



Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Recommendations
- ❖ International Corn Market Summary
- ❖ Export Parity Trend
- ❖ Export Break Up By Major Countries
- ❖ Business from various sourcing centers during the season till date
- ❖ Current Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Futures Market Analysis: NCDEX MAIZE
- ❖ Davangere Market Analysis
- ❖ Annexure

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded steady to firm during the week and are expected to trade steady to firm in the near term. However, in Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 5 per quintal to Rs. 1475 per quintal while starch feed makers quoted it down by Rs. 10 per quintal to Rs. 1470 per quintal compared to last week.

In India, maize has been sown in around 41.49 lakh hectares as of 7th July'17 which is higher than 41.23 lakh hectare covered during corresponding period last year. In Maharashtra, it has been sown in 3.95 lakh hectares which is higher than 2.20 lakh hectares covered during corresponding period last year and in M.P, it has been sown in 8.64 lakh hectares which is higher than 5.52 lakh hectares covered during corresponding period last year.

However, In Karnataka, it has been sown in 4.62 lakh hectare which is lower than 7.97 lakh hectare covered during corresponding period last year while in U.P; it has been sown in 3.02 lakh hectare which is lower than 4.48 lakh hectare covered during corresponding period last year.

In Gulabghat, new crop of maize traded firm by Rs. 90 per quintal to Rs. 1370 per quintal (Bilty) compared to last week. It is likely to trade steady to slightly firm in near term.

RECOMMENDATION:

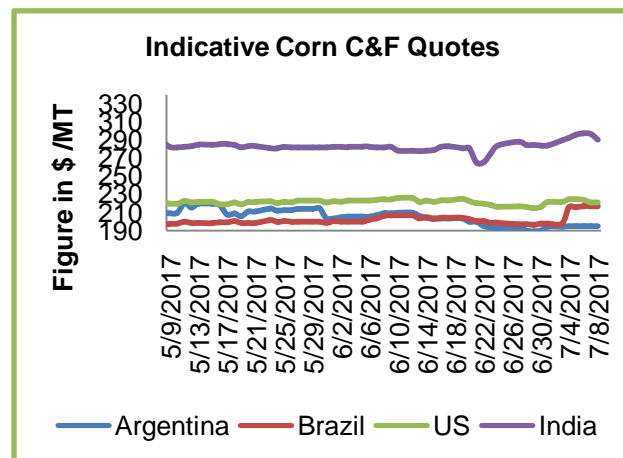
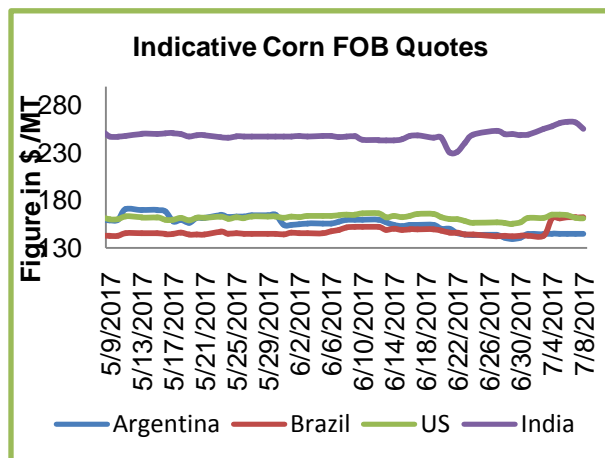
Weekly Call - : Market participants are advised to go long in Maize for August contract near 1358 levels for a target of 1376 and 1385 with a stop loss at 1348 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1700-1750 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 9.84 USD/MT to 150.29 USD/MT compared to last week for July contract.

At 1.10 MMT (for the period 23rd June –29th June, 2017) exports were up 9 percent from the previous week, but unchanged from the prior 4-week average.

In U.S, 10% crop of corn is at silking stage as of 2nd July, 2017, lower by 4% compared to last year and 3% from last 5 year average period.

EXPORT PARITY TREND

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.61)				
As on 8.07.2017	Argentina	Brazil	US	India
FOB	144.88	161.80	161.10	255.50
Cost and Freight (C&F)	194.88	216.80	221.10	290.50

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:

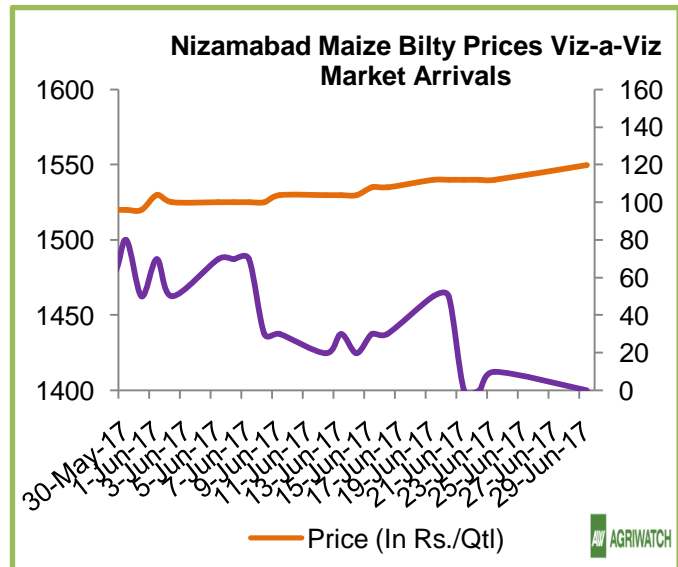
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	14500 (Bihar Origin)	N.A

CURRENT MARKET DYNAMICS:

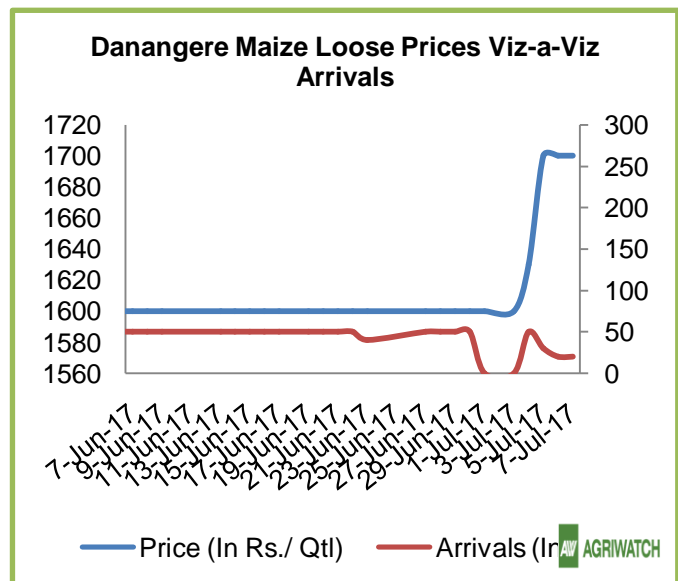
During the week under review, steady to firm sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

ANDHRA PRADESH:

- Nizamabad market was closed during the week due to GST issue. However, it could trade steady to firm in the near term. As per trade sources, soybean crop area is likely to shift towards maize. It is moving towards Hyderabad at Rs. 1680 per quintal. Stock of maize could be around 70,000 quintal which was 100,000 quintal during corresponding period of last year.

KARNATAKA:

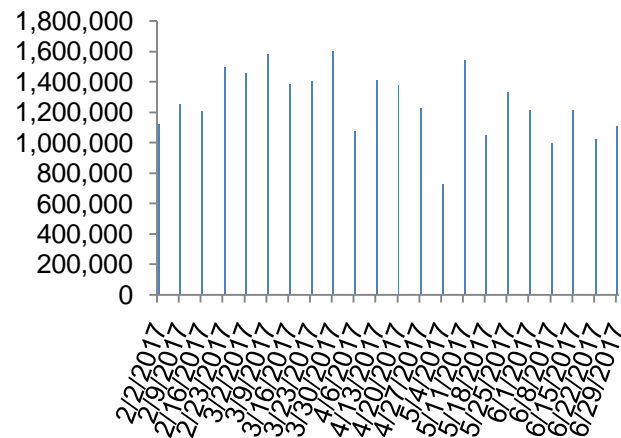
- In Davangere, Maize (loose) traded firm by Rs. 100 per quintal to Rs. 1700 per quintal compared to last week. Maize could trade firm in the near term as traders are not selling their stock on the expectation of further rise.

DOMESTIC MAIZE OUTLOOK:

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

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 47.41 MMT in the 2016-17 marketing year. At 1.10 MMT (for the period 23rd June –29th June, 2017) exports were up 9 percent from the previous week, but unchanged from the prior 4-week average. The primary destinations were Japan (313,100 MT), Mexico (248,200 MT), the Netherlands (135,100 MT), South Korea (124,700 MT), and Peru (70,800 MT).
- In U.S, 10% crop of corn is at silking stage as of 2nd July, 2017, lower by 4% compared to last year and 3% from last 5 year average period. 68% crop of corn is in good to excellent condition, higher by 1% compared to last week.

US Corn Weekly Exports (2016-17) in Metric Tons**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT rose by 9.84 USD/MT to 150.29 USD/MT compared to last week for July contract on forecast for hot and dry weather that could hinder crop development.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(August Contract Weekly Chart)

- Candlestick depicts gain in the market.
- Prices closed above 9 days EMAs.
- RSI is moving up in neutral zone.
- Increase in prices with higher volume and OI indicates long build up.
- Strategy: Buy near 1358 for target 1376 and 1385 in the near term.

Strategy: Buy

Maize NCDEX (August)

Support & Resistance				
S2	S1	PCP	R1	R2
1294	1332	1371	1397	1423

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1700-1750 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	6-Jul-17	29-Jun-17	6-Jun-17	6-Jul-16	6-Jul-15
Gulabbagh	Bilty	1370	1280	1250	1550	1200
Delhi	Red (Bihar)	1300	1280	1420	1600	1250
Davangere	Loose Price	1700	1600	1600	1700	1400
Shimoga	Bilty	1620	1620	1650	1950	1310
Ranebennur	Bilty	NA	1590	1590	1750	1530
Bagalkot	Hybrid/Local	1530	1540	1515	1550	1340
Gadag	Local	1369	1506	1304	1765	1259
Nizamabad	Bilty	NA	1550	1525	1720	1300
Khanna	Bilty	1250	1250	1410	1600	1260
Sangli	Feed	1700	1673	1618	1850	1559
Ahmadabad	Feed	1475	1480	1450	1750	1365
	Starch	1470	1480	1500	1775	1390

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	5-Jul-17	28-Jun-17	Change
Corn CBOT Prices	July-17	150.29	140.45	9.84
	Sep-17	154.32	144.19	10.13
	Dec-17	159.05	148.12	10.93
	Mar-18	162.69	151.96	10.73
	May-18	164.66	154.42	10.24

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>
 © 2017 Indian Agribusiness Systems Pvt. Ltd.