

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded steady to slightly weak during the week under review and are expected to trade range bound with weak bias in the near term. 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 at Rs. 1560 per quintal. However, starch feed makers quoted it firm by Rs. 25 per quintal to Rs.1585 per quintal as compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for March contract near 1427 levels for a target of 1411 and 1403 with a stop loss at 1436 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade slightly weak in a range of Rs.1340-1360 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

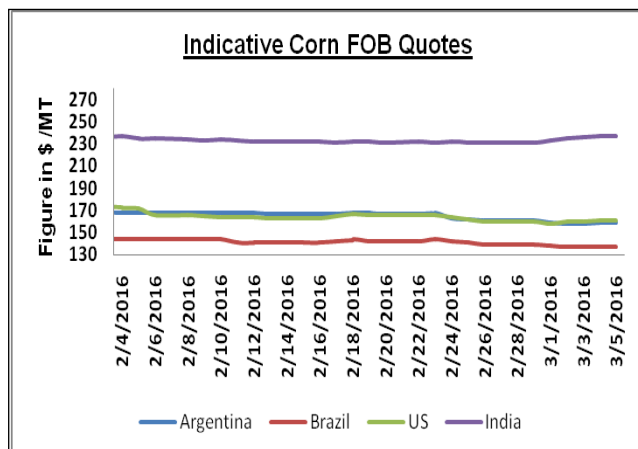
Corn prices on CBOT fall 2.07 USD/MT to 139.53 USD/MT for March contracts due to ample global grain supplies.

At 7,89,807 MT (for the period 19th Feb- 25th Feb, 2016) exports down 9 percent from the previous week, but up 13 percent from the prior 4-week average.

Informa Economics raised its corn production projection of Argentina for 2015/16 by 1 million tons to 27 million tons compared to last month. Also, raised its all-corn production projection of Brazil for 2015/16 by 0.9 million tons to 82.5 million tons compared to last month.

As per USDA, the use of corn in production of fuel ethanol down by 2.6 million bushels to 441.3 million bushels in January 2016 compared to corresponding period of last year.

EXPORT PARITY TREND:



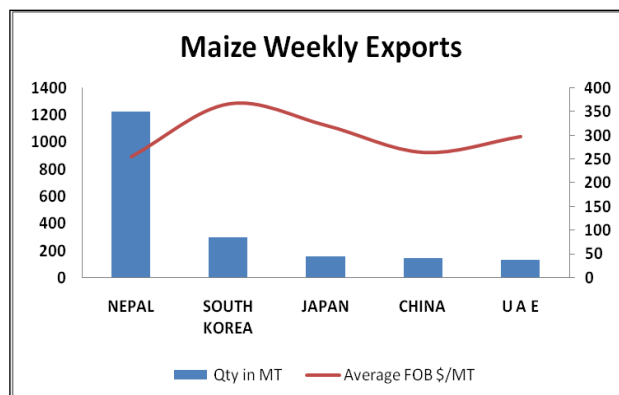
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.97)

As on 5.03.2016	Argentina	Brazil	US	India
FOB	158.76	137.12	160.75	237.18
Cost and Freight (C&F)	208.76	192.12	220.75	272.18

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 M.Y if prices get firmer.

EXPORT BREAK UP BY MAJOR COUNTRIES

- As per IBIS data, around 1586 MT was exported mainly to Nepal mainly through Raxaul LCS during the period 22nd February'16 to 28th February'16, lower compared to last week.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

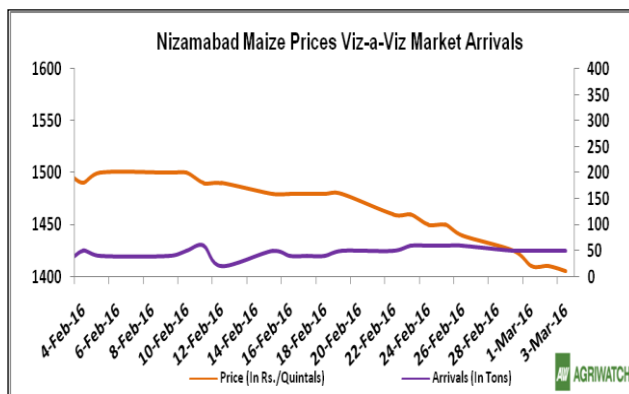
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14700 (Davangere Origin)	N.A
Namakkal	14600 (Davangere Origin)	N.A
Sangli	14700 (Davangere Origin)	N.A
Chennai	14800 (Davangere Origin)	N.A
Chitradurga	14250 (Davangere Origin)	N.A

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:

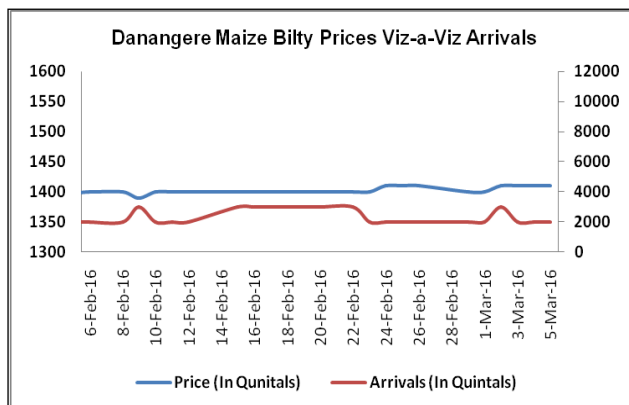
ANDHRA PRADESH:

- In A.P, despite the sluggish demand, maize is likely to trade range bound for the month of March as prices are ruling at the lower level. In A.P, maize stock position could be around 47,000 MT(20000- Private+ 22000-Government) which was around 40,000 MT(5000-Pvt+35000-Government) during the corresponding period of last year.



KARNATAKA:

- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1470 per quintal, Rs. 1460 per quintal, Rs. 1425 per quintal, Rs. 1470 per quintal and Rs. 1480 per quintal respectively. Market is expected to trade slightly weak in the near term. As per trade sources, in karnataka, stock of maize could be around 100,000 MT in the hands of Private traders, which was 200,000 MT during the corresponding period of last year.

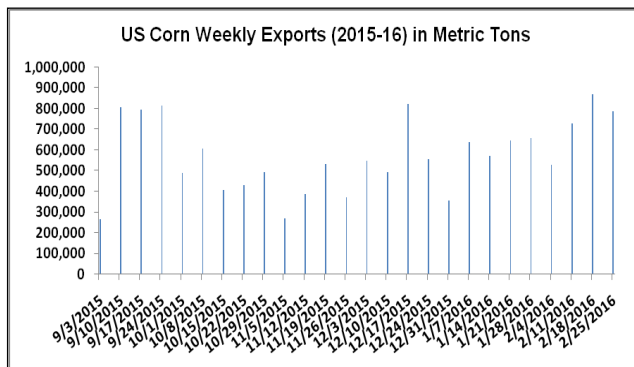


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade range bound with weak bias on the expectation of normal harvest of Rabi crop.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 14,838,136 metric tons in the 2015-16 marketing year. At 7,89,807 MT (for the period 19th Feb- 25th Feb, 2016) exports down 9 percent from the previous week, but up 13 percent from the prior 4-week average. The primary destinations were South Korea (206,300 MT), Mexico (182,700 MT), Japan (99,000 MT), Peru (90,500 MT), Guatemala (67,400 MT), and Colombia (60,400 MT).
- The Korea Feed Association purchased about 60,000 MT of yellow corn at \$177.90 / MT c&f likely to be sourced from South America, for the arrival at 30 July '16.
- Informa Economics raised its corn production projection of Argentina for 2015/16 by 1 million tons to 27 million tons compared to last month. Also, raised its all-corn production projection of Brazil for 2015/16 by 0.9 million tons to 82.5 million tons compared to last month.
- As per USDA, the use of corn in production of fuel ethanol down by 2.6 million bushels to 441.3 million bushels in January 2016 compared to corresponding period of last year and 10 million bushels compared to Dec'15.



INTERNATIONAL MAIZE OUTLOOK:

Corn prices on CBOT fall 2.07 USD/MT to 139.53 USD/MT for March contracts due to ample global grain supplies.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(March Contract Weekly Chart)

- Last candlestick depicts that prices are not sustaining at the higher side.
- RSI is moving in neutral zone.
- Prices closed below 9 days EMAs.
- Strategy: Sell near 1427 for target 1411 and 1403 in the near term.

Strategy: Sell

Maize NCDEX (March)

Support & Resistance

S2	S1	PCP	R1	R2
1361	1384	1424	1447	1470

DAVANGERE MARKET ANALYSIS: MAIZE



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

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	03-Mar-16	25-Feb-16	03-Feb-16	03-Feb-15	03-Feb-14
Gulabghagh	Bilty	NA	NA	1600	NA	1380
Delhi	Hybrid	1650	1675	1625	1425	1420
Davangere	Loose	1360	1360	1380	1100	1160
Shimoga	Bilty	NA	1470	1490	1080	1110
Ranebennur	Bilty	1415	1500	1450	1130	1200
Bagalkot	Hybrid/Local	NA	1365	1405	1124	1168
Gadag	Local	1355	1355	1392	1063	1132
Nizamabad	Bilty	1375	1450	1500	1270	1260
Khanna	Bilty	NA	NA	NA	1480	1450
Sangli	Bilty	1480	1468	1500	1250	1250
Ahmadabad	Feed	1570	1550	1600	1315	1330
	Starch	1585	1560	1620	1350	1370

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	3/2/2016	2/24/2016	Change
Corn CBOT Prices	Mar-16	139.53	141.60	-2.07
	May-16	140.22	143.47	-3.25
	Jul-16	141.99	145.63	-3.64
	Sep-16	144.16	147.80	-3.64
	Dec-16	147.40	151.04	-3.64

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