

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

More or less maize cash markets traded steady during the week under review. However, it is expected to be weak in the near term on the expectation of further imports as PEC has issued another tender to import for 2,40,000 MT of corn. In its first tender, PEC has made a purchase of 2,25,500 MT of yellow corn, said to be sourced from Ukraine. The purchase comprised of 80,500 MT bought at \$191.99 / MT c&f, of which 40,000 MT was for shipment between Jan. 27 to Feb. 17 and 40,500 MT on Feb. 8-27. A further 65,000 MT was purchased at \$193.49 /MT c&f for shipment between Jan. 27 and Feb. 17. The remaining 80,000 MT had been purchased at \$192.99 /MT c&f with 45,000 MT for shipment between Feb. 1-20 and 35,000 MT between Jan. 27 and Feb. 17.

Considering the current weather conditions, Agriwatch expects maize production of 5.38 MMT for this Rabi season with the expected yield of 3752 kg/ hectare.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize steady in a range of Rs. 1560-1600 per quintal. However, starch feed makers quoted it down by Rs. 15 per quintal in range of Rs. 1580-1625 per quintal as compared to last week.

RECOMMENDATION:

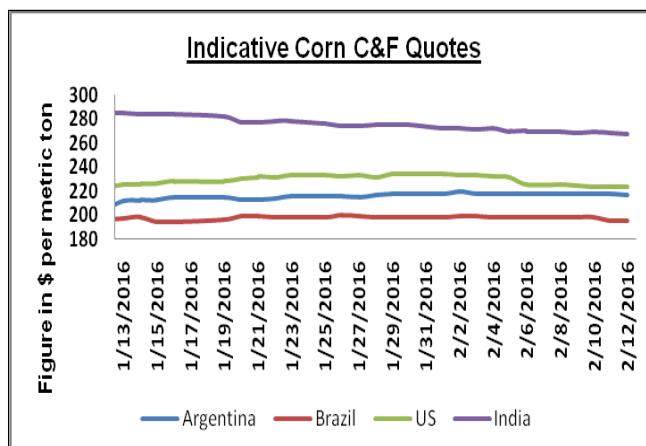
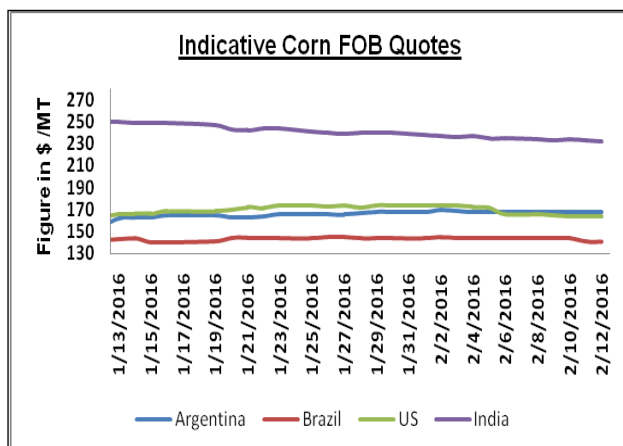
Weekly Call - : Market participants are advised to go short in Maize for March contract near 1385 levels for a target of 1363 and 1352 with a stop loss at 1398 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade slightly down in a range of Rs. 1340-1360 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 4.24 USD/MT to 141.79 USD/MT for March contracts during last week and is expected to trade down further on ample global supplies amid low demand for U.S. corn.

At 5,28,652 MT (for the period 29th Jan- 4th Feb, 2016) exports were down 20 percent from the previous week and 16 percent from the prior 4-week average.

EXPORT PARITY TREND:



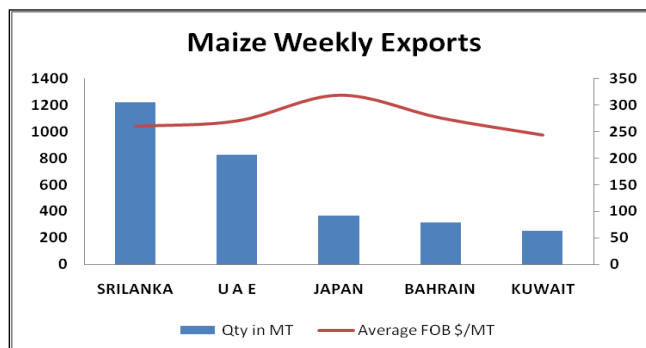
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 68.43)

As on 12.02.2016	Argentina	Brazil	US	India
FOB	167.32	140.45	163.64	232.12
Cost and Freight (C&F)	217.32	195.45	223.64	267.12

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. More import is possible in new MY if prices get firmer.

EXPORT BREAK UP BY MAJOR COUNTRIES

- As per IBIS data, around 3728 MT was exported mainly to Srilanka followed by UAE; mainly through JNPT Sea followed by Tondiarpet ICD during the period 1st February'16 to 7th February'16, higher compared to last week.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

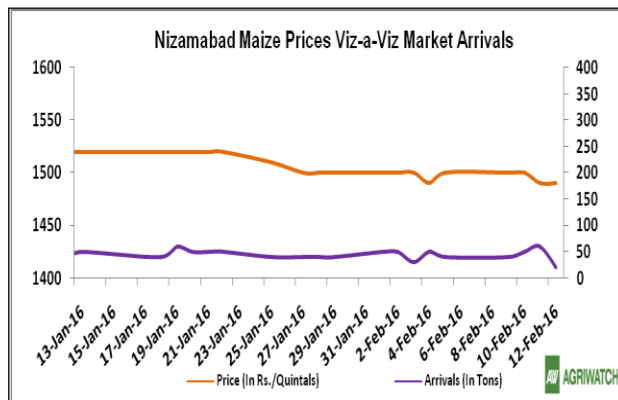
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14500 (Davangere Origin)	N.A
Namakkal	14700 (Davangere Origin)	N.A
Sangli	14700 (Davangere Origin)	N.A
Chennai	14700 (Davangere Origin)	N.A
Chitradurga	14500 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

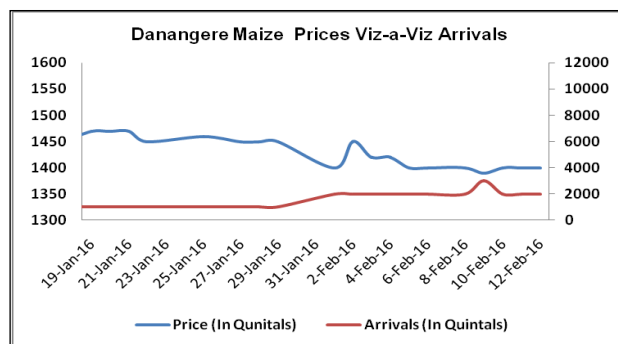
During the week under review, overall steady sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In A.P, maize stock position could be around 47,000 MT(25000- Private+ 22000-Government) which was around 40,000 MT(5000-Pvt+35000-Government) during the corresponding period of last year. Maize is likely to trade steady to slightly weak in the near term.


KARNATAKA:

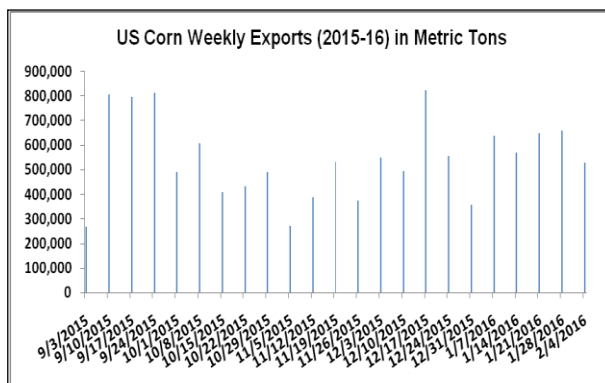
- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1450 per quintal, Rs. 1470 per quintal, Rs. 1450 per quintal, Rs. 1470 per quintal and Rs. 1470 per quintal respectively. Market is expected to trade slightly weak in the near term.


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade slightly weak on the expectation of further imports amid expectation of higher production in Bihar.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 12,448,731 metric tons in the 2015-16 marketing year. At 5,28,652 MT (for the period 29th Jan- 4th Feb, 2016) exports were down 20 percent from the previous week and 16 percent from the prior 4-week average. The primary destinations were Mexico (199,900 MT), Colombia (106,900 MT), Japan (103,300 MT), Peru (33,000 MT), Taiwan (29,600 MT), and Guatemala (22,200 MT).



INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT fell by 4.24 USD/MT to 141.79 USD/MT for March contracts during last week and are expected to trade down further on ample global supplies amid low demand for U.S. corn.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(March Contract Weekly Chart)

- 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 1385 for target 1363 and 1352 in the near term.

Strategy: Sell

Maize NCDEX (March)

Support & Resistance				
S2	S1	PCP	R1	R2
1323	1351	1380	1422	1463

DAVANGERE MARKET ANALYSIS: MAIZE


In Davangere cash market, maize (loose) prices are likely to trade slightly down in a range of Rs. 1340-1360 per quintal for the week.

ANNEXURE
MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Market	Grade	11-Feb-16	04-Feb-16	11-Jan-16	11-Feb-15	11-Feb-14
Gulabbagh	Bilty	1600	1600	1600	1350	1360
Delhi	Hybrid	1625	1625	NA	1425	1410
Davangere	Loose	1360	1380	1440	1130	1140
Shimoga	Bilty	1490	NA	1490	1100	1110
Ranebennur	Bilty	1450	1450	1475	1160	1190
Bagalkot	Hybrid/Local	1386	1400	1437	1151	NA
Gadag	Local	1366	1405	1382	1086	1131
Nizamabad	Bilty	1490	1490	1520	1265	1126
Khanna	Bilty	NA	NA	NA	1450	1260
Sangli	Bilty	1510	1500	1600	1280	1245
Ahmadabad	Feed	1600	1580	1570	1360	1325
	Starch	1600	1600	1600	1350	1350

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	02/10/2016	02/03/2016	Change
Corn CBOT Prices	Mar-16	141.79	146.03	-4.24
	May-16	143.76	147.99	-4.23
	Jul-16	145.73	150.06	-4.33
	Sep-16	147.80	151.73	-3.93
	Dec-16	150.95	154.68	-3.73

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