



# 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 mixed during the week. However, these are expected to trade steady to slightly weak in the near term. In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by Rs. 20 per quintal to Rs. 1470 per quintal while starch feed makers quoted it down by Rs. 70 per quintal to Rs. 1420 per quintal compared to last week.

In India, maize has been sown in around 60.17 lakh hectares as of 21<sup>st</sup> July'17 which is lower than 68.17 lakh hectare covered during corresponding period last year. In Karnataka, it has been sown in 6.22 lakh hectare which is lower than 10.12 lakh hectare covered during corresponding period last year while in U.P; it has been sown in 4.57 lakh hectare which is lower than 6.18 lakh hectare covered during corresponding period last year.

In Maharashtra, it has been sown in 6.21 lakh hectares which is lower than 6.34 lakh hectares covered during corresponding period last year and in M.P, it has been sown in 11.61 lakh hectares which is lower than 11.92 lakh hectares covered during corresponding period last year.

In Gulabgh, maize traded firm by Rs. 30 per quintal to Rs. 1350 per quintal (Bilty) compared to last week and is likely to trade steady in near term.

### RECOMMENDATION:

Weekly Call - : Market participants are advised to go short in Maize for August contract near 1362 levels for a target of 1336 and 1323 with a stop loss at 1377 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1700-1750 per quintal for the week.

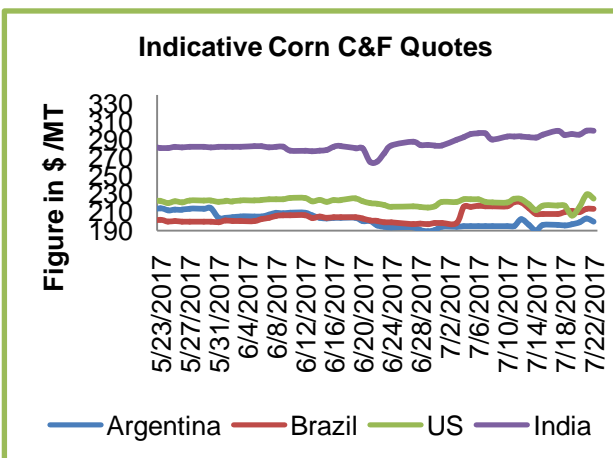
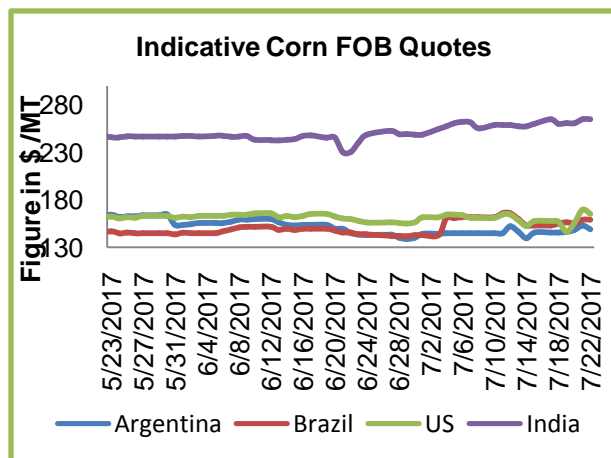
### INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 2.46 USD/MT to 150.58 USD/MT compared to last week for September due on the concern that hot and dry U.S. weather could stress fields during the yield-setting pollination phase.

At 1.04 MMT (for the period 7th July –13th July, 2017) U.S corn exports were up 18 percent from the previous week, but down 1 percent from the prior 4-week average.

In U.S, 40% crop of corn is at silking stage as of 16th July, 2017, lower by 13% compared to last year and 7% from last 5 year average period.

### EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.41)				
As on 22.07.2017	Argentina	Brazil	US	India
<b>FOB</b>	149.31	159.1	165.28	264.92
<b>Cost and Freight (C&amp;F)</b>	199.31	214.10	225.28	299.92

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:

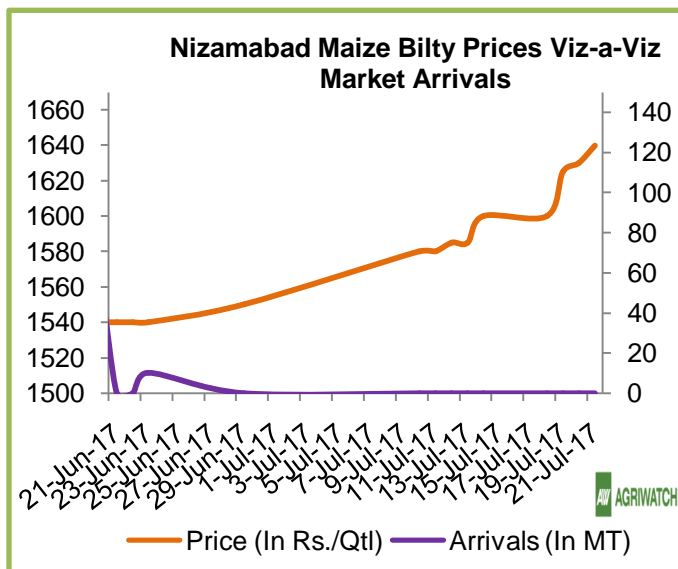
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13500 (Bihar Origin)	N.A

## 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:

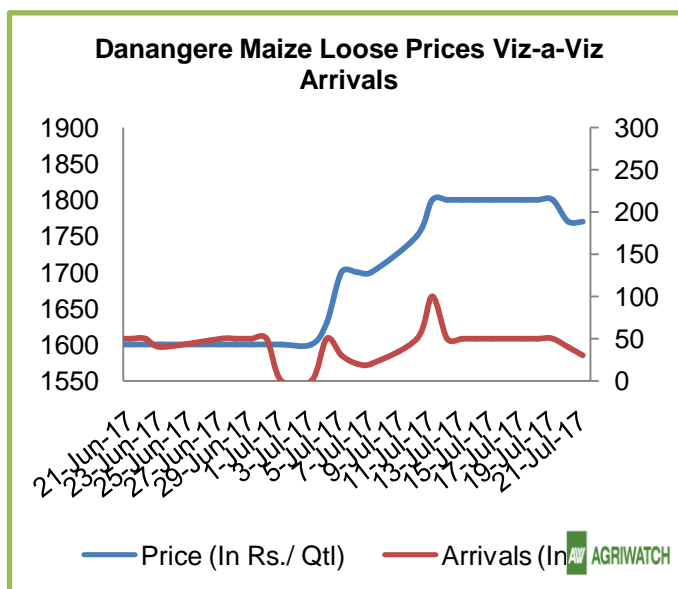
### ANDHRA PRADESH:

- In Nizamabad, maize (bilty) could trade firm by Rs. 70 per quintal to Rs. 1700 per quintal in the near term. As per trade sources, maize area are likely to be same compared to last year. It is moving towards Hyderabad at Rs. 1740 per quintal. Stock of maize could be around 50,000 quintals which was same during corresponding period of last year.



### KARNATAKA:

- In Davangere, Maize (loose) traded down by Rs. 30 per quintal to Rs. 1770 per quintal compared to last week. It could trade down by Rs. 20 per quintal to Rs. 1750 per quintal in the near term due to low demand. As per trade source, around 10% area of groundnut and cotton is likely to shift towards maize.

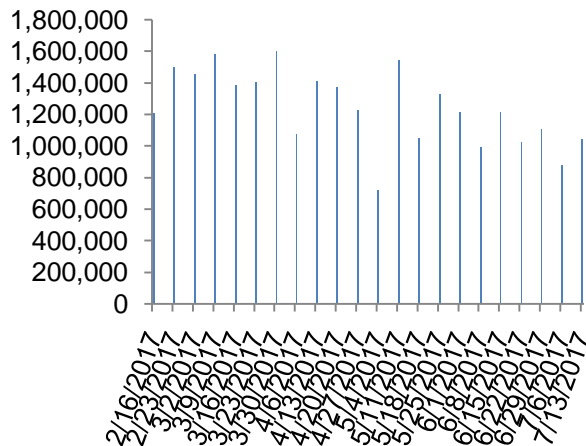


## DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly weak in the near term due to low demand.

**INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS**

- As per USDA, U.S corn exports reached 49.33 MMT in the 2016-17 marketing year. At 1.04 MMT (for the period 7th July –13th July, 2017) exports were up 18 percent from the previous week, but down 1 percent from the prior 4-week average. The primary destinations were Mexico (354,100 MT), Japan (300,600 MT), Peru (79,900 MT), South Korea (63,500 MT), and Costa Rica (62,500 MT).
- In U.S, 40% crop of corn is at silking stage as of 16th July, 2017, lower by 13% compared to last year and 7% from last 5 year average period. 64% crop of corn is in good to excellent condition, down by 1% compared to last week.

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

Corn prices on CBOT rose by 2.46 USD/MT to 150.58 USD/MT compared to last week for September due on the concern that hot and dry U.S. weather could stress fields during the yield-setting pollination phase.

**FUTURES MARKET ANALYSIS: NCDEX MAIZE:**

**(August Contract Weekly Chart)**

- Candlestick depicts down in the market.
- Prices closed above 9 days EMAs.
- RSI is moving down in neutral zone.
- Decrease in prices with higher OI indicates short build up.
- Strategy: Sell near 1362 for target 1336 and 1323 in the near term.

**Strategy: Sell**
**Maize NCDEX (August)**

Support & Resistance				
S2	S1	PCP	R1	R2
1298	1320	1359	1378	1397

### DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1770-1790 per quintal for the week.

### ANNEXURE

#### MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	20-Jul-17	13-Jul-17	20-Jun-17	20-Jul-16	20-Jul-15
Gulabbagh	Bilty	1350	1320	1280	1530	1240
Delhi	Hybrid(U.P)	1325	1325	1300	1560	1400
Davangere	Loose Price	1770	1800	1600	1700	1430
Shimoga	Bilty	NA	NA	1600	1900	1300
Ranebennur	Bilty	1730	1600	1580	1775	1460
Bagalkot	Hybrid/Local	1550	1550	1520	NA	1450
Gadag	Local	NA	1477	1309	1697	1089
Nizamabad	Bilty	1630	1585	1540	1780	1310
Khanna	Bilty	1320	1280	1250	1600	1230
Sangli	Feed	1705	1705	1660	1870	1594
Ahmadabad	Feed	1470	1490	1480	1760	1450
	Starch	1420	1490	1490	1725	1400

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	19-Jul-17	12-Jul-17	Change
Corn CBOT Prices	Sep-17	150.58	148.12	2.46
	Dec-17	156.00	151.76	4.24
	Mar-18	160.23	156.98	3.25
	May-18	162.30	160.82	1.48
	July-18	164.17	162.79	1.38

#### 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.