



Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Recommendations
- ❖ International Corn Market Summary
- ❖ AW- Maize Commodity Index
- ❖ Export Parity Trend
- ❖ Export Break Up By Major Countries
- ❖ Business from various sourcing centers during the season till date
- ❖ Current Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Futures Market Analysis: NCDEX MAIZE
- ❖ Davangere Market Analysis
- ❖ Annexure

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded firm during last week and are likely to trade steady to slightly firm amid regular feed makers demand. However, in Bihar, maize crop harvesting is almost completed and contains high moisture level of 16-18% which could weigh on market sentiments.

India exported 5599 MT maize during the week ended 22nd May'16 against 3484 MT previous week ending 15th May'16.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 25 per quintal to Rs. 1560 per quintal. Starch feed makers quoted it firm by Rs. 15 per quintal at Rs.1575 per quintal compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for Jun contract near 1380 levels for a target of 1400 and 1410 with a stop loss at 1368 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1600-1650 per quintal for the week.

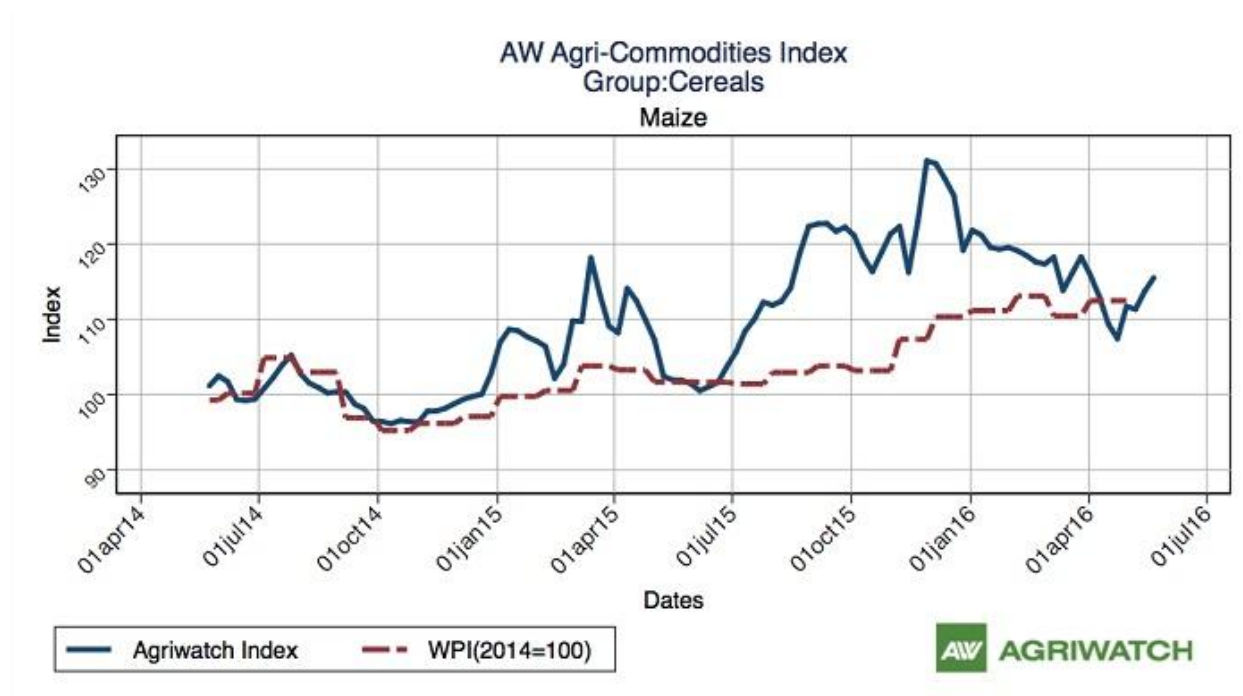
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 2.07 USD/MT to 159.31 USD/MT for July contracts.

IGC raised its forecast for the 2016/17 global corn production by 5 MMT to 1003 MMT from the last month.

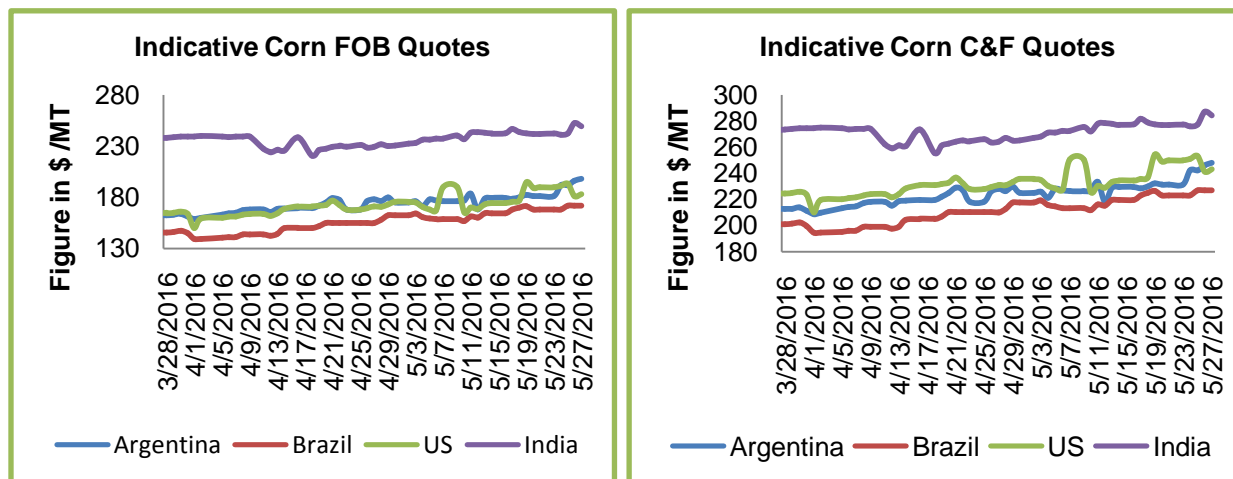
At 1.12 MMT (for the period 13th May- 19th May, 2016) exports were down 4 percent from the previous week and 3 percent from the prior 4-week average.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index up 1.16% during the week ended May 21, 2016 compared to previous week. The base for the Index and all sub-Indices is 2014 (= 100). Detailed charts and index computation methodology can be viewed on the ET website and on Agriwatch.com.

EXPORT PARITY TREND



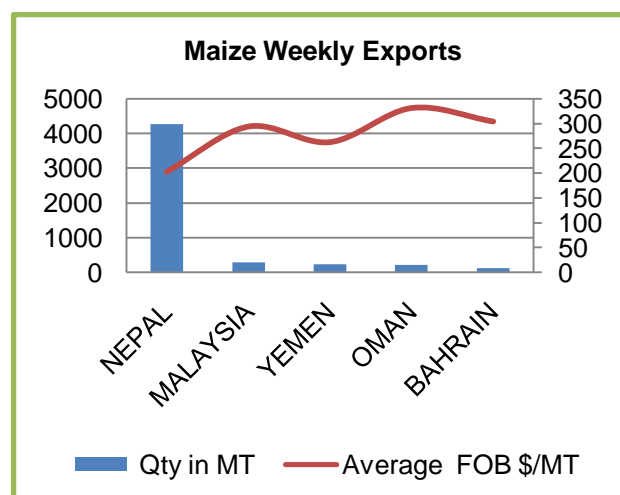
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 67.03)

As on 27.05.2016	Argentina	Brazil	US	India
FOB	197.93	171.80	182.99	249.29
Cost and Freight (C&F)	247.93	226.80	242.99	284.29

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, India exported 5599 MT maize during the week ended 22nd May'16 against 3484 MT previous week ending 15th May'16. Maize has been exported at an average FoB of \$213.82/ MT. Indian maize is exported mainly to Nepal followed by Malaysia and Yemen mainly through Raxul LCS followed by JNPT and Mundra Sea.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

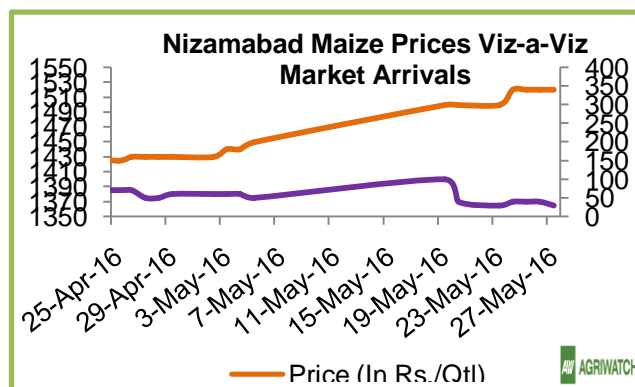
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	17000 (Davangere Origin)	N.A
Namakkal	18000 (Davangere Origin)	N.A
Chennai	17800 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

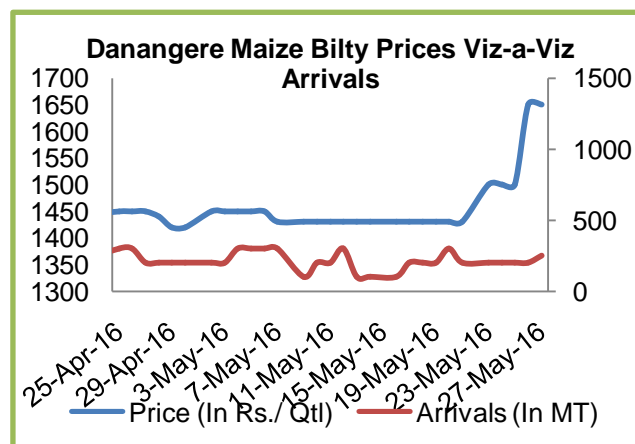
During the week under review, overall firm sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In A.P, maize is likely to trade firm amid high demand and low supply. In Nizamabad, stock of maize could be around 20000 MT which was 10000 MT compared to last year.


KARNATAKA:

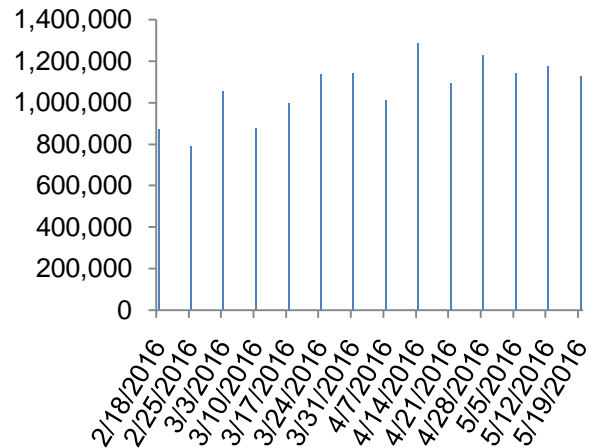
- Maize sourced from Davangere moved towards Bangalore, Nammakal and Chennai at Rs. 1700 per quintal, Rs. 1800 per quintal, and Rs. 1780 per quintal respectively. Market is expected to trade firm in the near term due to high demand from Bangalore and Namakkal feed makers.


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly firm in the near term amid regular feed makers demand.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 28.021 MMT in the 2016-17 marketing year. At 1.12 MMT (for the period 13th May- 19th May, 2016) exports were down 4 percent from the previous week and 3 percent from the prior 4-week average. The primary destinations were Mexico (316,200 MT), Japan (213,800 MT), Colombia (86,600 MT), Taiwan (78,600 MT), Morocco (71,900 MT), Saudi Arabia (68,800 MT), Peru (65,800 MT), and Guatemala (40,400 MT).
- The IGC raised its forecast for the 2016/17 global corn production by 5 MMT to 1003 MMT from the last month. Forecast for global corn ending stock fall by 3 MMT to 205 MMT as compared to last month but same compared to last year.

US Corn Weekly Exports (2015-16) in Metric Tons**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT rose by 2.07 USD/MT to 159.31 USD/MT for July contracts.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(Jun Contract Weekly Chart)

- Candlestick depicts down in the market.
- RSI is moving down in neutral zone.
- Prices closed above 9 and 18 days EMAs.
- Decrease in prices with lower volume and OI indicates consolidation.
- Strategy: Buy above 1380 for target 1400 and 1410 in the near term.

Strategy: Buy
Maize NCDEX (Jun)

Support & Resistance				
S2	S1	PCP	R1	R2
1324	1354	1385	1415	1446

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1600-1650 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	26-May-16	19-May-16	26-Apr-16	26-May-15	26-May-14
Gulabbagh	Bilty	1300	1270	1160	1100	1100
Delhi	Red	1460	1480	1400	1290	1325
Davangere	Bilty	1650	1430	1450	1250	1300
Shimoga	Bilty	NA	1600	1400	1300	1280
Ranebennur	Bilty	1540	1510	1450	1320	1375
Bagalkot	Hybrid/Local	1500	1466	1431	1310	1216
Gadag	Local	1252	1324	1410	1260	NA
Nizamabad	Bilty	1520	1500	1430	1275	1260
Khanna	Bilty	1465	1460	1465	1375	1350
Sangli	Bilty	1660	1620	1540	1410	1395
Ahmadabad	Feed	1550	1540	1530	1300	1320
	Starch	1550	1570	1550	1335	1390

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	5/25/2016	5/18/2016	Change
Corn CBOT Prices	Jul-16	159.31	157.24	2.07
	Sep-16	160.29	158.33	1.96
	Dec-16	160.79	159.80	0.99
	Mar-17	163.44	162.66	0.78
	May-17	164.43	164.13	0.30

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>
 © 2016 Indian Agribusiness Systems Pvt. Ltd.