

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded firm during the week and are expected to trade steady to firm in the near term.

India exported 2421 MT maize during the week ended 6th November'16 against 3237.3 MT previous week ending 30th October'16.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 50 per quintal to Rs. 1450 per quintal while starch feed makers quoted it firm by Rs. 25 per quintal to Rs. 1400 per quintal.

Agriwatch expects kharif production to be around 17.6 MMT in 2016/17 year.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for December contract near 1400 levels for a target of 1418 and 1427 with a stop loss at 1390 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1450-1500 per quintal for the week.

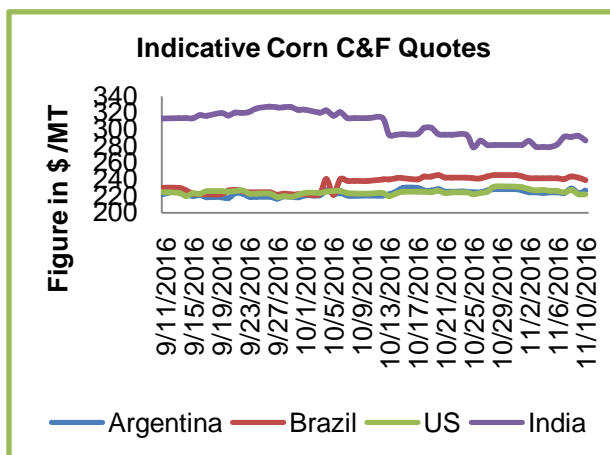
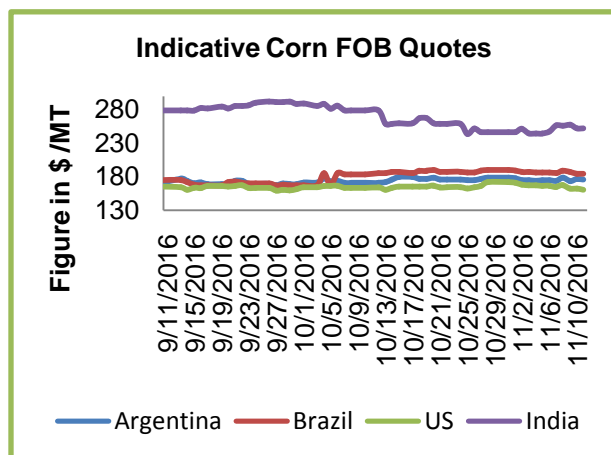
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 6.59 USD/MT to 134.15 USD/MT for December contract compared to last week.

At 0.89 MMT (for the period 28th October- 3rd November, 2016) exports were up 3 percent from the previous week and from the prior 4-week average.

In U.S, 86% of corn crop has been harvested as on 6th November'16; lower by 5% from the last year but higher by 1% from the last 5 year average period.

EXPORT PARITY TREND

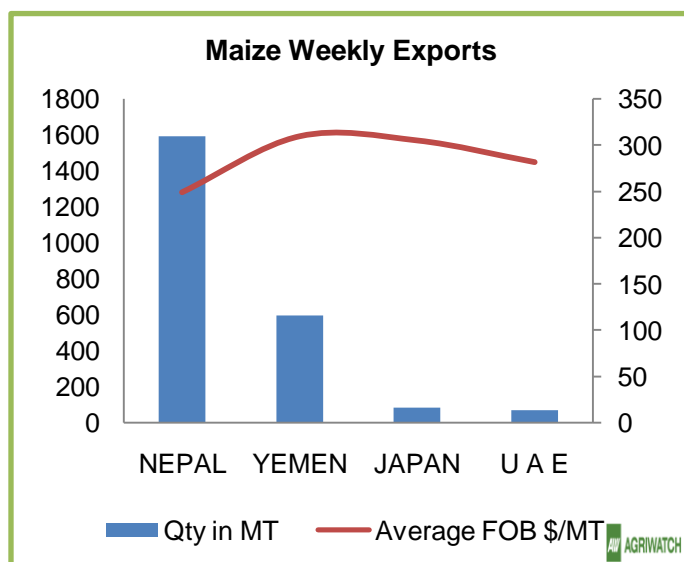


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 66.02)				
As on 10.05.2016	Argentina	Brazil	US	India
FOB	176.57	184.45	162	252.15
Cost and Freight (C&F)	226.57	239.45	222.00	287.15

As depicted by the above data, gap between other exporting countries and India starts narrowing and if current trend continues, neighbouring countries of India may start looking Indian maize.

EXPORT BREAK UP BY MAJOR COUNTRIES

- As per IBIS data, India exported 2421 MT maize during the week ended 6th November'16 against 3237.3 MT previous week ending 30th October'16. Maize has been exported at an average FoB of \$ 257.65 / MT. Indian maize is exported mainly to Nepal through Raxaul LCS.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

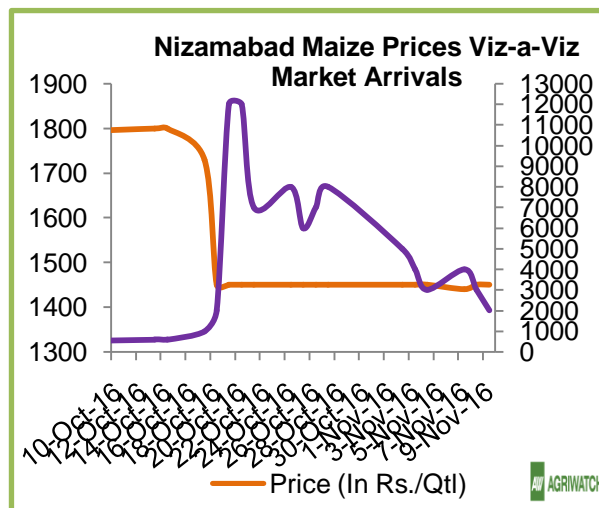
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	15000 (Davangere Origin)	N.A
Namakkal	16200 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

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

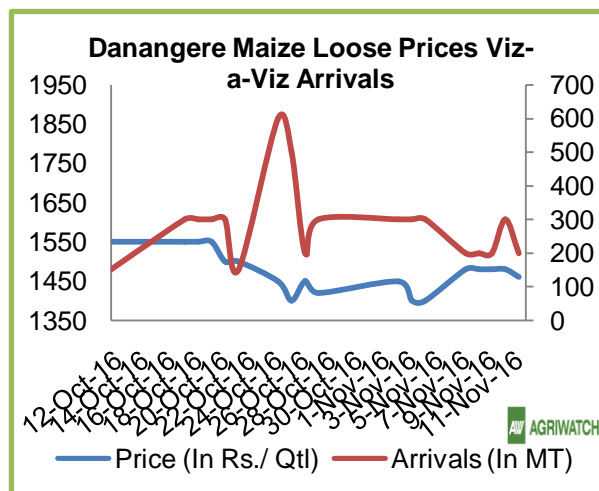
ANDHRA PRADESH:

- In Nizamabad, maize is likely to trade steady in the near term. New crop contains 13-14% moisture level. Farmers are not bringing their stock in the market due to cash payment issue.



KARNATAKA:

- Maize sourced from Davangere moved towards Bangalore and Nammakal at Rs. 1500 per quintal, 1620 per quintal respectively. New crop contains 16-18% moisture level and is likely to trade steady to slightly firm in the near term.



DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to firm in the near term.

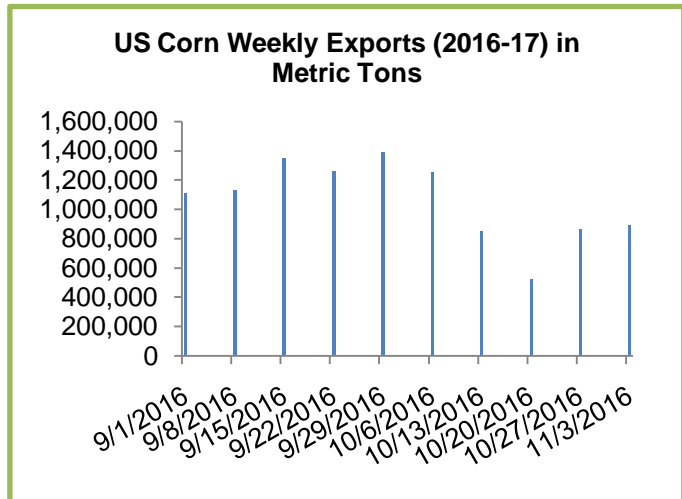


INTERNATIONALS

MARKET:

HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 9.80 MMT in the 2016-17 marketing year. At 0.89 MMT (for the period 28th October- 3rd November, 2016) exports were up 3 percent from the previous week and from the prior 4-week average. The primary destinations were Mexico (308,800 MT), Colombia (143,900 MT), Japan (142,300 MT), Peru (80,600 MT), Chile (44,600 MT), Morocco (33,000 MT), and Costa Rica (29,600 MT).
- In U.S, 86% of corn crop has been harvested as on 6th November'16; lower by 5% from the last year but higher by 1% from the last 5 year average period.



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT fall by 6.59 USD/MT to 134.15 USD/MT for December contract compared to last week and are expected to trade weak ahead due to new crop arrival pressure.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(December Contract Weekly Chart)

- Candlestick depicts gain in the market.
- RSI is moving up in neutral zone.
- Prices closed above 9 and 18 days EMAs.
- Strategy: Buy near 1400 for target 1418 and 1427 in the near term.

Strategy: Buy
Maize NCDEX (December)

Support & Resistance				
S2	S1	PCP	R1	R2
1355	1380	1405	1443	1468

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1450-1500 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	10-Nov-16	3-Nov-16	10-Oct-16	10-Nov-15	10-Nov-14
Gulabbagh	Bilty	1550	1550	1500	1480	1100
Delhi	Red	1550	1500	1550	1550	1280
Davangere	Loose	1480	1400	1550	1320	1080
Shimoga	Bilty	1400	1450	1830	1550	1070
Ranebennur	Bilty	1440	1450	1690	1500	1150
Bagalkot	Hybrid/Local	1408	1362	1485	1420	1149
Gadag	Local	1390	1360	1452	1277	924
Nizamabad	Bilty	1450	1450	1800	1475	1175
Khanna	Bilty	1600	1600	1610	1480	1250
Sangli	Feed	1440	1390	1650	1500	1225
Ahmadabad	Feed	1450	1400	1650	1450	1315
	Starch	1400	1375	1750	1450	1320

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	9-Nov -16	2-Nov -16	Change
Corn CBOT Prices	Dec-16	134.15	140.74	-6.59
	Mar-17	137.69	144.58	-6.89
	May-17	140.64	147.24	-6.6
	July-17	143.40	149.60	-6.2
	Sep-17	146.25	152.06	-5.81

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