



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded steady to weak during the week and are expected to trade steady in the near term amid fresh demand and arrival pressure. In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 15 per quintal to Rs. 1525 per quintal while starch feed makers quoted it down by Rs. 40 per quintal to Rs. 1530 per quintal compared to last week.

In Gulabghat, new crop of maize traded down by Rs. 60 per quintal at Rs. 1280 per quintal (Bilty) compared to last week. Despite huge arrival pressure, it is likely to trade steady to slightly firm in near term on the expectation of stockiest demand at lower price level.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for June contract near 1319 levels for a target of 1303 and 1295 with a stop loss at 1328 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1560-1580 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 2.86 USD/MT to 144.19 USD/MT compared to last week for May contract.

At 1.22 MMT (for the period 21st April –27th April, 2017) U.S corn exports were down 11 percent from the previous week and 10 percent from the prior 4-week average.

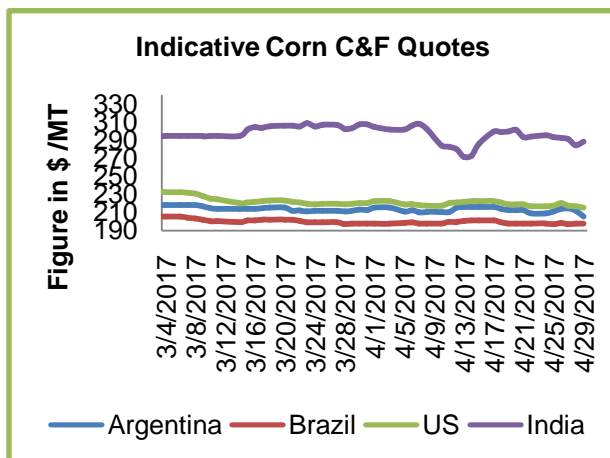
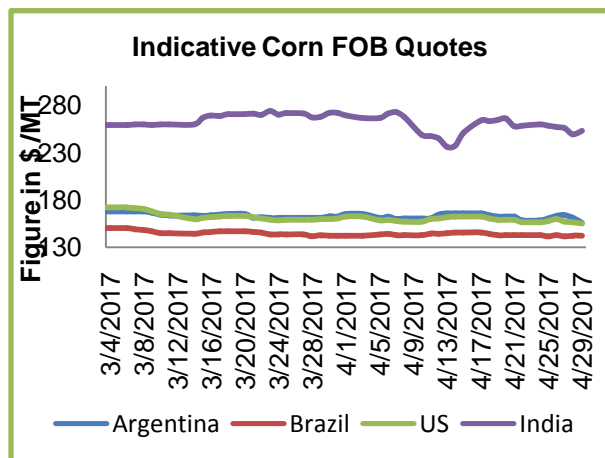
In U.S 34% corn planting has been completed as of 30th April, 2017, lower by 9% compared to corresponding period of last year but same as last 5 year average period.

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. 64.28) | | | | |
|--|-----------|--------|--------|--------|
| As on 29.04.2017 | Argentina | Brazil | US | India |
| FOB | 155.61 | 142.68 | 155.12 | 252.89 |
| Cost and Freight (C&F) | 205.61 | 197.68 | 215.12 | 287.89 |

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:

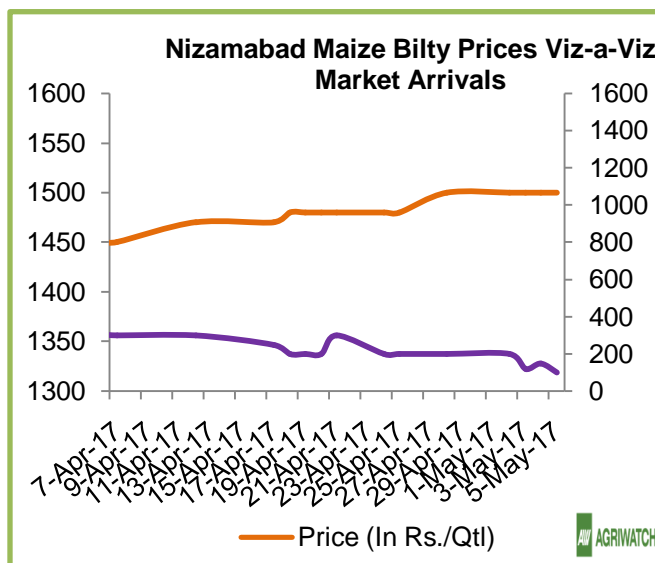
| Destination | By Road (Rs/MT) | By Rake (Rs/MT) |
|------------------|-----------------------------|-----------------|
| Bangalore | 17000 (Davangere Origin) | N.A |
| Namakkal | 17700 (Davangere Origin) | N.A |
| Punjab | 15500 (Bihar Origin) | N.A |
| U.P | 13500 (Bihar Origin) | N.A |
| Kolkata | 13750 (Bihar Origin) | N.A |

CURRENT MARKET DYNAMICS:

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

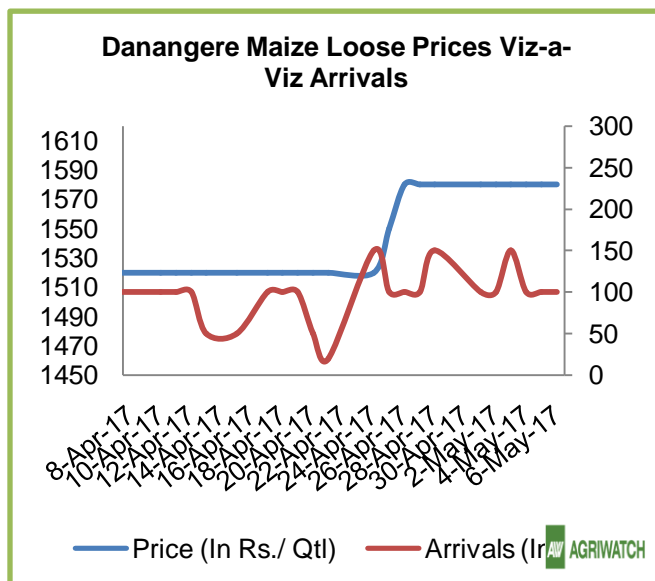
ANDHRA PRADESH:

- In Nizamabad, Maize (bilty) traded steady at Rs. 1500 per quintal compared to last week and is likely to trade steady in the near term. Maize is moving towards Hyderabad at Rs. 1560 per quintal (Delivered Price) sourced from Nizamabad.



KARNATAKA:

- In Davangere, Maize (loose) traded steady at Rs. 1580 per quintal compared to last week. Maize could trade steady to slightly weak in the near term on the expectation of loading from Bihar.



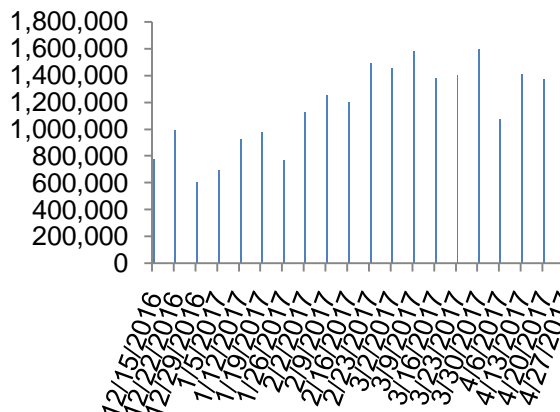
DOMESTIC MAIZE OUTLOOK:

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 37.21 MMT in the 2016-17 marketing year. At 1.22 MMT (for the period 21st April –27th April, 2017) exports were down 11 percent from the previous week and 10 percent from the prior 4-week average. The primary destinations were Japan (390,900 MT), Mexico (229,500 MT), South Korea (189,000 MT), Peru (75,100 MT), and Saudi Arabia (73,600 MT).
- In U.S 34% corn planting has been completed as of 30th April, 2017, lower by 9% compared to corresponding period of last year but same as last 5 year average period. 9% crop of corn has emerged; lower by 3% compared to last year but higher by 1% compared to last 5 year average period.
- Taiwan's feed industry procurement association MFIG purchased about 65,000 MT of corn likely to be sourced from the Argentina at a premium of 82.19 U.S. cents c&f over the Chicago December 2017 corn contract. Shipment could be around July 26 to August 14.

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



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 2.86 USD/MT to 144.19 USD/MT compared to last week for May contract on short covering.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(Jun Contract Weekly Chart)

- Candlestick depicts down in the market.
- Prices closed below 9 days EMAs.
- RSI is moving down in neutral region.
- Decrease in prices with lower OI indicates long liquidation.
- Strategy: Sell near 1319 for target 1303 and 1295 in the near term.

Strategy: Sell
Maize NCDEX (Jun)

| Support & Resistance | | | | |
|----------------------|------|------|------|------|
| S2 | S1 | PCP | R1 | R2 |
| 1267 | 1293 | 1320 | 1351 | 1382 |

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1560-1580per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

| Market | Grade | 4-May-17 | 27-Apr-17 | 4-Apr-17 | 4-May-16 | 4-May-15 |
|------------|--------------|----------|-----------|----------|----------|----------|
| Gulabbagh | Bilty | 1280 | 1340 | 1400 | 1200 | 1100 |
| Delhi | Hybrid | 1480 | 1500 | 1550 | NA | NA |
| Davangere | Loose Price | 1580 | 1580 | NR | NA | NA |
| Shimoga | Bilty | 1700 | 1727 | NA | NA | NA |
| Ranebennur | Bilty | NA | 1580 | 1600 | NA | NA |
| Bagalkot | Hybrid/Local | 1518 | 1510 | 1549 | 1515 | 1302 |
| Gadag | Local | 1485 | NA | 1449 | 1402 | 1257 |
| Nizamabad | Bilty | 1500 | Closed | 1450 | 1440 | NA |
| Khanna | Bilty | 1580 | 1610 | 1600 | 1465 | 1475 |
| Sangli | Feed | 1600 | 1588 | 1543 | 1580 | NA |
| Ahmadabad | Feed | 1525 | 1540 | 1515 | 1490 | 1350 |
| | Starch | 1530 | 1570 | 1535 | 1510 | 1350 |

| Maize CBOT Weekly Futures Price Listing (USD/Ton) | | | | |
|---|----------------|----------|-----------|--------|
| | Contract Month | 3-May-17 | 26-Apr-17 | Change |
| Corn CBOT Prices | May-17 | 144.19 | 141.33 | 2.86 |
| | July-17 | 147.53 | 144.38 | 3.15 |
| | Sep-17 | 150.39 | 147.14 | 3.25 |
| | Dec-17 | 154.42 | 151.27 | 3.15 |
| | Mar-18 | 158.26 | 155.11 | 3.15 |

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