



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 mixed during the week and are expected to trade steady in the near term.

India exported 3652 MT maize during the week ended 20th November'16 against 3016 MT previous week ending 13th November'16. Maize has been exported at an average FoB of \$ 258.59 / MT.

In Ahmadabad region of Gujarat, poultry and starch feed makers quoted maize down by Rs. 50 per quintal to Rs. 1450 per quintal compared to last week.

In India, maize has been sown in around 3.16 lakh hectares as on 18th November'16 which is lower than 4.20 lakh hectare covered during corresponding period last year.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for December contract near 1418 levels for a target of 1406 and 1400 with a stop loss at 1425 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1480 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

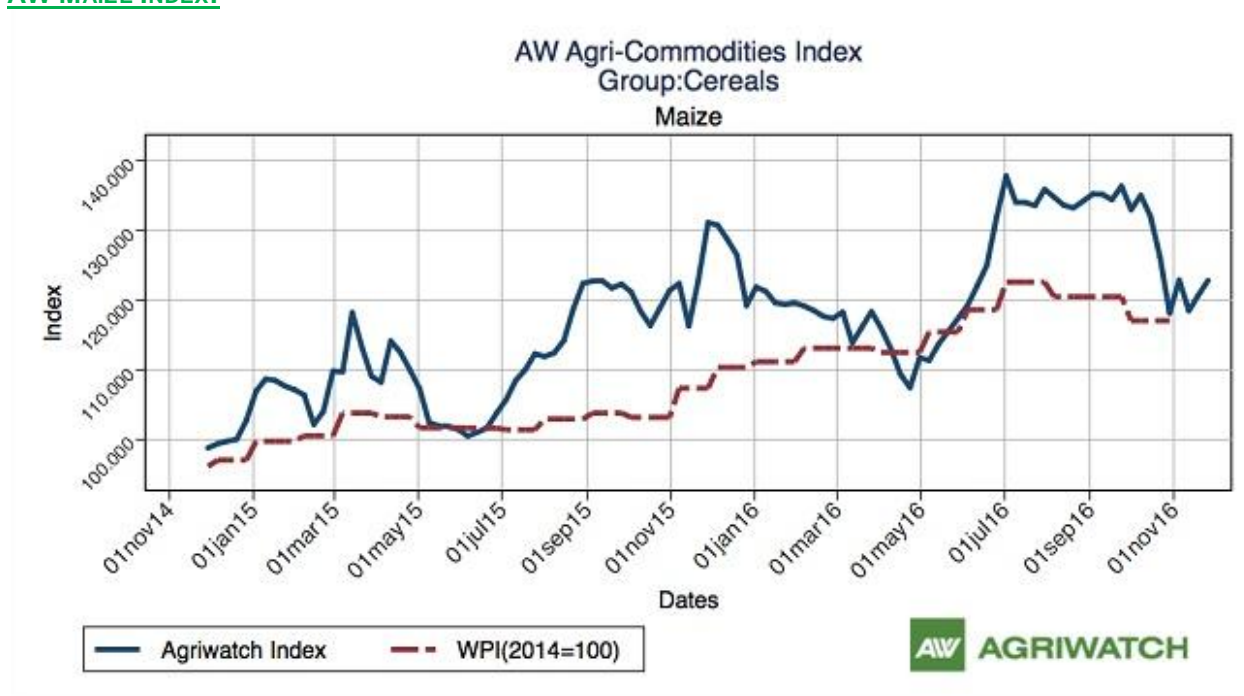
Corn prices on CBOT rose by 4.82 USD/MT to 138.08 USD/MT for December contract compared to last week.

The IGC increased its forecast for the 2016/17 global corn production by 7 MMT to 1042 MMT compared to last month's projection.

At 0.59 MMT (for the period 11th November – 17th November, 2016) exports were up 9 percent from the previous week, but down 16 percent from the previous 4-week average.

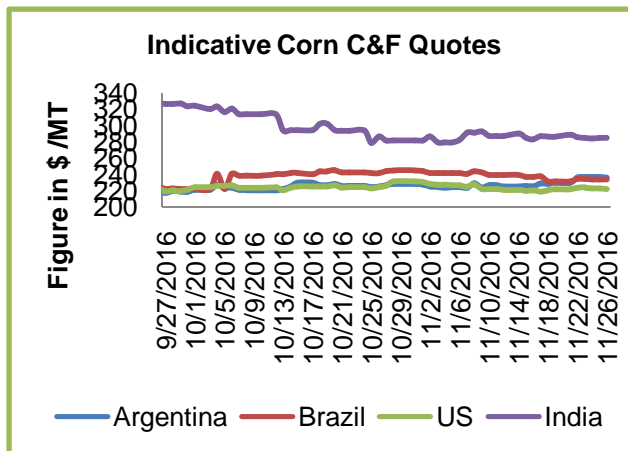
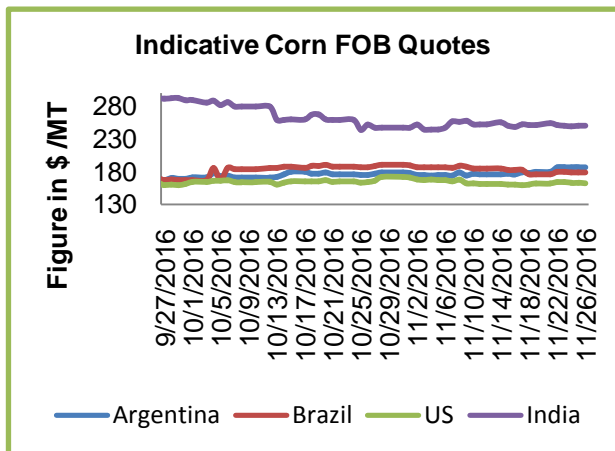
In U.S, 97% of corn crop has been harvested as on 20th November'16; same from the last year but higher by 1% from the last 5-year average period.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index gain 1.58% during the week ended November 26, 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

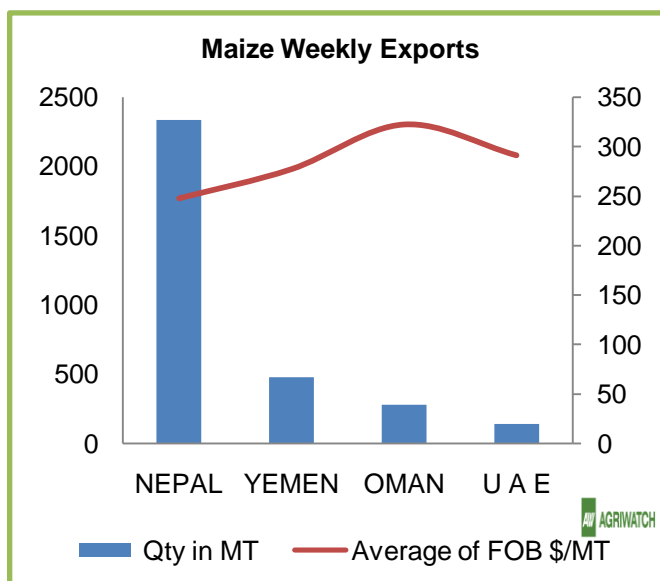


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 68.51)				
As on 11.26.2016	Argentina	Brazil	US	India
FOB	186.32	178.45	161.93	249.81
Cost and Freight (C&F)	236.32	233.45	221.93	284.81

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 3652 MT maize during the week ended 20th November'16 against 3016 MT previous week ending 13th November'16. Maize has been exported at an average FoB of \$ 258.59 / MT. Indian maize is exported mainly to Nepal through Raxaul LCS.



BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

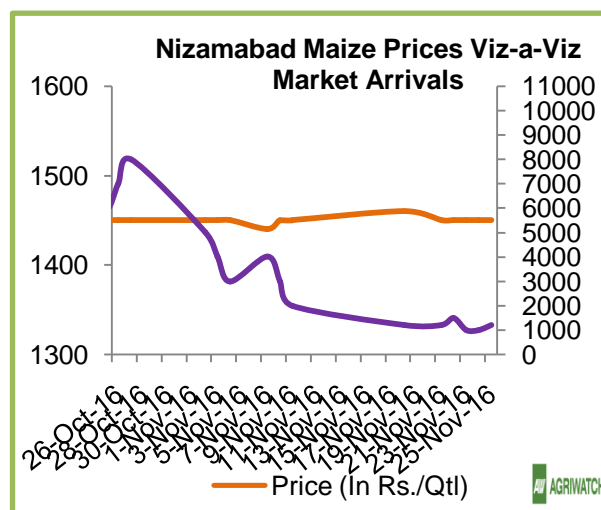
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	15700 (Davangere Origin)	N.A
Namakkal	16500 (Davangere Origin)	N.A

CURRENT MARKET DYNAMICS:

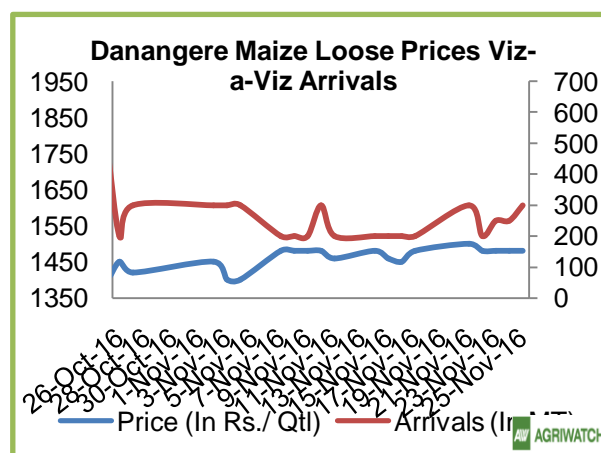
During the week under review, mixed sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In Nizamabad, maize is likely to trade steady in the near term. Crop contains 13-14% moisture level.


KARNATAKA:

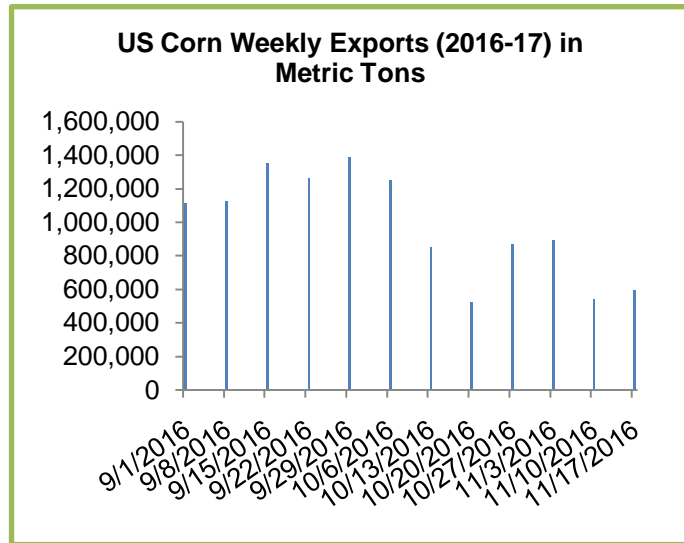
- Maize sourced from Davangere moved towards Bangalore and Nammakal at Rs. 1570 per quintal, 1650 per quintal respectively and is likely to trade steady in the near term.


DOMESTIC MAIZE OUTLOOK:

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

INTERNATIONALS**MARKET:****HIGHLIGHTS/CURRENT DEVELOPMENTS**

- As per USDA, U.S corn exports reached 10.93 MMT in the 2016-17 marketing year. At 0.59 MMT (for the period 11th November – 17th November, 2016) exports were up 9 percent from the previous week, but down 16 percent from the previous 4-week average. The primary destinations were Mexico (286,400 MT), South Korea (66,500 MT), Colombia (61,400 MT), Japan (49,700 MT), and Taiwan (24,300 MT).
- The IGC increased its forecast for the 2016/17 global corn production by 7 MMT to 1042 MMT compared to last month's projection as higher crop prospects in the U.S and Brazil.
- In U.S, 97% of corn crop has been harvested as on 20th November'16; same as the previous year but higher by 1% from the last 5 year average period.
- South Korea's Korea Corn Processing Industry Association purchased about 55,000 MT of yellow corn from Daewoo at around \$191.45 per MT c&f including surcharge for additional port unloading for arrival by March 5, 2017.

**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT rose by 4.82 USD/MT to 138.08 USD/MT for December contract compared to last week.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(December Contract Weekly Chart)

- Candlestick depicts that prices could trade in a range in the market.
- RSI is moving down in neutral zone.
- Prices closed above 9 and 18 days EMAs.
- Decrease in prices with lower OI indicates long liquidation.
- Strategy: Sell near 1418 for target 1406 and 1400 in the near term.

Strategy: Sell

Maize NCDEX (December)

Support & Resistance				
S2	S1	PCP	R1	R2
1362	1389	1416	1443	1470

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1480 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	24-Nov-16	17-Nov-16	24-Oct-16	24-Nov-15	24-Nov-14
Gulabghagh	Bilty	1625	1650	1550	1600	1270
Delhi	Red	1625	1650	1500	1625	1290
Davangere	Loose	1480	1480	1450	1550	1080
Shimoga	Bilty	1450	1400	1680	1550	1050
Ranebennur	Bilty	1475	1460	1490	NA	NA
Bagalkot	Hybrid/Local	1435	1425	1335	1531	1135
Gadag	Local	1551	1412	1371	1459	1079
Nizamabad	Bilty	1450	Closed	1450	1530	1225
Khanna	Bilty	1700	1710	1560	NA	1390
Sangli	Feed	1470	1470	1420	1613	1211
Ahmadabad	Feed	1450	1500	1400	1650	1270
	Starch	1450	1500	1425	1650	1250

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	23-Nov-16	16-Nov-16	Change
Corn CBOT Prices	Dec-16	138.08	133.26	4.82
	Mar-17	141.43	136.41	5.02
	May-17	144.09	139.17	4.92
	July-17	146.94	141.82	5.12
	Sep-17	149.50	144.68	4.82

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