



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Most of the cash markets of maize traded steady during the week except Gulabghat market; traded weak due to sluggish demand. Maize cash markets are expected to trade steady to weak in the near term due to new crop arrival pressure. In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by Rs. 20 per quintal to Rs. 1540 per quintal while starch feed makers quoted it firm by Rs. 10 per quintal to Rs. 1520 per quintal compared to last week.

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

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for March contract near 1404 levels for a target of 1416 and 1422 with a stop loss at 1397 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1500 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 1.87 USD/MT to 147.93 USD/MT for March contract compared to last week due to high export demand for U.S corn.

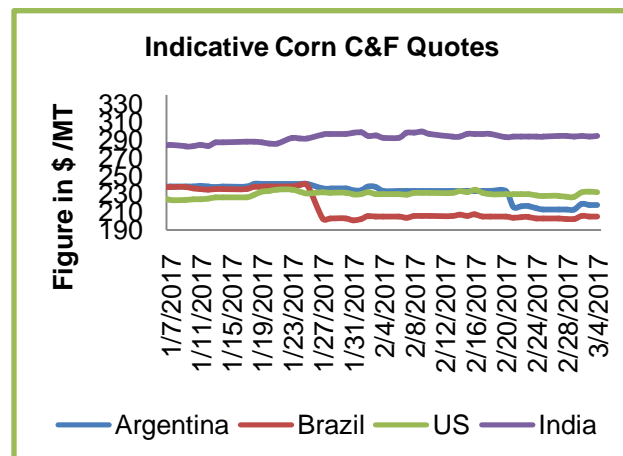
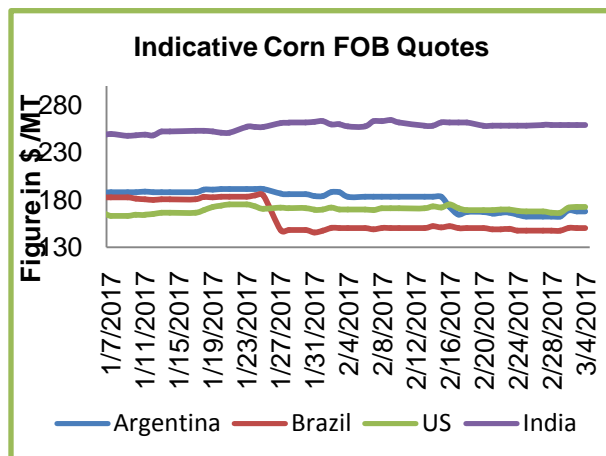
U.S corn exports reached 24.75 MMT in the 2016-17 marketing year. At 1.49 MMT (for the period 17th February –23rd February, 2017) exports were up 24 percent from the previous week and 38 percent from the prior 4-week average.

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. 66.73)				
As on 4.03.2017	Argentina	Brazil	US	India
FOB	167.91	150.35	172.30	259.33
Cost and Freight (C&F)	217.91	205.35	232.30	294.33

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 available.

BUSINESS FROM VARIOUS SOURCING CENTERS DURING THE SEASON TILL DATE:

Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Bangalore	16200 (Davangere Origin)	N.A
Namakkal	16700 (Maharashtra Origin)	N.A

CURRENT MARKET DYNAMICS:

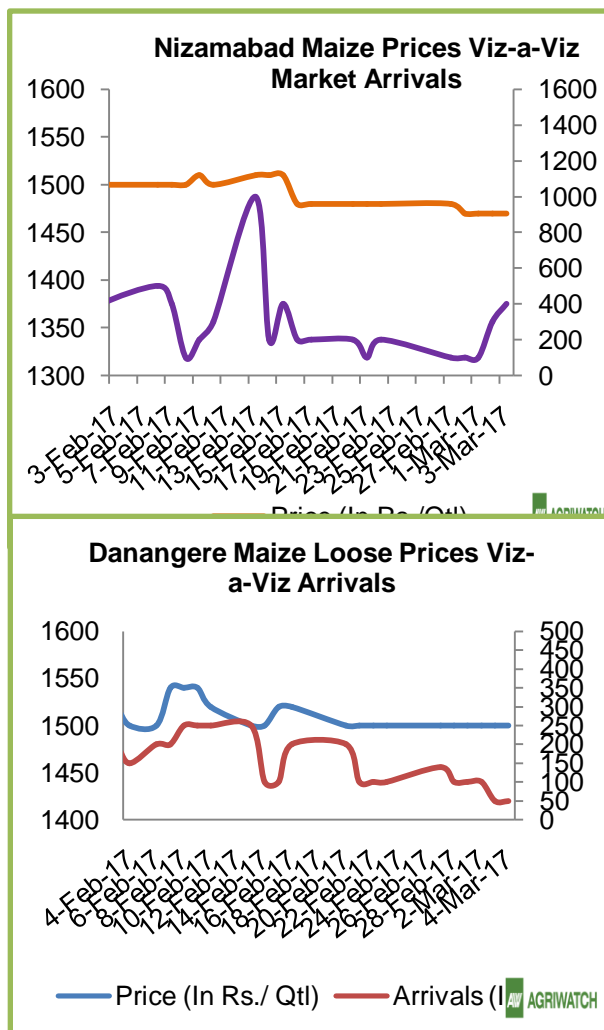
During the week under review, by and large steady sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- In Nizamabad, maize is likely to trade steady to slightly weak in the near term. Some quantity of new crop of maize arrived into the market, contains 20% moisture level. New crop arrival pressure will emerge after Holi festival.

KARNATAKA:

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

DOMESTIC MAIZE OUTLOOK:

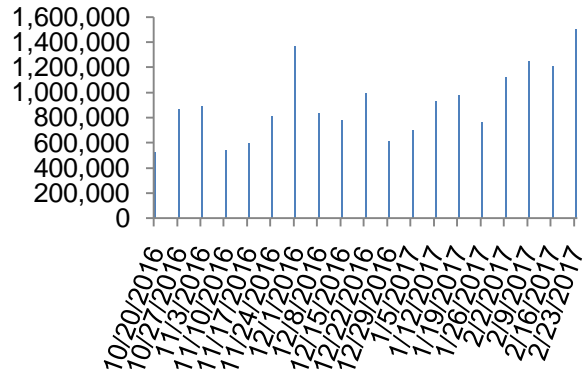
Maize cash market is likely to trade steady to slightly weak in the near term.



INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 24.75 MMT in the 2016-17 marketing year. At 1.49 MMT (for the period 17th February – 23rd February, 2017) exports were up 24 percent from the previous week and 38 percent from the prior 4-week average. The primary destinations were Mexico (376,300 MT), Japan (254,700 MT), Colombia (144,000 MT), South Korea (119,900 MT), and Saudi Arabia (115,500 MT).

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



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 1.87 USD/MT to 147.93 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 gain in the market.
- RSI is moving in neutral zone.
- Prices closed below 9 days EMAs.
- Decrease in prices with lower volume and OI indicates consolidation in the market.
- Strategy: Buy near 1404 for target 1416 and 1422 in the near term.

Strategy: Buy
Maize NCDEX (March)

Support & Resistance				
S2	S1	PCP	R1	R2
1382	1395	1408	1423	1435

DAVANGERE MARKET ANALYSIS: MAIZE



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

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	2-Mar-17	23-Feb-17	2-Feb-17	1-Mar-16	2-Mar-15
Gulabghagh	Bilty	1450	1500	1620	NA	NA
Delhi	Red	1580	1580	1600	1650	1490
Davangere	Local Delivered	NA	NA	1600	NA	NA
Shimoga	Bilty	1550	NA	1600	NA	1130
Ranebennur	Bilty	NA	1600	1530	1370	1354
Bagalkot	Hybrid/Local	1446	1446	1452	1371	1230
Gadag	Local	1491	1481	1549	1380	1190
Nizamabad	Bilty	1470	1480	1500	1410	NA
Khanna	Bilty	1625	1640	1600	1800	1480
Sangli	Feed	1540	1538	1520	1490	1350
Ahmadabad	Feed	1540	1520	NR	1570	1375
	Starch	1520	1510	NR	1585	1425

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	1-Mar-17	22-Feb-17	Change
Corn CBOT Prices	Mar-17	147.93	146.06	1.87
	May-17	150.39	148.91	1.48
	July-17	153.24	151.76	1.48
	Sep-17	155.6	154.03	1.57
	Dec-17	157.97	156.39	1.58

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