



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded range bound during the week and are expected to trade steady in the near term. In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 10 per quintal to Rs. 1480 per quintal while starch feed makers quoted it down by Rs. 15 per quintal to Rs. 1510 per quintal compared to last week.

In Gulabghat, new crop of maize traded steady at Rs. 1250 per quintal (Bilty) compared to last week. It is likely to trade steady in near term.

RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for June contract near 1308 levels for a target of 1294 and 1287 with a stop loss at 1316 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1600 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 0.30 USD/MT to 146.45 USD/MT compared to last week for July contract.

At 1.33 MMT (for the period 19th May – 25th May, 2017) U.S corn exports were up 27 percent from the previous week and 17 percent from the prior 4-week average.

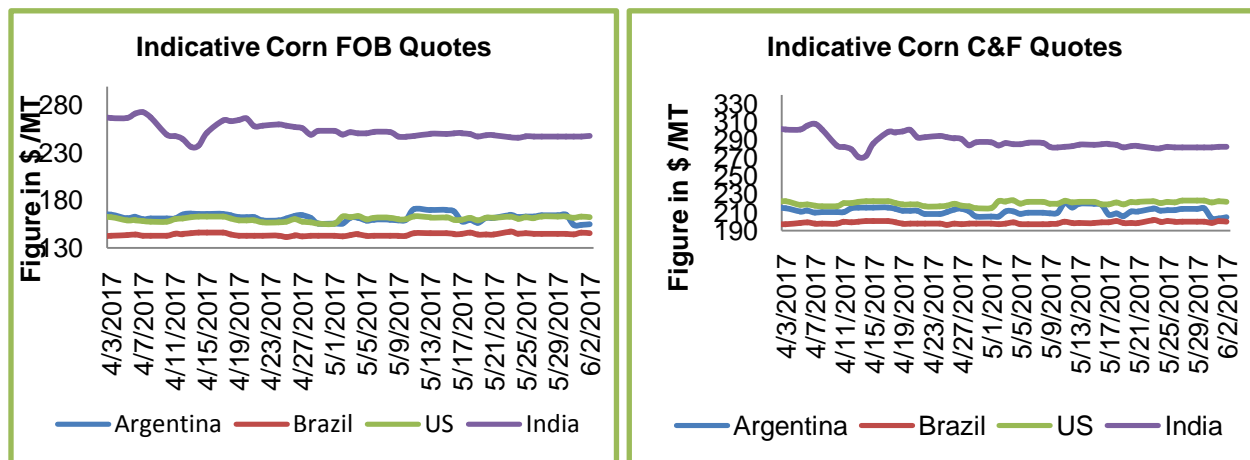
In U.S, 91% corn planting has been completed as of 28th May, 2017, lower by 2% compared to corresponding period of last year and from last 5 year average period.

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. 64.42)				
As on 2.06.2017	Argentina	Brazil	US	India
FOB	154.72	145.22	162.00	247.63
Cost and Freight (C&F)	204.72	200.22	222.00	282.63

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:

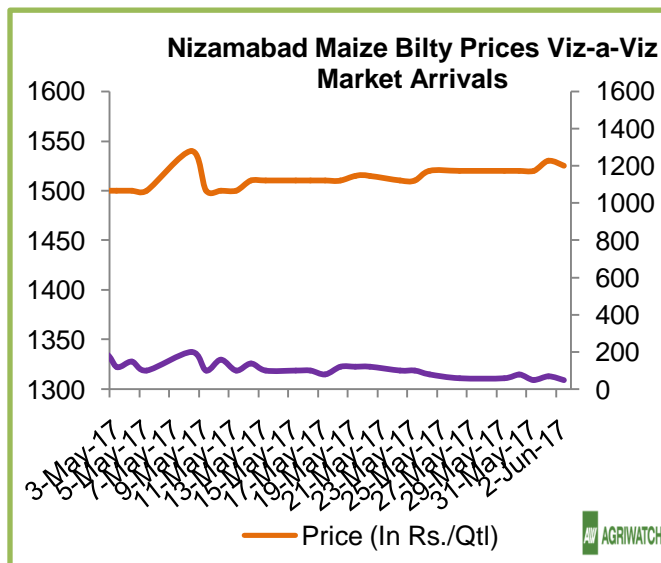
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Punjab	14200 (Bihar Origin)	N.A
U.P	14000 (Bihar Origin)	N.A
Kolkata	14250 (Bihar Origin)	N.A

CURRENT MARKET DYNAMICS:

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

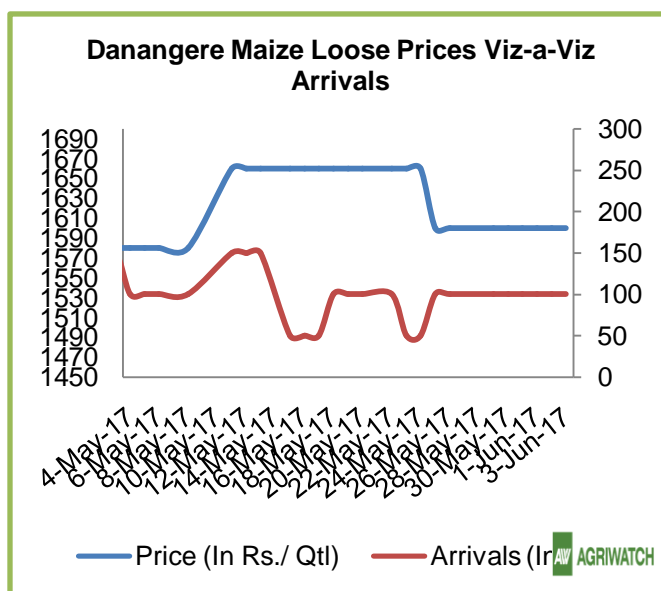
ANDHRA PRADESH:

- In Nizamabad, Maize (bilty) traded firm by Rs. 10 per quintal to Rs. 1530 per quintal compared to last week and is likely to trade slightly firm in the near term. Stock of maize could be around 75,000 quintal which was 125,000 quintal during corresponding period of last year.



KARNATAKA:

- In Davangere, Maize (loose) traded steady at Rs. 1600 per quintal compared to last week. Maize could trade steady in the near term.



DOMESTIC MAIZE OUTLOOK:

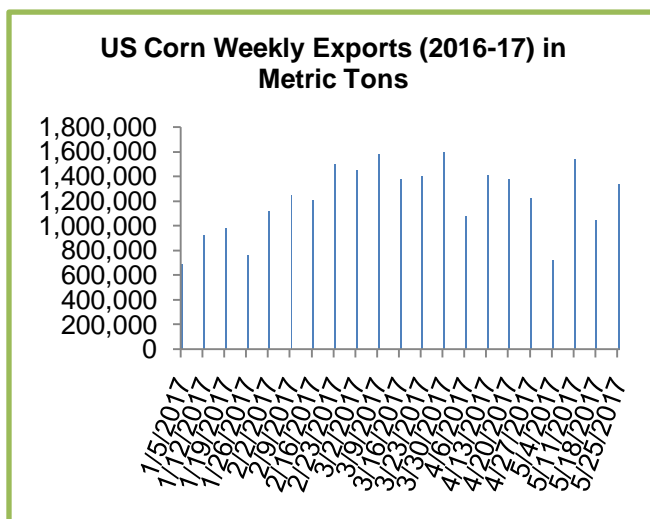
Maize cash market is likely to trade steady in the near term.

INTERNATIONALS

MARKET:

HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 41.86 MMT in the 2016-17 marketing year. At 1.33 MMT (for the period 19th May – 25th May, 2017) exports were up 27 percent from the previous week and 17 percent from the prior 4-week average. The primary destinations were Japan (361,300 MT), Mexico (249,800 MT), South Korea (194,900 MT), Taiwan (147,000 MT), and Saudi Arabia (66,000 MT).
- South Korea's Major Feedmill Group purchased about 68,000 MT of corn from CHS at around \$182.90 per MT c&f plus a \$1 per MT surcharge for additional port unloading for arrival around Oct. 12. Shipment was between Aug. 14 to Sept. 2 if sourced from South America, Aug. 19 to Sept. 17 if sourced from the U.S. Gulf or Black Sea region, and Sept. 8-27 if from the U.S. Pacific North West coast.
- In U.S, 91% corn planting has been completed as of 28th May, 2017, lower by 2% compared to corresponding period of last year and from last 5 year average period. 73% crop of corn has emerged; lower by 2% compared to last year and from last 5 year average period. 65% crop of corn is in good to excellent condition.
- South Korea's Feed Leaders Committee purchased about 66,000 MT of corn in a private deal from Japanese trading house Mitsui at about \$183.30 per MT c&f for arrival in South Korea around Oct. 5, plus a \$1.00 per MT surcharge for additional port unloading. Shipment is due Aug. 12-31 from the U.S. Gulf, Sept. 1-20 from the U.S. Pacific North West coast or Aug. 7-26 from South America.



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 0.30 USD/MT to 146.45 USD/MT compared to last week for July contract.

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 volume and OI indicates consolidation.
- Strategy: Sell near 1308 for target 1294 and 1287 in the near term.

Strategy: Sell
Maize NCDEX (Jun)

Support & Resistance				
S2	S1	PCP	R1	R2
1275	1285	1305	1317	1325

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1600 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	1-Jun-17	25-May-17	2-May-17	1-Jun-16	1-Jun-15
Gulabbagh	Bilty	1250	1250	1260	1275	1090
Delhi	Hybrid	1425	1425	NA	1460	1270
Davangere	Loose Price	1600	1600	1630	NA	NA
Shimoga	Bilty	1570	1570	1727	1682	1300
Ranebennur	Bilty	NA	1600	1600	1650	1280
Bagalkot	Hybrid/Local	1515	1535	1515	1505	1321
Gadag	Local	1472	1532	1541	NA	1310
Nizamabad	Bilty	1530	1520	1500	1530	1270
Khanna	Bilty	1490	1480	1610	1500	1350
Sangli	Feed	1600	1585	1610	1720	1400
Ahmadabad	Feed	1480	1490	1525	1580	1300
	Starch	1510	1525	1540	1570	1310

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	31-May-17	24-May-17	Change
Corn CBOT Prices	July-17	146.45	146.15	0.30
	Sep-17	149.60	149.21	0.39
	Dec-17	153.93	153.44	0.49
	Mar-18	157.87	157.18	0.69
	May-18	160.23	159.54	0.69

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