

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded mixed during the week and are expected to trade steady to slightly weak in the near term due to new crop arrival pressure. In Ahmadabad region of Gujarat, poultry feed makers quoted maize steady at Rs. 1540 per quintal while starch feed makers quoted it steady at Rs. 1560 per quintal compared to last week.

In Gulabghat, new crop of maize traded at Rs. 1480 per quintal (Bilty). It is likely to trade steady to weak in near term. Some quantity of new crop of maize arrived into the market. Crop quality is good.

RECOMMENDATION:

Weekly Call - : Market participants are advised to wait for maize trade as there is no trade volume in the future market. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1440-1500 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 1.87 USD/MT to 141.23 USD/MT compared to last week for May contract on ample global stocks.

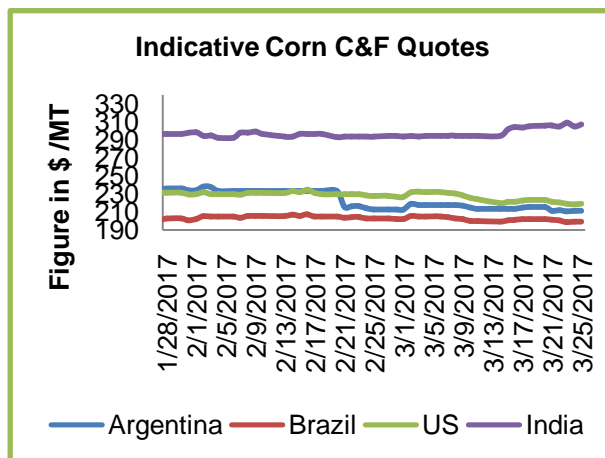
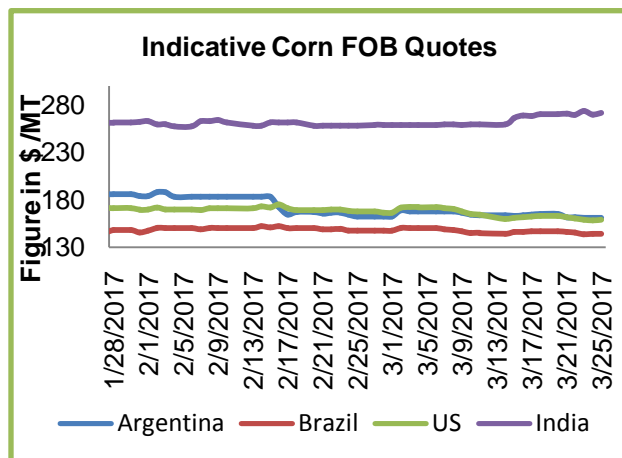
At 1.38 MMT (for the period 10th March –16th March, 2017) U.S corn exports were down 10 percent from the previous week and 3 percent from the prior 4-week average.

AW MAIZE INDEX:



The Agriwatch Cereals Commodities Index gained 1.16% during the week ended March 25, 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. 65.37)				
As on 25.03.2017	Argentina	Brazil	US	India
FOB	161.32	144.02	159.2	271.84
Cost and Freight (C&F)	215.35	202.09	223.19	305.35

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.

CURRENT MARKET DYNAMICS:

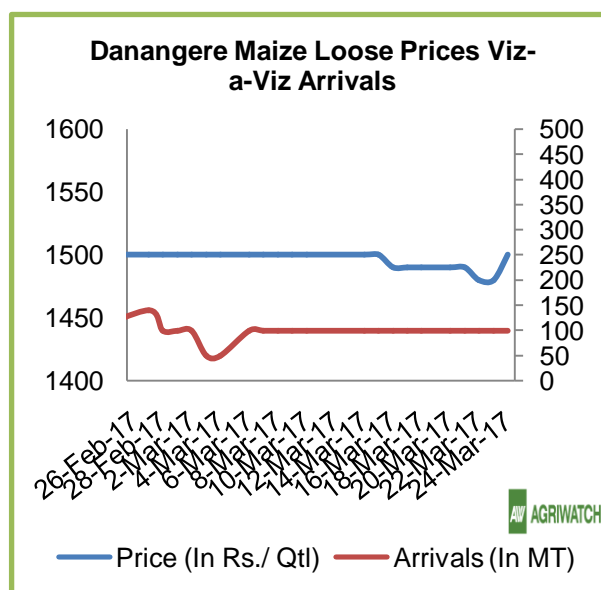
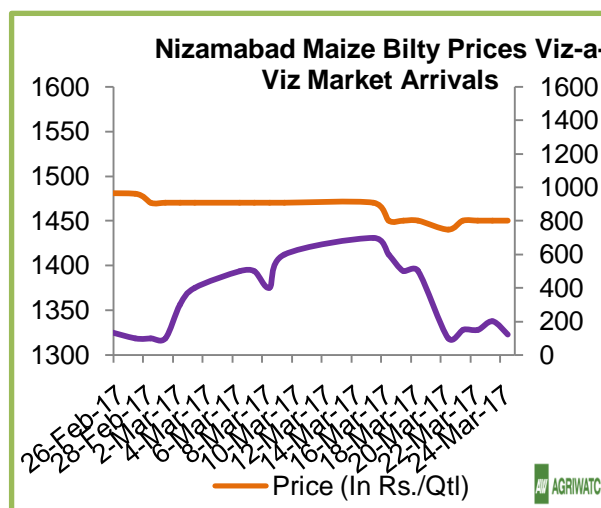
During the week under review, mixed sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- Nizamabad market will remain closed during the week due to March end closing. Maize is likely to trade steady in the near term. Some quantity of new crop of maize with 16% moisture content, traded at Rs.1400 per quintal (loose price).

KARNATAKA:

- In Davangere, maize is likely to trade steady in the near term. Stock of maize could be around 5,00,000 quintals which is same compared to last year.



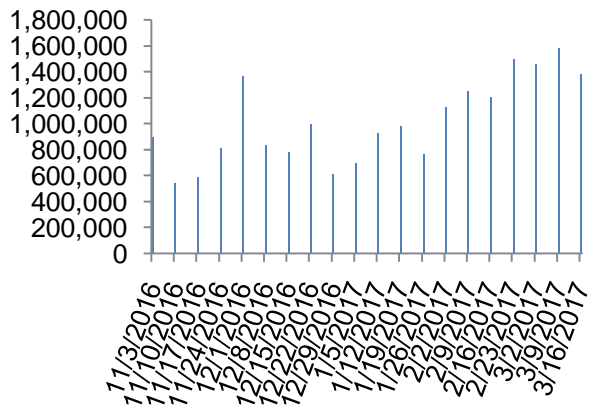
DOMESTIC MAIZE OUTLOOK:

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 29.12 MMT in the 2016-17 marketing year. At 1.38 MMT (for the period 10th March –16th March, 2017) exports were down 10 percent from the previous week and 3 percent from the prior 4-week average. The primary destinations were Mexico (259,100 MT), South Korea (244,500 MT), Japan (234,600 MT), Colombia (196,300 MT), and Saudi Arabia (143,100 MT).

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

**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT fall by 1.87 USD/MT to 141.23 USD/MT compared to last week for May contract on ample global stocks and concerns about weakening export demand for U.S. supplies. Besides, forecasts for rain in Brazil that raised expectations for that country's corn harvest also weigh on market sentiments.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(Jun Contract Weekly Chart)

- Candlestick depicts down in the market.
- Prices closed below 9 days EMAs.
- There is no trade volume.

Strategy: Wait
Maize NCDEX (Jun)

Support & Resistance				
S2	S1	PCP	R1	R2
1278	1286	1292	1303	1320

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1440-1500 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	23-Mar-17	16-Mar-17	23-Feb-17	23-Mar-16	23-Mar-15
Gulabbagh	Bilty	1490	1450	1500	NA	NA
Delhi	Hybrid	1550	1550	1580	1650	1540
Davangere	Loose Price	1480	1490	1560	1360	NA
Shimoga	Bilty	NA	1530	1550	1500	1130
Ranebennur	Bilty	1525	1620	1530	1401	1250
Bagalkot	Hybrid/Local	1471	1458	1446	1370	NA
Gadag	Local	1488	NA	1510	1388	1240
Nizamabad	Bilty	1450	1450	1480	1410	NA
Khanna	Bilty	1650	1650	1625	NA	1560
Sangli	Feed	1545	1540	1540	1488	1390
Ahmadabad	Feed	1540	1540	1540	NA	1420
	Starch	1560	1560	1540	NA	1450

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	22-Mar-17	15-Mar-17	Change
Corn CBOT Prices	May-17	141.23	143.10	-1.87
	July-17	144.28	146.06	-1.78
	Sep-17	147.24	148.62	-1.38
	Dec-17	150.39	151.57	-1.18
	Mar-18	154.23	155.11	-0.88

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