

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Sentiments are likely to be under pressure on the expectation of increase in supply of new crop.

In Bihar, new crop contains 15-16% moisture and around 5% maize crop harvesting has been completed. Crop is in good condition. Maize is moving towards Punjab, Haryana and U.P at around Rs. 1400-1450 per quintal. Demand from Kolkata feed makers will be raised from mid April after finishing up local produce.

In A.P, new crop contains 15-16% moisture and around 30-40% has been harvested.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 10 per quintal to Rs. 1500 per quintal. Starch feed makers quoted it down by Rs. 25 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 1206 levels for a target of 1186 and 1176 with a stop loss at 1218 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade steady at Rs.1360 per quintal for the week.

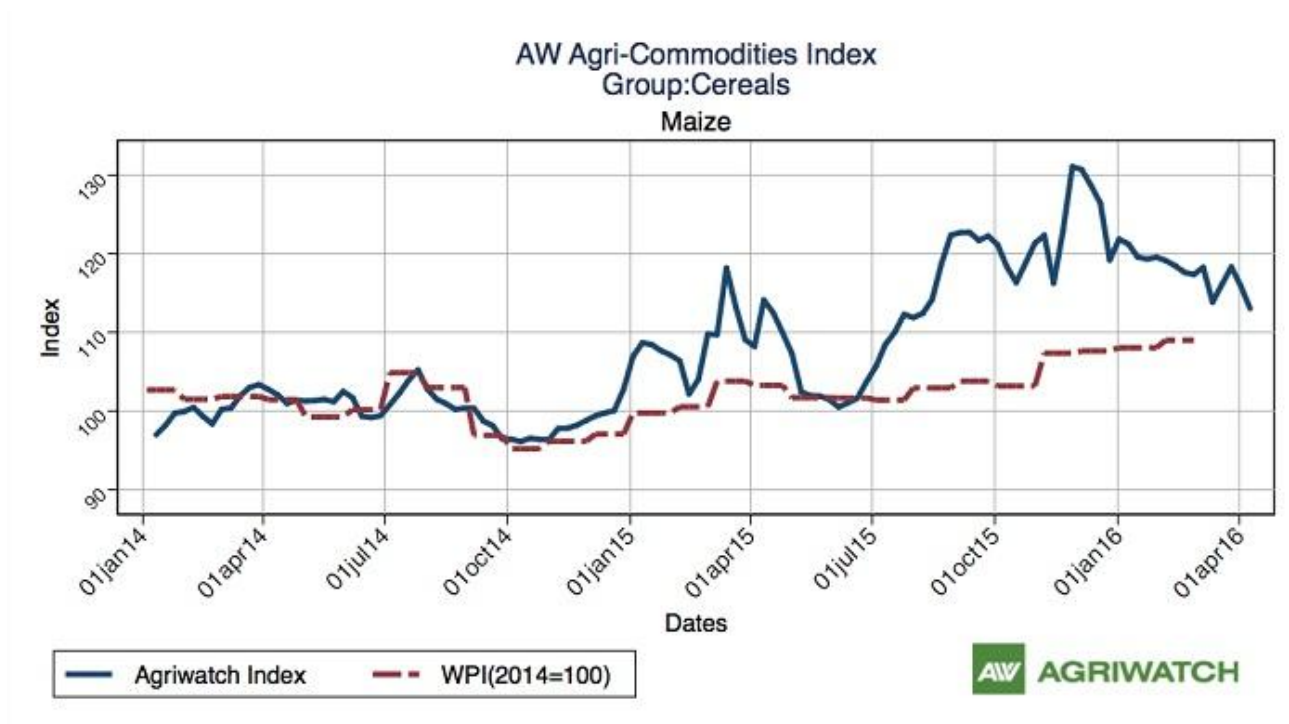
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 1.67 USD/MT to 142.58 USD/MT for May contracts compared to last week due to short covering.

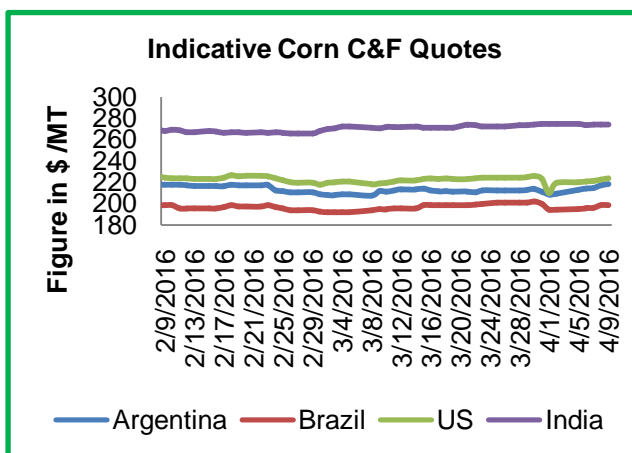
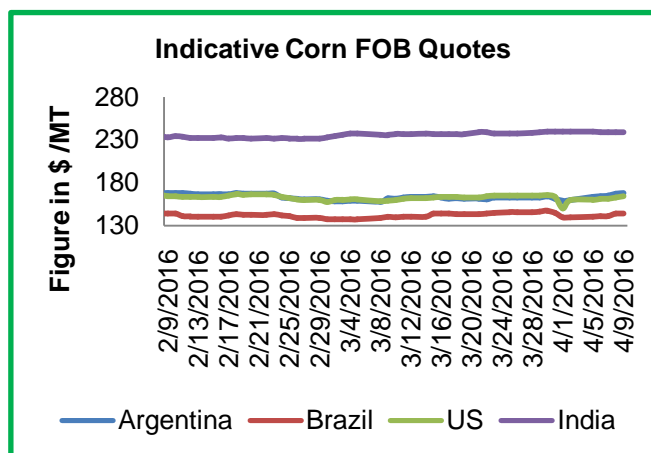
At 11,37,499 MT (for the period 25th March- 31st March, 2016) exports were unchanged from the previous week, but up 12 percent from the previous 4-week average.

Ukrainian farmers in 13 regions have sown around 1% of the initial area of about 4.5 million hectares.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index up 0.38% during the week ended Apr 9, 2016 compared to previous week. The base for the Index is 2014 (= 100).

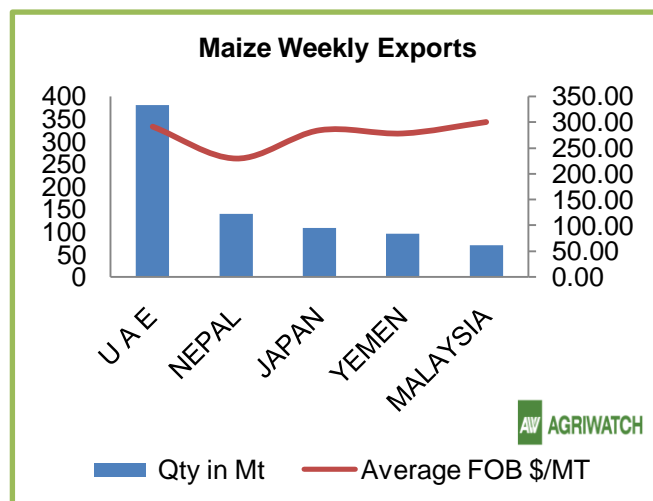
EXPORT PARITY TREND:

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.54)

As on 9.04.2016	Argentina	Brazil	US	India
FOB	168.21	143.84	163.9	239.00
Cost and Freight (C&F)	218.21	198.84	223.90	274.00

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 895 MT was exported mainly to UAE followed by Nepal and Japan for the period of 28 Mar'16 -03 Apr'16, mainly through JNPT Sea followed by Raxul LCS.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

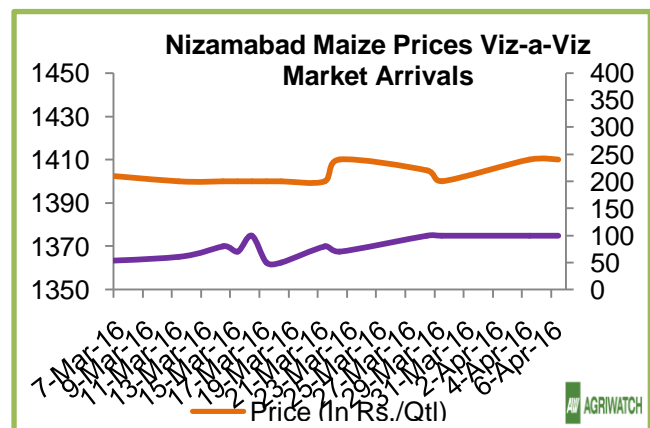
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14700 (Davangere Origin)	N.A
Namakkal	14700 (Davangere Origin)	N.A
Sangli	14700 (Davangere Origin)	N.A
Chennai	14800 (Davangere Origin)	N.A
Chitradurga	14300 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

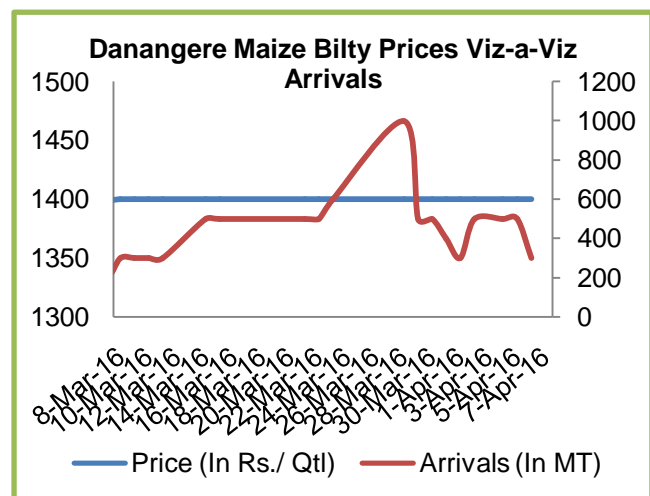
During the week under review, mixed sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

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 15-16% moisture and around 30-40% has been harvested.

KARNATAKA:

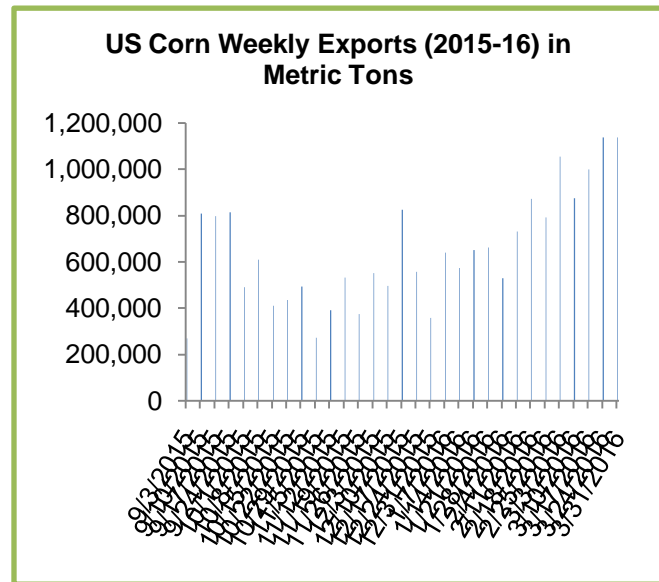
- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1470 per quintal, Rs. 1470 per quintal, Rs. 1430 per quintal, Rs. 1470 per quintal and Rs. 1480 per quintal respectively. Market is expected to trade steady in the near term. As per trade sources, 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 19.97 MMT in the 2015-16 marketing year. At 1.13 MMT (for the period 25th March- 31st March, 2016) exports were unchanged from the previous week, but up 12 percent from the previous 4-week average. The primary destinations were Mexico (371,400 MT), South Korea (129,200 MT), Colombia (129,000 MT), Taiwan (82,900 MT), Japan (82,800 MT), Peru (66,700 MT), and Saudi Arabia (65,400 MT).
- Ukrainian farmers in 13 regions have sown around 1% of the initial area of about 4.5 million hectares.

INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 1.67 USD/MT to 142.58 USD/MT for May contracts compared to last week due to short covering.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(May 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 1206 for target 1186 and 1176 in the near term.

Strategy: Buy

Maize NCDEX (May)

Support & Resistance				
S2	S1	PCP	R1	R2
1136	1163	1206	1222	1235

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	7-Apr-16	31-Mar-16	7-Mar-16	7-Apr-15	7-Apr-14
Gulabbagh	Bilty	1250	NA	NA	1350	1340
Delhi	Hybrid	1450	NA	1680	1550	1480
Davangere	Bilty	1400	1400	1400	1350	1350
Shimoga	Bilty	1490	1360	1470	1250	1280
Ranebennur	Bilty	1450	1500	1400	1280	1285
Bagalkot	Hybrid/Local	1410	1430	1375	1260	1230
Gadag	Local	1411	1386	1351	1266	1170
Nizamabad	Bilty	1410	1410	1405	1270	1260
Khanna	Bilty	1650	Closed	1750	1575	1500
Sangli	Bilty	1500	1485	1470	1380	1307
Ahmadabad	Feed	1500	1500	1560	1400	1320
	Starch	1510	1500	1580	1450	1350

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	4/8/2016	3/31/2016	Change
Corn CBOT Prices	May-16	142.58	140.91	1.67
	Jul-16	143.66	141.99	1.67
	Sep-16	144.84	143.37	1.47
	Dec-16	147.60	146.22	1.38
	Mar-17	151.34	150.16	1.18

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