



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded mixed during the week and is expected to trade steady till the new crop arrive in the market.

In India, maize has been sown in around 83.15 lakh hectares as on 9th September'16 which is higher than 75.06 lakh hectare covered during corresponding period last year. In Karnataka, it has been sown in 12.62 lakh hectare which is higher than 10.16 lakh hectare covered during corresponding period last year while in Maharashtra; it has been up by 1.64 lakh hectares to 9.20 lakh hectares. In M.P, it has been up by 1.65 lakh hectares to 12.63 lakh hectares. In A.P, maize has been sown in 0.78 lakh hectare which is higher than 0.64 lakh hectare covered during corresponding period last year. Area of maize is higher than last year due to shift from soybean. Maize crop is at vegetative to flowering and cob formation stage. It is reported that traces of Stem borer and Shoot borer diseases attacks in Ananthapuram district. In Telangana, it has been sown in 5.80 lakh hectare which is higher than 4.10 lakh hectare covered during corresponding period last year. Maize Crop is at knee high to grain filling stage. It is reported that traces of stem borer disease attacks in Nizamabad, and Warangal districts.

Agriwatch expects increase in maize sown area by 11% to 84.92 lakh hectares compared to corresponding period last year due to high corn prices. Kharif production could be around 17.3 MMT in 2016/17 year depending on weather conditions.

India exported 1396 MT maize during the week ended 4th September'16 against 1839 MT previous week ending 28th August'16.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize steady at Rs. 1750 per quintal. Starch feed makers quoted it down by Rs. 40 per quintal at Rs.1700 per quintal compared to last week.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for September contract near 1568 levels for a target of 1552 and 1544 with a stop loss at 1577 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1750-1800 per quintal for the week.

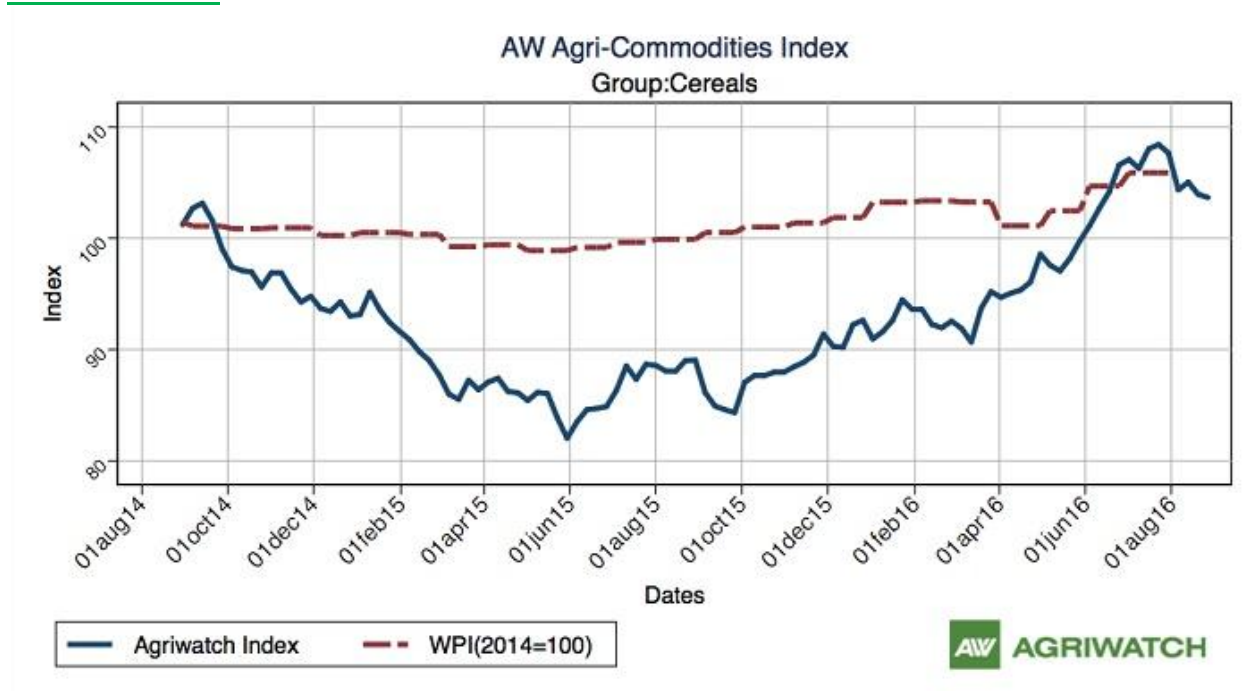
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 7.67 USD/MT to 126.37 USD/MT for September contracts compared to last week.

At 1.11 MMT (for the period 26th August- 1st September, 2016) exports were up 2 percent from the prior year's total of 45,845,500 MT.

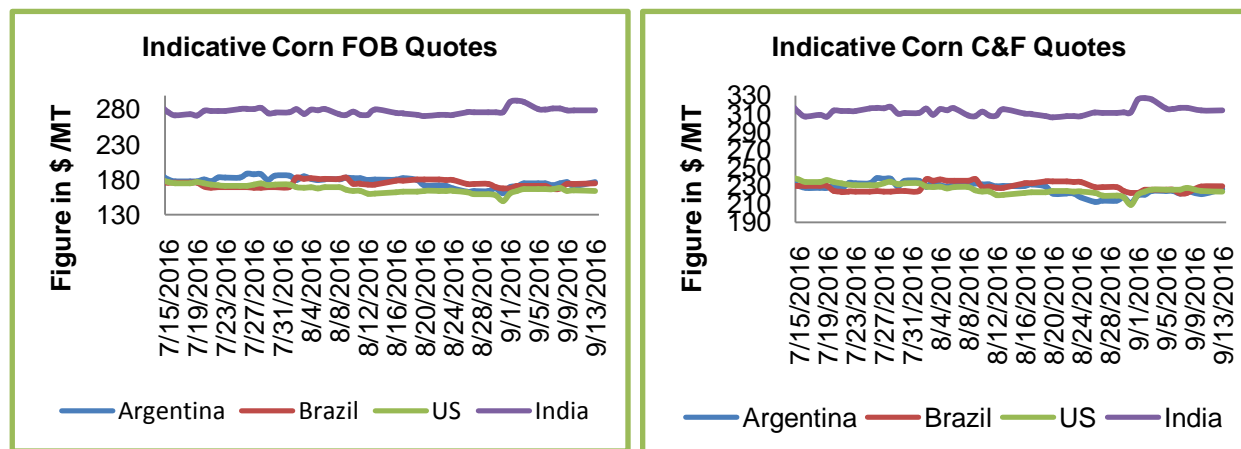
In U.S, 96% crop of corn is in the dough stage as on 4th September'16; higher by 1% from the last year and 2% from last 5 year average period.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index down 0.28% during the week ended August 27, 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



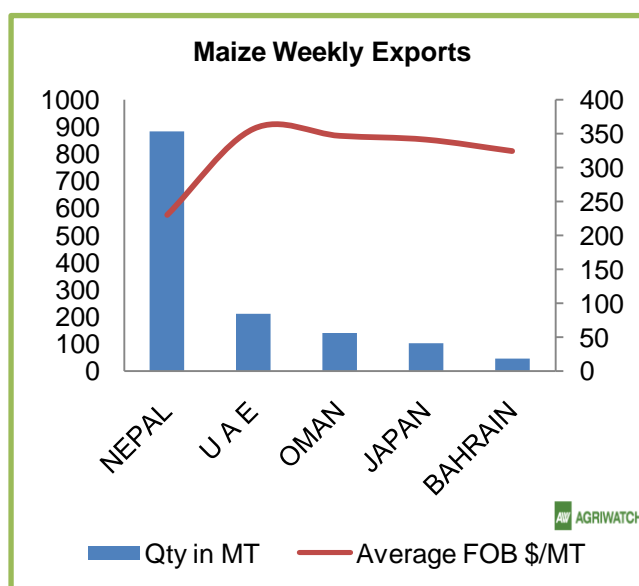
Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.90)

As on 13.09.2016	Argentina	Brazil	US	India
FOB	176.97	174.92	164.00	278.46
Cost and Freight (C&F)	224.61	225.85	226.32	325.46

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.

EXPORT BREAK UP BY MAJOR COUNTRIES

- As per IBIS data, India exported 1396 MT maize during the week ended 4th September'16 against 1839 MT previous week ending 28th August'16. Maize has been exported at an average FoB of \$261.36 / MT. Indian maize is exported mainly to Nepal and UAE mainly through Raxul LCS followed by Mundra Sea.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

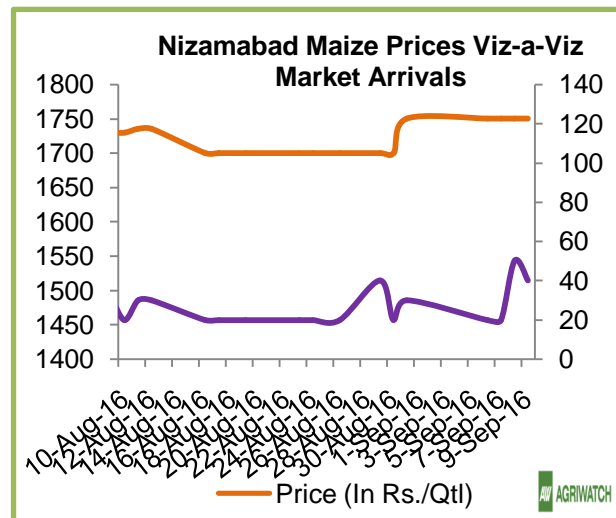
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	19200 (Davangere Origin)	N.A
Namakkal	19700 (Davangere Origin)	N.A
Chitradurga	18750 (Davangere Origin)	N.A
Sangli	18500 (Davangere Origin)	N.A
Chennai	19700 (Davangere Origin)	N.A

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:

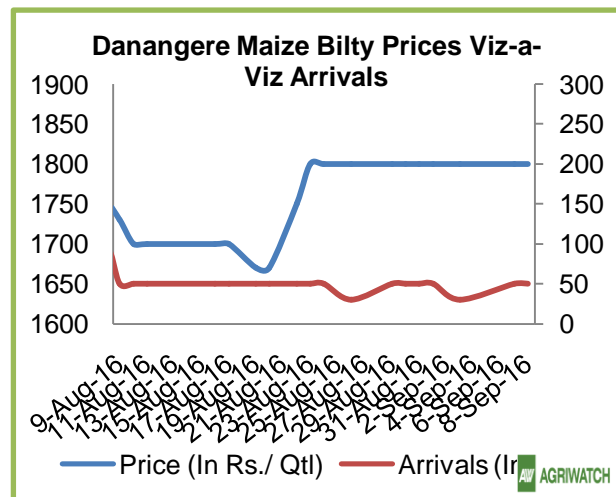
ANDHRA PRADESH:

- In A.P, maize is likely to trade steady in the near term. In Nizamabad; stock of maize could be around 1000 MT which was 2500 MT last year. Maize crop is in good condition and is expected to arrive in market soon.



KARNATAKA:

- Maize sourced from Davangere moved towards Bangalore, Nammakal, Chitradurga, Sangali and Chennai at Rs. 1920 per quintal, 1970 per quintal, 1875 per quintal, Rs. 1850 per quintal, and Rs. 1970 per quintal respectively. Maize is likely to trade steady in the near term.



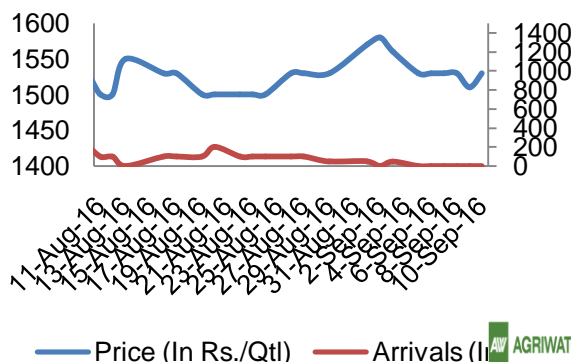
BIHAR:

In Bihar, maize is expected to trade steady in the near term.

DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady for the week.

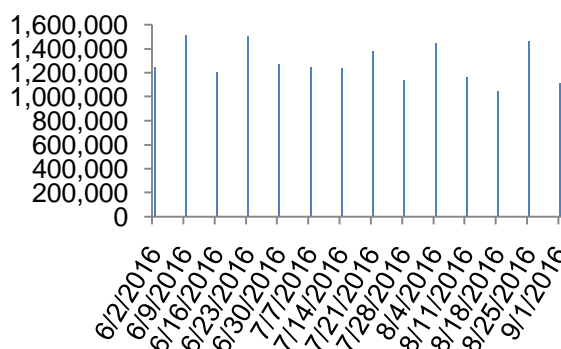
Gulabgh Maize Prices Viz-a-Viz Market Arrivals



INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 46.67 MMT in the 2015-16 marketing year. At 1.11 MMT (for the period 26th August- 1st September, 2016) exports were up 2 percent from the prior year's total of 45,845,500 MT. The primary destinations were Japan (273,800 MT), South Korea (268,700 MT), Mexico (199,700 MT), Egypt (91,600 MT), and Colombia (57,200 MT). Exports for September 1 totaled 299,000 MT; the primary destinations were Mexico (79,500 MT), Egypt (64,700 MT), Nigeria (34,500 MT), and Japan (31,300 MT).
- In U.S, 96% crop of corn is in the dough stage as on 4th September'16; higher by 1% from the last year and 2% from last 5 year average period. 76% crop of corn has dentied; higher by 5% from the last year and 7% from last 5 year average period. 74% crop of corn is in good to excellent condition.

US Corn Weekly Exports (2016-17) in Metric Tons



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 7.67 USD/MT to 126.37 USD/MT for September contracts compared to last week.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(Sep Contract Weekly Chart)

- Candlestick depicts down in the market.
- RSI is moving in neutral zone.
- Prices closed above 9 and 18 days EMAs.
- Decrease in prices with lower volume and OI indicates consolidation.
- Strategy: Sell near 1568 for target 1552 and 1544 in the near term.

Strategy: Buy
Maize NCDEX (Sep)

Support & Resistance				
S2	S1	PCP	R1	R2
1522	1536	1558	1572	1586

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1750-1800 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	8-Sep-16	2-Sep-16	8-Aug-16	8-Sep-15	8-Sep-14
Gulabghagh	Bilty	1530	1580	1500	1425	1110
Delhi	Red	1550	1550	1600	NA	NA
Davangere	Bilty	1800	Closed	1750	1650	1300
Shimoga	Bilty	1800	NA	1875	NA	NA
Ranebennur	Bilty	NA	1800	1780	1610	NA
Bagalkot	Hybrid/Local	NA	NA	NA	NA	NA
Gadag	Local	NA	NA	NA	NA	1137
Nizamabad	Bilty	1750	Closed	1730	1560	NA
Khanna	Bilty	1600	1620	1630	1420	1210
Sangli	Bilty	1900	1885	1850	1700	NA
Ahmadabad	Feed	1780	1730	1740	1600	1370
	Starch	1750	1690	1750	1625	1305

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	7-Sep-16	1-Sep-16	Change
Corn CBOT Prices	Sep-16	126.37	118.70	7.67
	Dec-16	131.19	124.21	6.98
	Mar-17	135.03	128.34	6.69
	May-17	137.99	131.29	6.70
	July-17	140.74	134.34	6.40

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