



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. 25 per quintal to Rs. 1500 per quintal while starch feed makers quoted it down by Rs. 10 per quintal to Rs. 1520 per quintal compared to last week.

In Gulabghat, new crop of maize traded down by Rs. 30 per quintal at Rs. 1250 per quintal (Bilty) compared to last week. Due to rainfall, maize crop contains 16-17% moisture and is being traded at lower rate. It is likely to trade steady in near term amid high demand and arrival pressure.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go long in Maize for June contract near 1320 levels for a target of 1336 and 1344 with a stop loss at 1311 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1660-1700 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 0.40 USD/MT to 143.79 USD/MT compared to last week for May contract due to low export demand.

At 1.22 MMT (for the period 28th April –4th May, 2017) U.S corn exports were down 41 percent from the previous week and 43 percent from the prior 4-week average.

USDA put global corn ending stocks at 195.265 MMT in its first supply-demand forecasts for the 2017/18.

USDA kept its corn ending stock estimates for U.S at 53.599 MMT for 2017/18 while it decreased its corn ending stock estimates by 0.635 to 58.298 MMT for 2016/17 compared to last month.

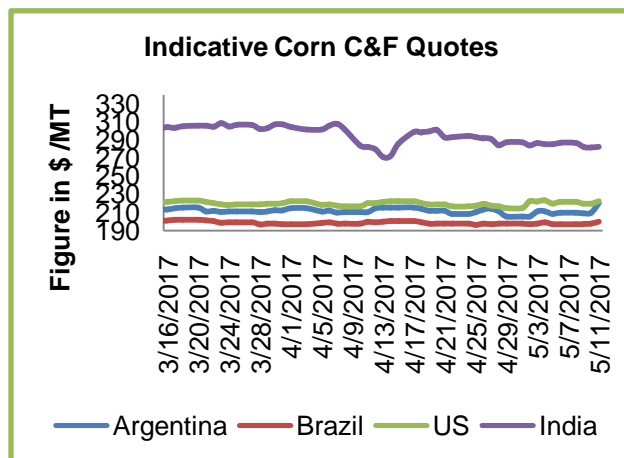
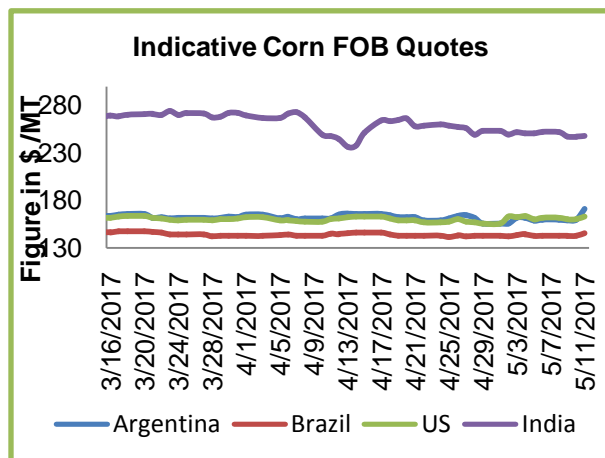
In U.S, 47% corn planting has been completed as of 7th May, 2017, lower by 14% compared to corresponding period of last year and 5% from last 5 year average period.

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. 64.43)				
As on 11.05.2017	Argentina	Brazil	US	India
FOB	170.77	145.25	162.90	247.59
Cost and Freight (C&F)	220.77	200.25	222.90	282.59

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:

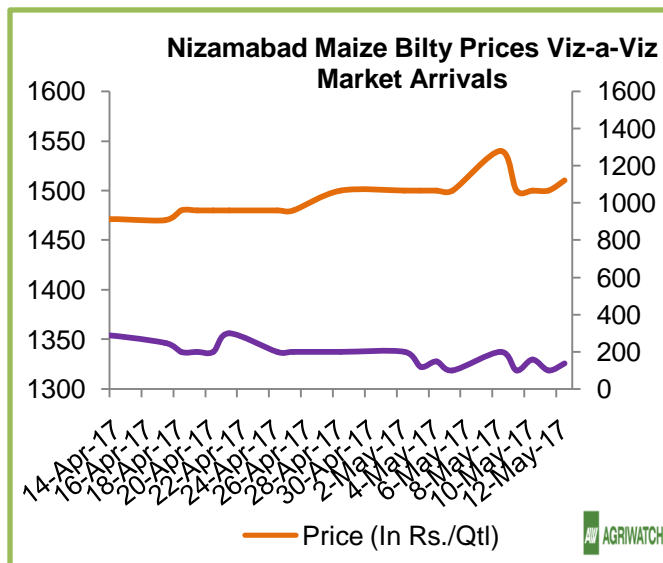
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Punjab	15500 (Bihar Origin)	N.A
U.P	14000 (Bihar Origin)	N.A
Kolkata	13500 (Bihar Origin)	N.A

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:

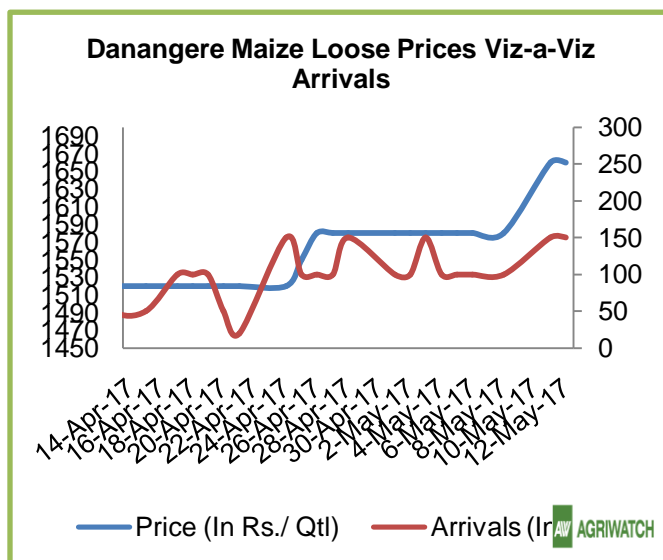
ANDHRA PRADESH:

- 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 firm by Rs. 80 per quintal to Rs. 1660 per quintal compared to last week. Maize could trade steady to slightly firm in the near term due to rainfall in Bihar.



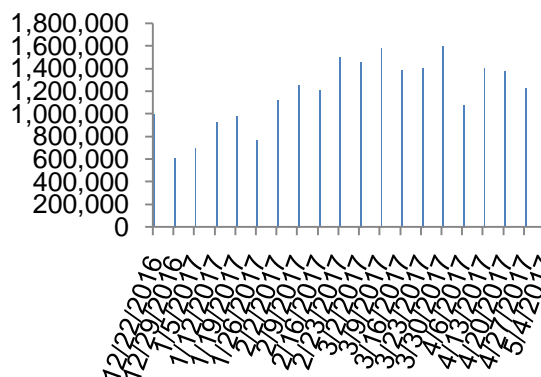
DOMESTIC MAIZE OUTLOOK:

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 37.93 MMT in the 2016-17 marketing year. At 1.22 MMT (for the period 28th April –4th May, 2017) exports were down 41 percent from the previous week and 43 percent from the prior 4-week average. The primary destinations were Mexico (302,900 MT), Japan (198,200 MT), South Korea (61,300 MT), Canada (26,700 MT), and Jordan (26,300 MT).
- USDA put global corn ending stocks at 195.265 MMT in its first supply-demand forecasts for the 2017/18. It increased its world corn ending stock estimates by 0.923 MMT to 223.9 MMT for 2016/17 compared to last month.
- USDA kept its corn ending stock estimates for U.S at 53.599 MMT for 2017/18 while it decreased its corn ending stock estimates by 0.635 to 58.298 MMT for 2016/17 compared to last month.
- In U.S, 47% corn planting has been completed as of 7th May, 2017, lower by 14% compared to corresponding period of last year and 5% from last 5 year average period. 15% crop of corn has emerged; lower by 10% compared to last year and 4% from last 5 year average period.

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



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT fall by 0.40 USD/MT to 143.79 USD/MT compared to last week for May contract due to low export demand. It is likely to trade firm on U.S weather uncertainty.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(Jun Contract Weekly Chart)

- Candlestick depicts gain in the market.
- Prices closed below 9 days EMAs.
- RSI is moving in neutral region.
- Strategy: Buy near 1320 for target 1336 and 1344 in the near term.

Strategy: Buy
Maize NCDEX (Jun)

Support & Resistance				
S2	S1	PCP	R1	R2
1291	1304	1317	1349	1359

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1660-1700 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	11-May-17	4-May-17	10-Apr-17	11-May-16	11-May-15
Gulabbagh	Bilty	1250	1280	1370	1250	1100
Delhi	Hybrid	1450	1480	1500	NA	NA
Davangere	Loose Price	1660	1580	NA	NA	NA
Shimoga	Bilty	1600	1700	1540	1600	1250
Ranebennur	Bilty	1595	1600	1610	1460	NA
Bagalkot	Hybrid/Local	1530	1518	1496	1488	NA
Gadag	Local	NA	1485	1519	1376	2213
Nizamabad	Bilty	1500	1500	Closed	NA	1280
Khanna	Bilty	1580	1580	1610	1475	1480
Sangli	Feed	1593	1600	1550	1600	1373
Ahmadabad	Feed	1500	1525	1530	1525	1300
	Starch	1520	1530	1550	1530	1325

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	10-May-17	3-May-17	Change
Corn CBOT Prices	May-17	143.79	144.19	-0.40
	July-17	147.14	147.53	-0.39
	Sep-17	150.29	150.39	-0.10
	Dec-17	154.13	154.42	-0.29
	Mar-18	157.77	158.26	-0.49

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