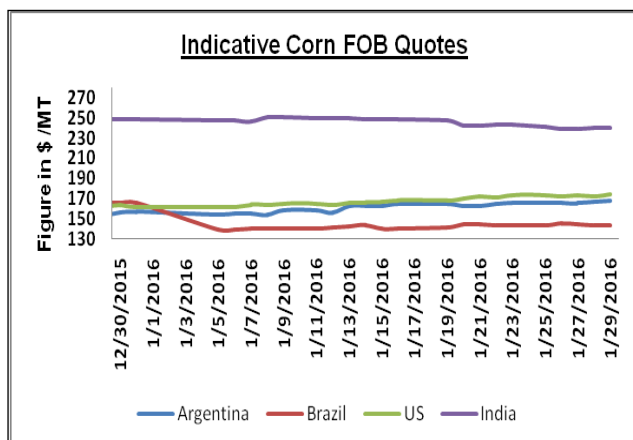
Weekly Call - : Market participants are advised to go short in Maize for February contract near 1422 levels for a target of 1406 and 1398 with a stop loss at 1431 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade slightly down in a range of Rs. 1390-1400 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 0.20 USD/MT to 145.34 USD/MT for March contracts during last week.

At 6,48,744 MT (for the period 15th Jan- 21st Jan, 2016) exports were up 14 percent from the previous week and 22 percent from the prior 4-week average.

EXPORT PARITY TREND:



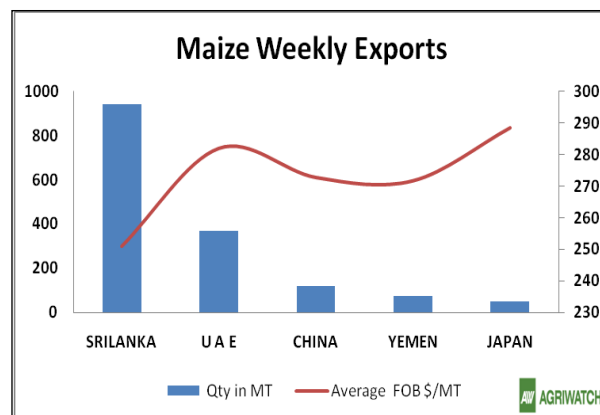
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 67.89)

| As on 29.01.2016 | Argentina | Brazil | US | India |
|------------------------|-----------|--------|--------|--------|
| FOB | 168.11 | 143.43 | 174.02 | 240.02 |
| Cost and Freight (C&F) | 218.11 | 198.43 | 234.02 | 275.02 |

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 1557 MT was exported mainly to Srilanka followed by UAE; mainly through JNPT Sea during the period 18th January'16 to 24th January'16, lower by 64% 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:

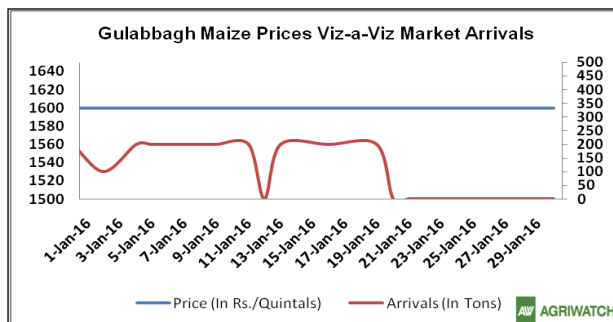
| Destination | By Road (Rs/MT) | By Rake (Rs/MT) |
|-------------|-----------------------------|-----------------|
| Bangalore | 15200 (Davangere Origin) | N.A |
| Namakkal | 15400 (Davangere Origin) | N.A |
| Sangli | 15200 (Davangere Origin) | N.A |
| Chennai | 15400 (Davangere Origin) | N.A |
| Chitradurga | 14800 (Davangere Origin) | N.A |

CURRENT MARKET DYNAMICS:

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

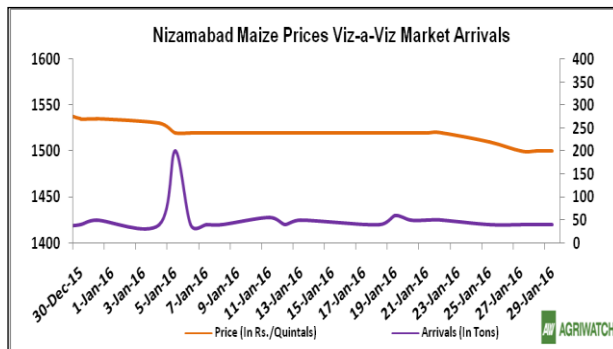
BIHAR:

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



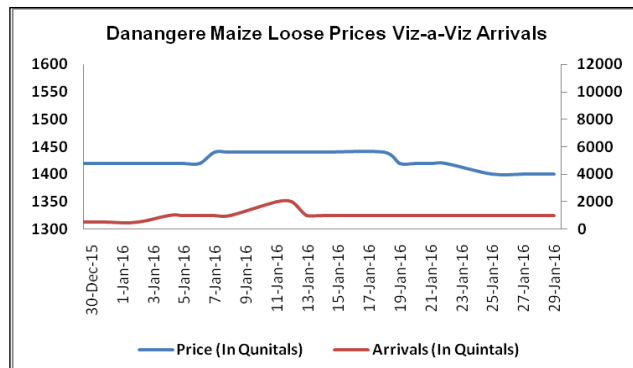
ANDHRA PRADESH:

- 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. 1520 per quintal, Rs. 1540 per quintal, Rs. 1480 per quintal, Rs. 1520 per quintal and Rs. 1540 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.

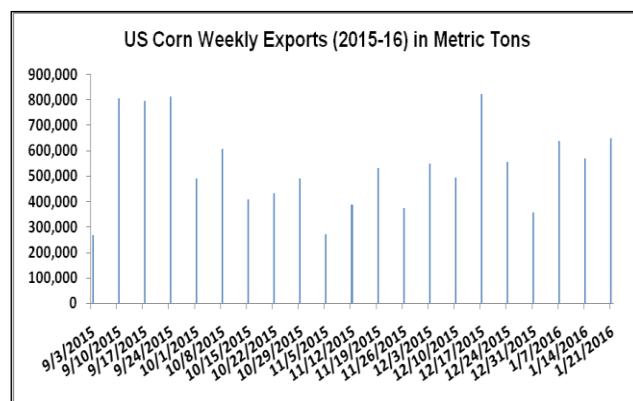


DOMESTIC MAIZE OUTLOOK:

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 11,259,427 metric tons in the 2015-16 marketing year. At 6,48,744 MT (for the period 15th Jan- 21st Jan, 2016) exports were up 14 percent from the previous week and 22 percent from the prior 4-week average. The primary destinations were Japan (193,100 MT), Mexico (99,400 MT), Peru (88,800 MT), Colombia (78,300 MT), Saudi Arabia (77,000 MT), South Korea (64,700 MT), and Honduras (23,200 MT).



INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT rose by 0.20 USD/MT to 145.34 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 1422 for target 1406 and 1398 in the near term.

Strategy: Sell

Maize NCDEX (February)

Support & Resistance

| S2 | S1 | PCP | R1 | R2 |
|------|------|------|------|------|
| 1364 | 1384 | 1420 | 1440 | 1460 |

DAVANGERE MARKET ANALYSIS: MAIZE


In Davangere cash market, maize (loose) prices are likely to trade slightly down in a range of Rs. 1390-1400 per quintal for the week.

ANNEXURE
MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

| Market | Grade | 28-Jan-16 | 21-Jan-16 | 28-Dec-15 | 28-Jan-15 | 28-Jan-14 |
|------------|--------------|-----------|-----------|-----------|-----------|-----------|
| Gulabbagh | Bilty | 1600 | 1600 | 1600 | 1400 | 1400 |
| Delhi | Hybrid | 1630 | 1650 | 1660 | 1440 | 1420 |
| Davangere | Loose | 1400 | 1420 | 1420 | 1100 | 1190 |
| Shimoga | Bilty | 1490 | 1490 | 1400 | 1080 | 1100 |
| Ranebennur | Bilty | 1530 | 1514 | NA | 1190 | 1150 |
| Bagalkot | Hybrid/Local | 1420 | 1441 | 1430 | 1120 | 1165 |
| Gadag | Local | 1386 | 1420 | 1385 | NA | NA |
| Nizamabad | Bilty | 1500 | 1520 | 1540 | 1270 | 1275 |
| Khanna | Bilty | NA | NA | NA | 1420 | 1460 |
| Sangli | Bilty | 1530 | 1525 | 1540 | 1255 | 1225 |
| Ahmadabad | Feed | 1580 | 1575 | 1620 | 1340 | 1310 |
| | Starch | 1600 | 1625 | 1625 | 1320 | 1350 |

| Maize CBOT Weekly Futures Price Listing (USD/Ton) | | | | |
|---|----------------|------------|------------|--------|
| | Contract Month | 01/27/2016 | 01/20/2016 | Change |
| Corn CBOT Prices | Mar-16 | 145.34 | 145.14 | 0.20 |
| | May-16 | 147.40 | 146.91 | 0.49 |
| | Jul-16 | 149.17 | 148.98 | 0.19 |
| | Sep-16 | 150.85 | 150.75 | 0.10 |
| | Dec-16 | 153.70 | 153.70 | Unch |

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