



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded firm during last week and are likely to trade slightly firm due to stockiest demand.

India exported 6192 MT maize during the week ended 5th Jun'16 against 4536 MT previous week ending 29th May'16.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 60 per quintal to Rs. 1640 per quintal. Starch feed makers quoted it firm by Rs. 20 per quintal at Rs.1600 per quintal compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for July contract above 1471 levels for a target of 1495 and 1507 with a stop loss at 1456 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1600-1620 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 6.93 USD/MT to 169.78 USD/MT for July contracts on forecasts for hot and dry weather in the U.S. Midwest and frost over Brazil's southern corn.

In U.S, 98% corn planting has been completed as of 5th Jun, 2016, lower by 1% compared to last year but higher by 1% from last 5 year average period.

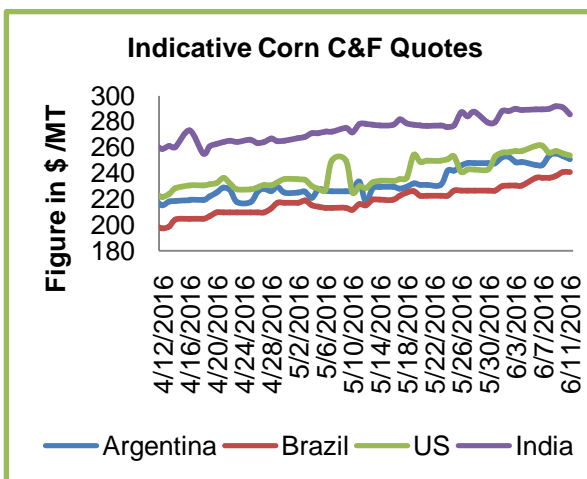
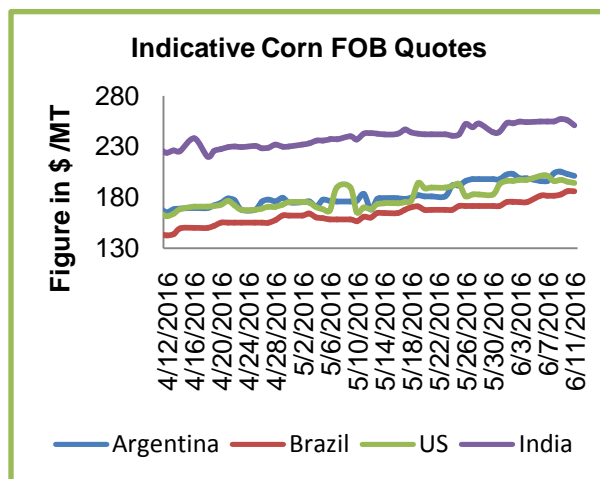
At 1.24 MMT (for the period 27th May- 2nd Jun, 2016) exports were up 65 percent from the previous week and 19 percent from the prior 4-week average.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index up 1.56% during the week ended Jun 11, 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



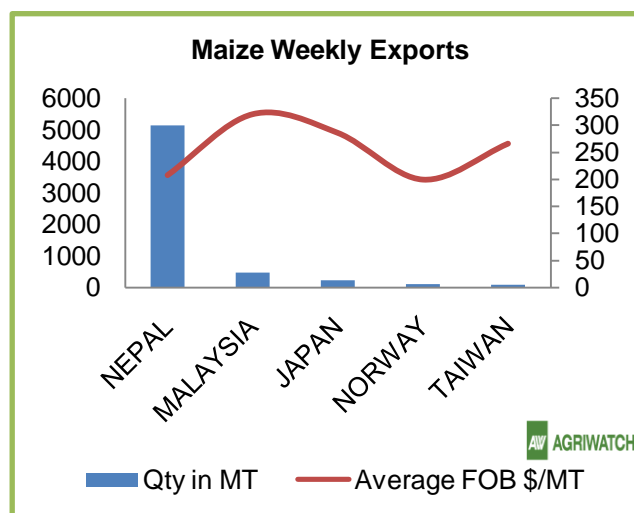
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.96)

As on 11.06.2016	Argentina	Brazil	US	India
FOB	200.98	185.97	194.10	250.76
Cost and Freight (C&F)	250.98	240.97	254.10	285.76

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 6192 MT maize during the week ended 5th Jun'16 against 4536 MT previous week ending 29th May'16. Maize has been exported at an average FoB of \$219.97/MT. Indian maize is exported mainly to Nepal followed by Malaysia mainly through Raxul LCS followed by JNPT Sea.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

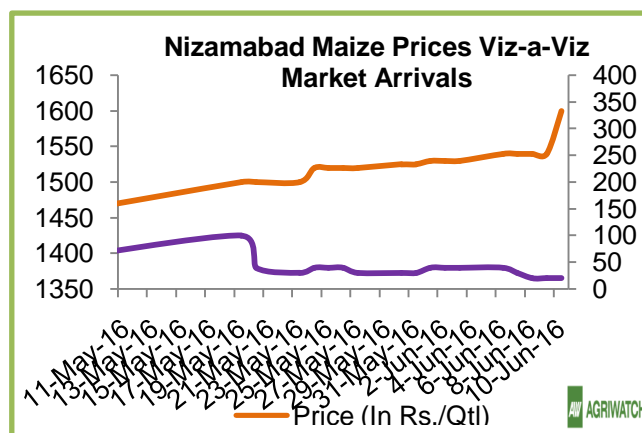
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	17200 (Davangere Origin)	N.A
Namakkal	17500 (Davangere Origin)	N.A
Chitradurga	17000 (Davangere Origin)	N.A
Sangli	17000 (Davangere Origin)	N.A
Chennai	17200 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

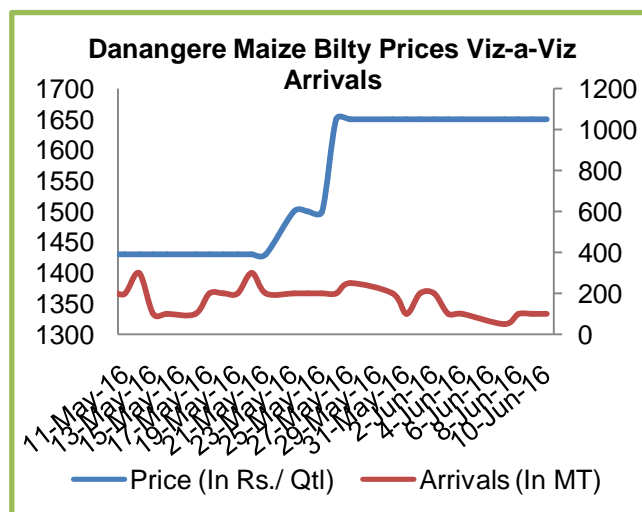
During the week under review, overall firm sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In A.P, maize is likely to trade steady to slightly firm amid high demand and low supply. In Nizamabad; stock of maize could be around 17000 MT which was 25000 MT compared to last year.

KARNATAKA:

- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangli and Chennai at Rs. 1720 per quintal, 1750 per quintal, 1700 per quintal, Rs. 1700 per quintal, and Rs. 1720 per quintal respectively. Market is expected to trade firm in the near term due to high demand. In Karnataka, stock of maize in the hands of Private traders could be around 500,000 MT, which was same during the corresponding period of last year while in the government's stock of maize is negligible, which was around 500,000 MT during the corresponding period of last year.

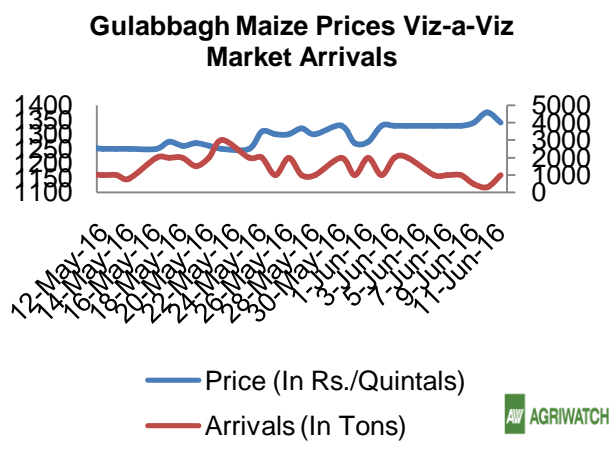


BIHAR:

In Bihar, maize crop harvesting has ended and contains high moisture level of 16-18% and quality is also affected by fungus. It is expected to trade slightly firm in the near term.

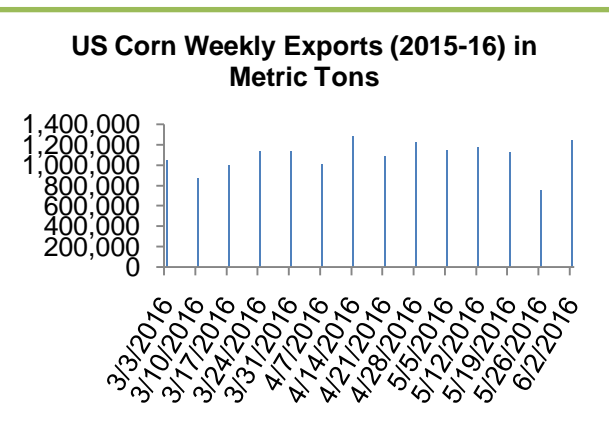
DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly firm in the near term due to high stockiest demand.



INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 30.01 MMT in the 2016-17 marketing year. At 1.24 MMT (for the period 27th May- 2nd Jun, 2016) exports were up 65 percent from the previous week and 19 percent from the prior 4-week average. The primary destinations were Mexico (262,000 MT), Japan (257,900 MT), Saudi Arabia (148,700 MT), South Korea (137,700 MT), El Salvador (66,600 MT), Peru (56,700 MT), and Algeria (46,600 MT).



- In U.S, 98% corn planting has been completed as of 5th Jun, 2016, lower by 1% compared to last year but higher by 1% from last 5 year average period. 90% crop of corn has emerged; lower by 1% from last year but higher by 4% from last 5 year average period. 75% crop of corn is in good to excellent condition.

INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 6.93 USD/MT to 169.78 USD/MT for July contracts on forecasts for hot and dry weather in the U.S. Midwest and frost over Brazil's southern corn.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(July Contract Weekly Chart)

- Candlestick depicts firmness in the market.
- RSI is moving up in overbought zone.
- Prices closed above 9 and 18 days EMAs.
- Strategy: Buy above 1471 for target 1495 and 1507 in the near term.

Strategy: Buy
Maize NCDEX (July)

Support & Resistance				
S2	S1	PCP	R1	R2
1394	1433	1472	1524	1563

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1600-1620 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	9-Jun-16	2-Jun-16	9-May-16	9-Jun-15	9-Jun-14
Gulabghagh	Bilty	1340	1330	1225	1080	1075
Delhi	Red	1500	1470	1450	1225	1260
Davangere	Bilty	1650	1650	1430	1300	1330
Shimoga	Bilty	1720	1682	1550	1300	1300
Ranebennur	Bilty	1620	1630	1460	1300	1350
Bagalkot	Hybrid/Local	1400	1505	1488	1301	1233
Gadag	Local	1621	1580	1470	1280	1253
Nizamabad	Bilty	1540	1530	1450	1275	1240
Khanna	Bilty	1480	1500	1465	1270	1270
Sangli	Bilty	1760	1700	1600	1405	1380
Ahmadabad	Feed	1650	1570	1500	1310	1330
	Starch	1640	1575	1520	1350	1350

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	6/8/2016	6/1/2016	Change
Corn CBOT Prices	Jul-16	169.78	162.85	6.93
	Sep-16	171.15	163.34	7.81
	Dec-16	172.04	163.84	8.2
	Mar-17	173.71	166.49	7.22
	May-17	174.8	168.07	6.73

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