



# Maize Weekly Research Report

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#### EXECUTIVE SUMMARY

#### DOMESTIC MAIZE MARKET SUMMARY

Mixed sentiments witnessed in most of the cash markets of maize during the week and are expected to trade steady to weak in the near term. In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 10 per quintal to Rs. 1540 per quintal while starch feed makers quoted it down by Rs. 20 per quintal to Rs. 1540 per quintal compared to last week.

Overall maize crop conditions are favorable at this time. No loss reported till date. Agriwatch preliminary estimates maize Rabi production at around 6.24 MMT for 2016/17.

As per trade sources, in A.P and Telengana region, crop arrivals are expected around first week of March while in Bihar, it is expected to arrive in the month of April.

Parity for maize import starts emerging. Limited quantity of maize can be possible at current price level.

#### RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for March contract near 1432 levels for a target of 1418 and 1411 with a stop loss at 1440 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1480-1500 per quintal for the week.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 3.15 USD/MT to 149.11 USD/MT for March contract compared to last week due to high export demand for U.S corn.

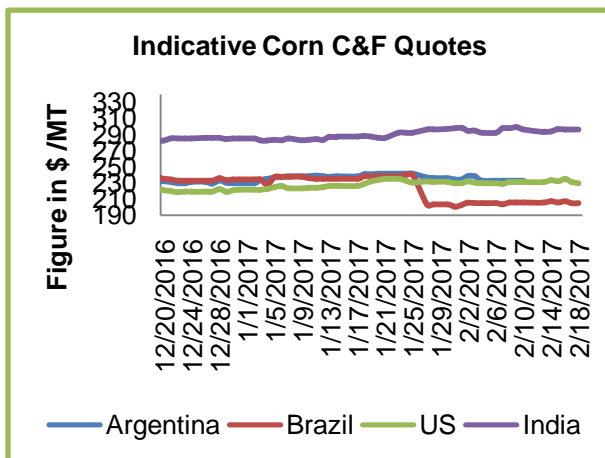
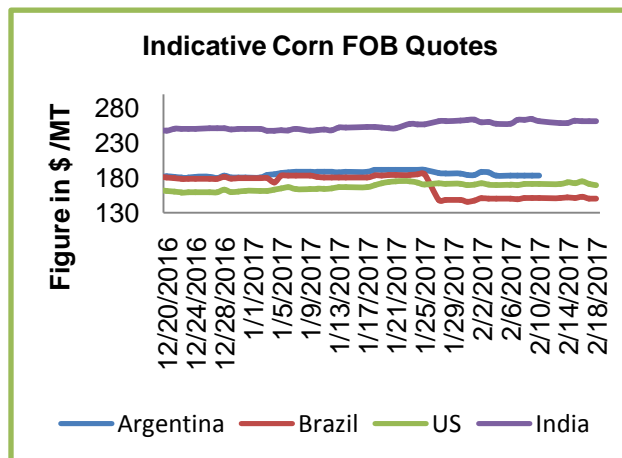
At 1.25 MMT (for the period 3<sup>rd</sup> February –9<sup>th</sup> February, 2017) U.S corn exports were up 11 percent from the previous week and 32 percent from the prior 4-week average.

**AW MAIZE INDEX:**



The Agriwatch Cereals Commodities Index fell 0.04% during the week ended February 11, 2017 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. 67.06)				
As on 18.02.2017	Argentina	Brazil	US	India
FOB	-	150.08	169.54	261.55
Cost and Freight (C&F)	-	205.08	229.54	296.55

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.

- We are unable to update export-import data as Govt has restricted the latest IBIS data for Public domain. We will be able to update it as and when it will be available.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

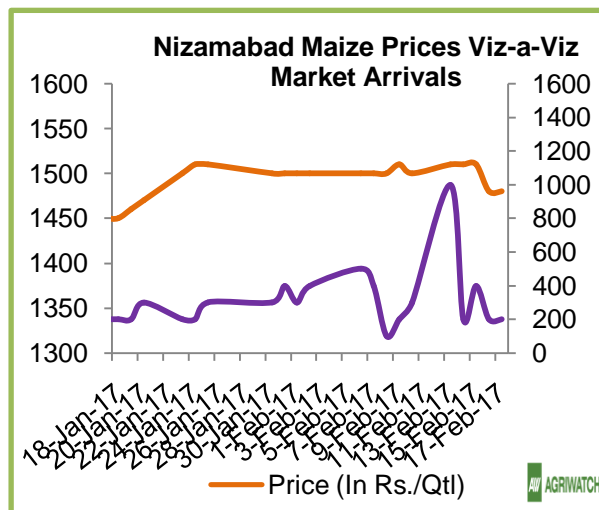
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
<b>Bangalore</b>	16300 (Maharashtra Origin)	N.A
<b>Namakkal</b>	16700 (Maharashtra Origin)	N.A

CURRENT MARKET DYNAMICS:

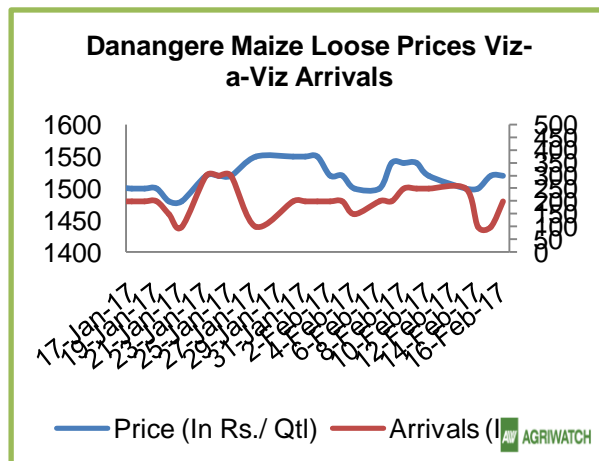
During the week under review, mixed sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In Nizamabad, maize is likely to trade steady in the near term. As per trade sources, crop arrivals are expected around first week of March.


KARNATAKA:

- It is likely to trade steady to slightly weak in the near term. Arrival pressure from Maharashtra limit the demand of Tamil Nadu' feed makers.

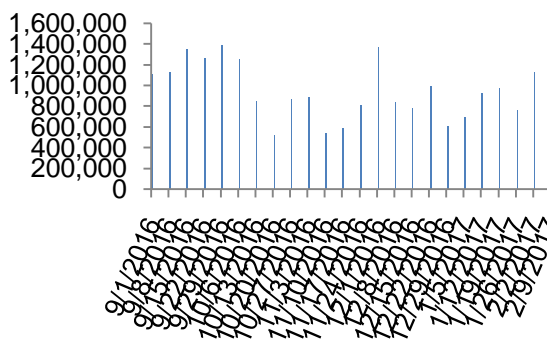

DOMESTIC MAIZE OUTLOOK:

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

### INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 22.05 MMT in the 2016-17 marketing year. At 1.25 MMT (for the period 3<sup>rd</sup> February – 9<sup>th</sup> February, 2017) exports were up 11 percent from the previous week and 32 percent from the prior 4-week average. The primary destinations were Japan (382,200 MT), Mexico (233,700 MT), Peru (154,600 MT), South Korea (72,500 MT), and Morocco (69,000 MT).

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



### INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 3.15 USD/MT to 149.11 USD/MT for March contract compared to last week due to high export demand for U.S corn.

**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**

**(March Contract Weekly Chart)**

- Candlestick depicts down in the market.
- RSI is moving in neutral zone.
- Prices closed below 9 days EMAs.
- Decrease in prices with lower OI indicates long liquidation.
- Strategy: Sell near 1432 for target 1418 and 1411 in the near term.

**Strategy: Sell**
**Maize NCDEX (March)**

Support & Resistance				
S2	S1	PCP	R1	R2
1372	1397	1422	1448	1474

### DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1480-1500 per quintal for the week.

### ANNEXURE

#### MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	16-Feb-17	8-Feb-17	16-Jan-17	16-Feb-16	16-Feb-15
Gulabbagh	Bilty	1500	1625	1600	NA	NA
Delhi	Red	1575	1575	1575	1660	1425
Davangere	Local Delivered	1560	1620	1530	NA	NA
Shimoga	Bilty	1650	1600	1430	NA	1130
Ranebennur	Bilty	1585	1570	1480	NA	NA
Bagalkot	Hybrid/Local	1453	1426	1438	1371	1171
Gadag	Local	1492	1511	1505	NA	1096
Nizamabad	Bilty	1480	1500	1450	1480	1270
Khanna	Bilty	1600	1600	1600	NA	1450
Sangli	Feed	1532	1547	1500	1485	1285
Ahmadabad	Feed	1540	1550	1510	1550	1360
	Starch	1540	1560	1525	1560	1400



Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	15-Feb-17	7-Feb-17	Change
Corn CBOT Prices	Mar-17	149.11	145.96	3.15
	May-17	151.96	149.01	2.95
	July-17	154.52	151.76	2.76
	Sep-17	156.39	154.13	2.26
	Dec-17	158.56	156.49	2.07

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