

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Maize cash markets are likely to trade steady with weak bias on the expectation of increase in supply of new crop.

In Bihar, new crop contains 15-17% moisture and around 10% maize crop harvesting has been completed. Crop is in good condition while in A.P, new crop contains 14% moisture and around 50% has been harvested.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 40 per quintal to Rs. 1460 per quintal. Starch feed makers quoted it down by Rs. 35 per quintal at Rs.1465 per quintal compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for May contract near 1207 levels for a target of 1221 and 1228 with a stop loss at 1198 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1360-1380 per quintal for the week.

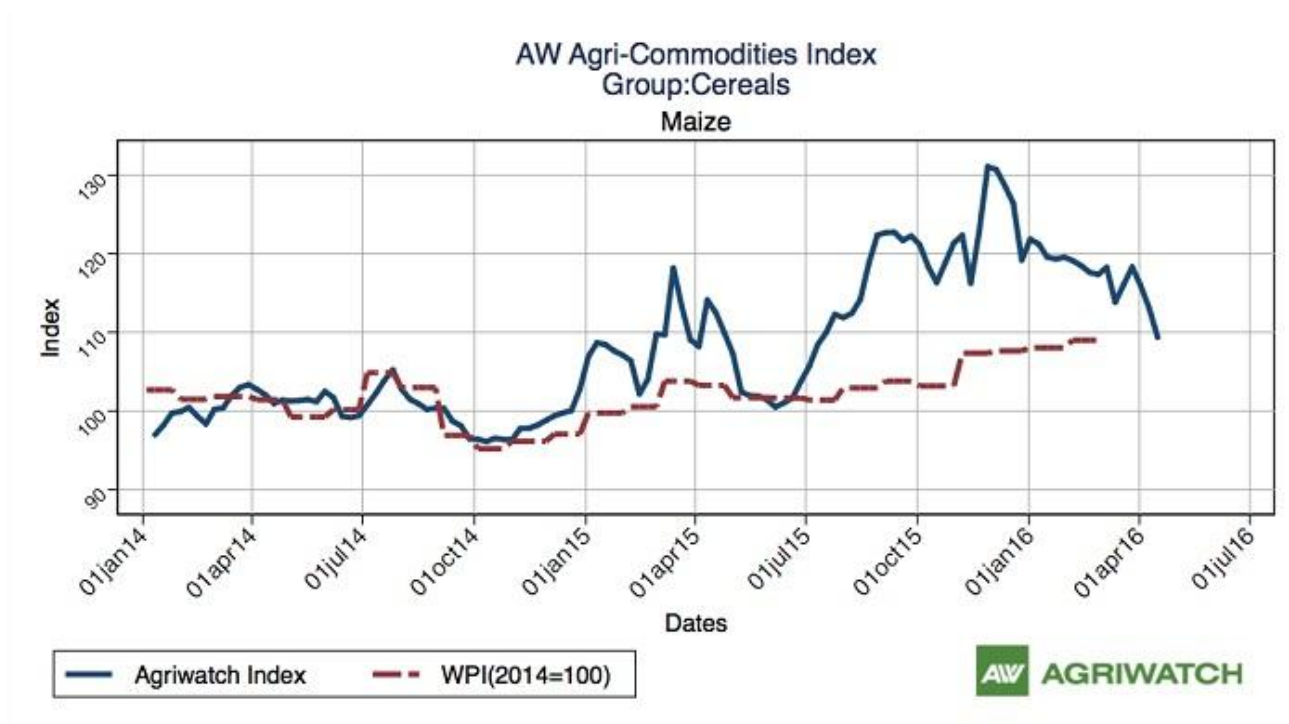
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 4.43 USD/MT to 147.01 USD/MT for May contracts due to adverse crop weather conditions in South America.

At 1.008 MMT (for the period 1st April- 7th April, 2016) exports were down 11 percent from the previous week and 3 percent from the prior 4-week average.

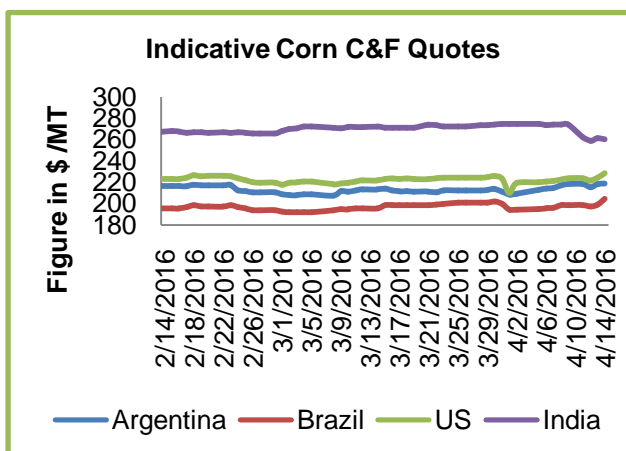
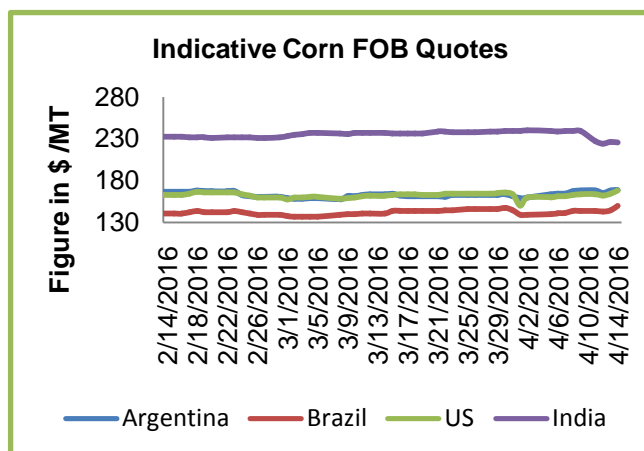
Indonesia is likely to limit maximum corn imports for feed mills to 1 million tons.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index up 0.30% during the week ended Apr 16, 2016 compared to previous week. The base for the Index is 2014 (= 100).

EXPORT PARITY TREND:



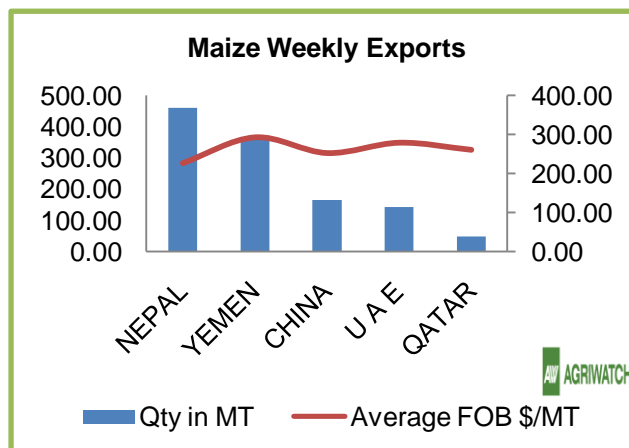
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.68)

As on 14.04.2016	Argentina	Brazil	US	India
FOB	168.90	149.58	168.47	225.61
Cost and Freight (C&F)	218.90	204.58	228.47	260.61

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 1185 MT was exported mainly to Nepal followed by Yemen for the period of 4 Apr'16 -10 Apr'16, mainly through JNPT Sea followed by Raxul LCS.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

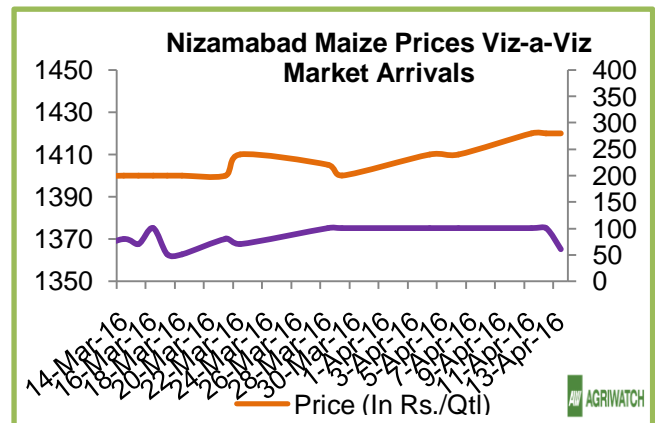
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	14700 (Davangere Origin)	N.A
Namakkal	14700 (Davangere Origin)	N.A
Sangli	14600 (Davangere Origin)	N.A
Chennai	14800 (Davangere Origin)	N.A
Chitradurga	14300 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

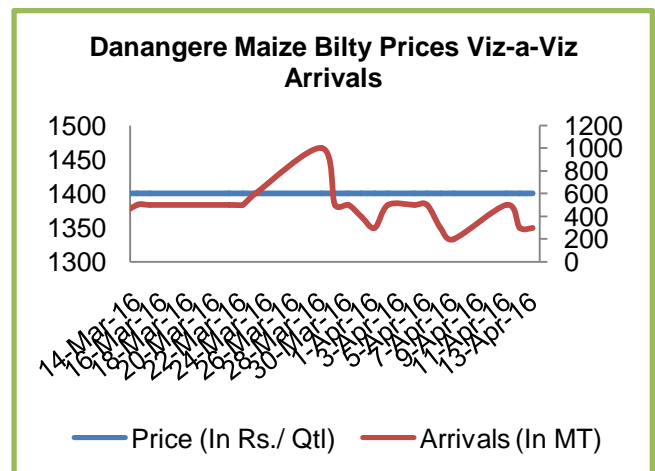
During the week under review, overall weak sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In A.P, maize is likely to trade in a range of Rs. 1400-1450 per quintal for the month of April amid sluggish demand. New crop contains 14% moisture and around 50% 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. 1460 per quintal and Rs. 1480 per quintal respectively. Market is expected to trade slightly firm in the near term due to high demand. 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.

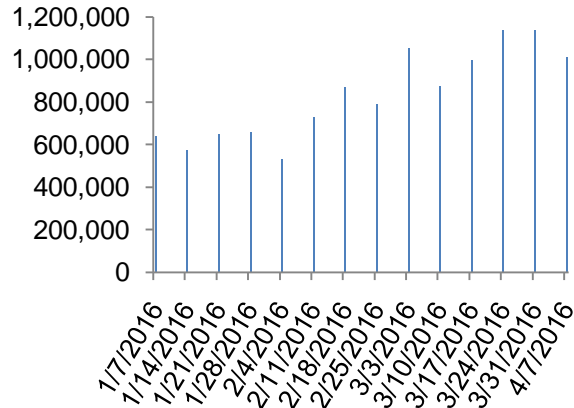
DOMESTIC MAIZE OUTLOOK:

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 20.98 MMT in the 2015-16 marketing year. At 1.008 MMT (for the period 1st April- 7th April, 2016) exports were down 11 percent from the previous week and 3 percent from the prior 4-week average. The primary destinations were Mexico (357,400 MT), Japan (214,400 MT), South Korea (168,900 MT), Taiwan (144,200 MT), and Colombia (69,400 MT).
- Indonesia is likely to limit maximum corn imports for feed mills to 1 million tons this year as domestic supply is likely to cover demand.

US Corn Weekly Exports (2015-16) in Metric Tons



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 4.43 USD/MT to 147.01 USD/MT for May contracts due to adverse crop weather conditions in South America.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(May Contract Weekly Chart)

- Candlestick depicts gain in the market.
- RSI is moving up in neutral zone.
- Prices closed below 9 and 18 days EMAs.
- Strategy: Buy above 1207 for target 1221 and 1228 in the near term.

Strategy: Buy
Maize NCDEX (May)

Support & Resistance				
S2	S1	PCP	R1	R2
1171	1191	1210	1235	1248

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	14-Apr-16	7-Apr-16	14-Mar-16	14-Apr-15	14-Apr-14
Gulabbagh	Bilty	1150	1250	NA	1340	1340
Delhi	Hybrid	1350	1450	1710	1480	1460
Davangere	Bilty	1400	1400	1400	1270	1350
Shimoga	Bilty	NA	1490	1470	1250	1250
Ranebennur	Bilty	1450	1450	1410	1335	1390
Bagalkot	Hybrid/Local	1412	1410	1391	1288	1220
Gadag	Local	1336	1411	1355	1245	1226
Nizamabad	Bilty	1420	1410	1400	1280	1260
Khanna	Bilty	1575	1650	1750	1575	1450
Sangli	Bilty	1525	1500	1460	1365	1290
Ahmadabad	Feed	1460	1500	1570	1430	1310
	Starch	1465	1510	1580	1460	1380

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	4/13/2016	4/8/2016	Change
Corn CBOT Prices	May-16	147.01	142.58	4.43
	Jul-16	148.39	143.66	4.73
	Sep-16	149.17	144.84	4.33
	Dec-16	151.14	147.6	3.54
	Mar-17	154.78	151.34	3.44

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