

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Sentiments are likely to remain steady with weak bias on the expectation of new crop arrival pressure.

In Bihar, around 5% maize crop harvesting has been completed and crop is in good condition. Maize is moving towards Punjab and U.P at Rs. 1600 and Rs. 1500 per quintal respectively. Demand from Kolkata feed makers will be raised from mid April after finishing up local produced.

In A.P, new crop contains 16-17% moisture and around 10-15%.has been harvested.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 50 per quintal to Rs. 1500 per quintal. Starch feed makers quoted it down by Rs. 80 per quintal at Rs.1500 per quintal compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for May contract near 1213 levels for a target of 1227 and 1234 with a stop loss at 1206 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade steady at Rs.1360 per quintal for the week.

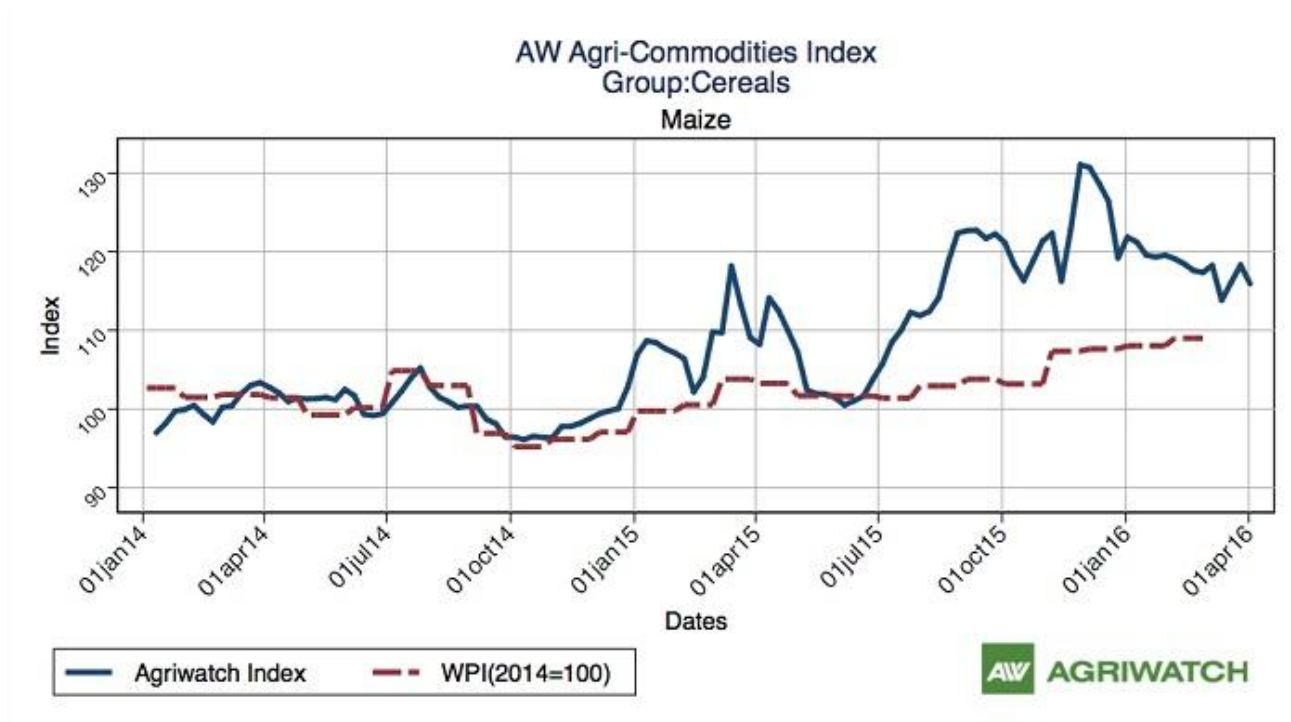
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fell by 7.28 USD/MT to 138.35 USD/MT for May contracts compared to last week as USDA surprised investors by its prediction for U.S. corn sowings at 93.601 million acres, up 6.4 percent from last year and above analyst estimates.

At 11,35,955 MT (for the period 18th March- 24th March, 2016) exports were up 14 percent from the previous week and 22 percent from the previous 4-week average.

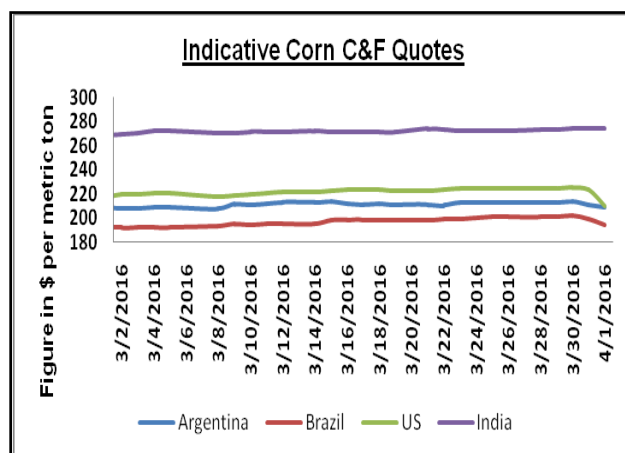
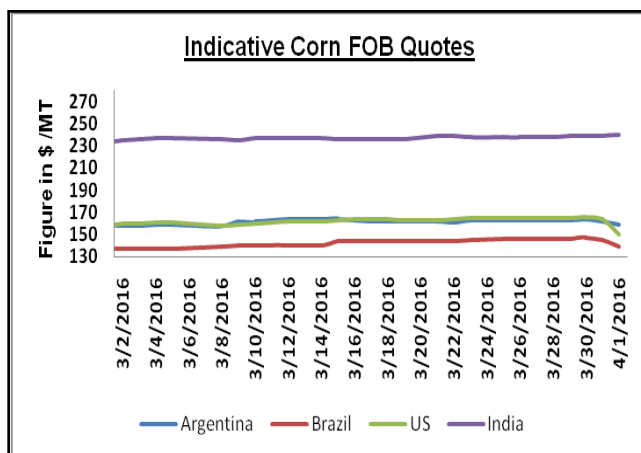
USDA quarterly stocks report shows totaled corn stocks in all positions on March 1, 2016 at 198.33 MMT, up by 1.476 MMT from March 1, 2015.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index fell 0.53% during the week ended Apr 2, 2016 compared to previous week. The base for the Index is 2014 (= 100).

EXPORT PARITY TREND:



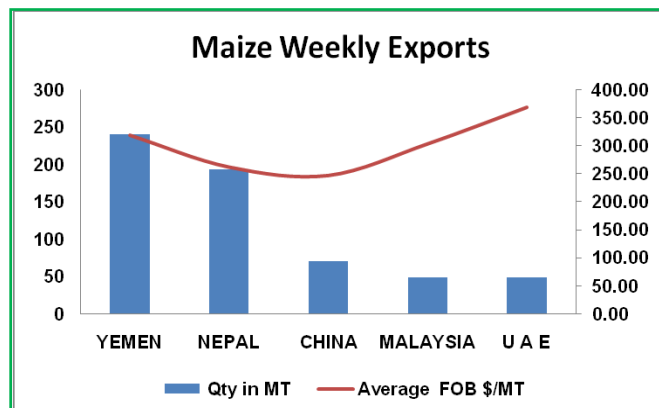
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.31)

As on 1.04.2016	Argentina	Brazil	US	India
FOB	158.66	139.34	150.07	239.54
Cost and Freight (C&F)	208.66	194.34	210.07	274.54

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 642 MT was exported mainly to Yemen followed by Nepal for the period of 14-20 March'16, mainly through JNPT sea followed by Raxul LCS.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

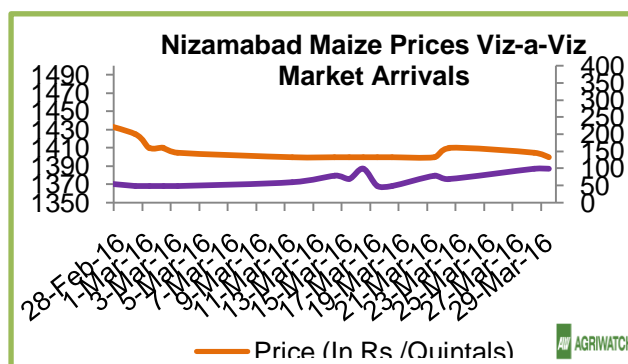
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14700 (Davangere Origin)	N.A
Namakkal	14700 (Davangere Origin)	N.A
Sangli	14700 (Davangere Origin)	N.A
Chennai	14800 (Davangere Origin)	N.A
Chitradurga	14300 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

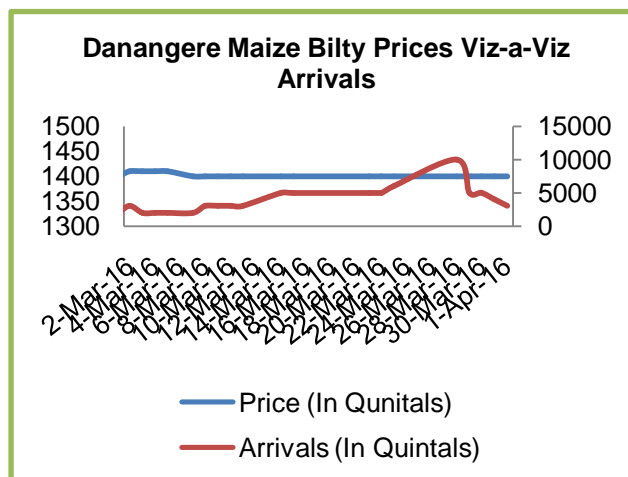
During the week under review, Steady to slightly firm sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In A.P, maize is likely to trade in a range of Rs. 1350-1400 per quintal for the month of April amid sluggish demand. New crop contains 16-17% moisture and around 10-15%.has been harvested


KARNATAKA:

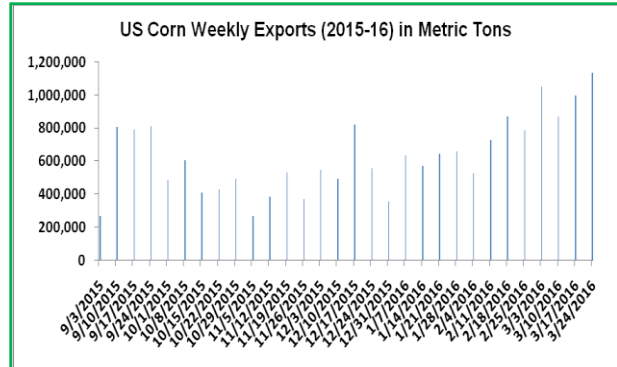
- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1470 per quintal, Rs. 1470 per quintal, Rs. 1430 per quintal, Rs. 1470 per quintal and Rs. 1480 per quintal respectively. Market is expected to trade steady in the near term. As per trade sources, in Davangere, stock of maize could be around 200,000 MT in the hands of Private traders, which was 250,000 MT during the corresponding period of last year.


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady with weak bias due to new crop arrival pressure.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 18,834,905 metric tons in the 2015-16 marketing year. At 11,35,955 MT (for the period 18th March- 24th March, 2016) exports were up 14 percent from the previous week and 22 percent from the previous 4-week average. The primary destinations were Japan (333,600 MT), Mexico (292,000 MT), Colombia (180,800 MT), El Salvador (78,000 MT), China (64,100 MT), Panama (41,300 MT), and Mozambique (39,500 MT).
- USDA quarterly stocks report shows totaled corn stocks in all positions on March 1, 2016 at 198.33 MMT, up by 1.476 MMT from March 1, 2015. Of the total stocks, 110.11 MMT are stored on farms, down by 1.14 MMT from March 1, 2015. Off-farm stocks, at 88.21 MMT, up by 2.62 MMT from the last year.

INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT fell by 7.28 USD/MT to 138.35 USD/MT for May contracts compared to last week as USDA surprised investors by its prediction for U.S. corn sowings at 93.601 million acres, up 6.4 percent from last year and above analyst estimates.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(May Contract Weekly Chart)

- Candlestick depicts range bound movement in the market.
- RSI is moving in neutral zone.
- Prices closed below 9 days EMAs.
- Decrease in prices with lower volume and OI indicates consolidation.
- Strategy: Buy near 1213 for target 1227 and 1234 in the near term.

Strategy: Buy

Maize NCDEX (May)

Support & Resistance				
S2	S1	PCP	R1	R2
1187	1202	1218	1236	1258

DAVANGERE MARKET ANALYSIS: MAIZE


In Davangere cash market, maize (loose) prices are likely to trade steady at Rs.1360 per quintal for the week.

ANNEXURE
MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	31-Mar-16	23-Mar-16	29-Feb-16	31-Mar-15	31-Mar-14
Gulabbagh	Bilty	NA	NA	NA	1550	1340
Delhi	Hybrid	1580	Closed	1670	1550	1500
Davangere	Loose	1360	1360	1360	1310	1200
Shimoga	Bilty	1500	1500	1470	1250	1140
Ranebennur	Bilty	1430	1401	1375	1305	1230
Bagalkot	Hybrid/Local	1386	1370	1371	1300	1191
Gadag	Local	1410	1388	1370	1229	1153
Nizamabad	Bilty	Closed	Closed	1425	NA	NA
Khanna	Bilty	1750	Closed	NA	1650	1450
Sangli	Bilty	1485	1488	1490	1380	1274
Ahmadabad	Feed	1500	Closed	1560	1400	1325
	Starch	1500	Closed	1560	1450	1370

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	3/31/2016	3/22/2016	Change
Corn CBOT Prices	May-16	138.35	145.63	-7.28
	Jul-16	140.02	147.50	-7.48
	Sep-16	141.89	149.47	-7.58
	Dec-16	145.14	152.62	-7.48
	Mar-17	148.88	156.16	-7.28

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