



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**

Crop harvesting is expected to be delayed if rains continue in Karnataka and Maharashtra region. New crop has started in Hasan, Mysore surroundings which contain high moisture that is up to 23%. In Nizamabad market, arrivals of new crop of maize also contain high moisture level which varies from 15-22%. Maize prices are expected to trade range bound with firm bias in near term as Telangana Government has started buying maize at MSP of Rs. 1425 per quintal.

Overall maize cash markets traded mixed during the week. However, it is likely to trade steady to slightly firm in near term on the expectation of fresh demand. In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by 1.99% to Rs. 1432 per quintal (weekly average price) while starch feed makers quoted it down by 0.07 % to Rs. 1407 per quintal compared to last week average price.

In India, maize has been sown in around 80.91 lakh hectares as of 6th October'17 which is lower than 84.52 lakh hectare covered during corresponding period last year. In Karnataka, it has been sown in 11.60 lakh hectare which is lower than 13.12 lakh hectare covered during corresponding period last year and in U.P; it has been sown in 7.26 lakh hectare which is lower than 7.81 lakh hectare covered during corresponding period last year. In Maharashtra, it has been sown in 9.14 lakh hectares which is lower than 9.21 lakh hectares covered during corresponding period last year. However, in M.P, it has been sown in 13.17 lakh hectares which is higher than 12.63 lakh hectares covered during corresponding period last year.

Agriwatch estimates production of maize for Kharif season 2017-18, at 15.66 MMT, lower by 1.94 MMT from the last kharif season for 2016-17.

RECOMMENDATION:

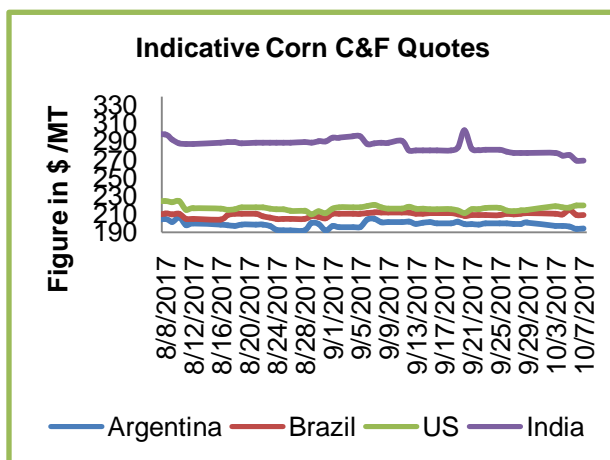
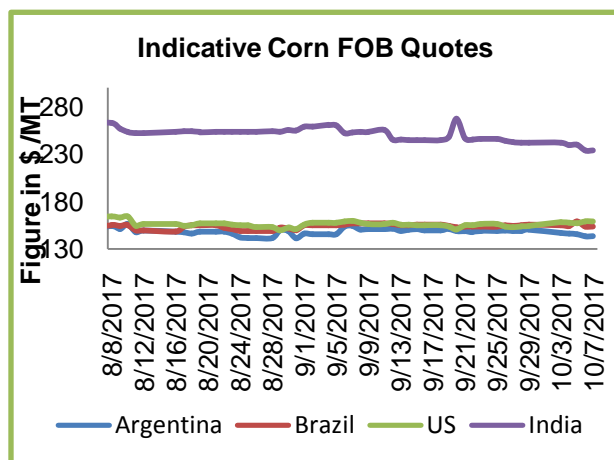
Weekly Call - : Market participants are advised to wait as there is no trade volume in near future contract. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1300-1320 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 2.26 USD/MT to 137.10 USD/MT compared to last week for December contract on the expectation of huge corn output.

As per USDA, at 0.96 MMT (for the period 22nd September –28th September, 2017) exports were primarily to Mexico (401,500 MT), Japan (154,600 MT), Colombia (137,100 MT), South Korea (72,300 MT), and Peru (69,400 MT).

In U.S, 17% crop of corn has harvested which is lower by 6% from the corresponding period of last year. 63% crop of corn is in good to excellent condition, up by 2% compared to last week.

EXPORT PARITY TREND

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 65.39)				
As on 07.10.2017	Argentina	Brazil	US	India
FOB	143.70	153.90	159.30	234.03
Cost and Freight (C&F)	193.70	208.90	219.30	269.03

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 WEEK:

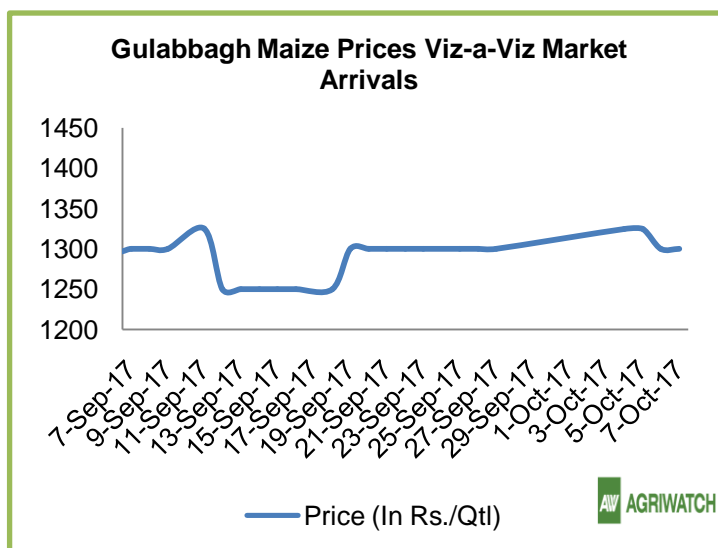
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13500 (Bihar Origin)	N.A

CURRENT MARKET DYNAMICS:

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

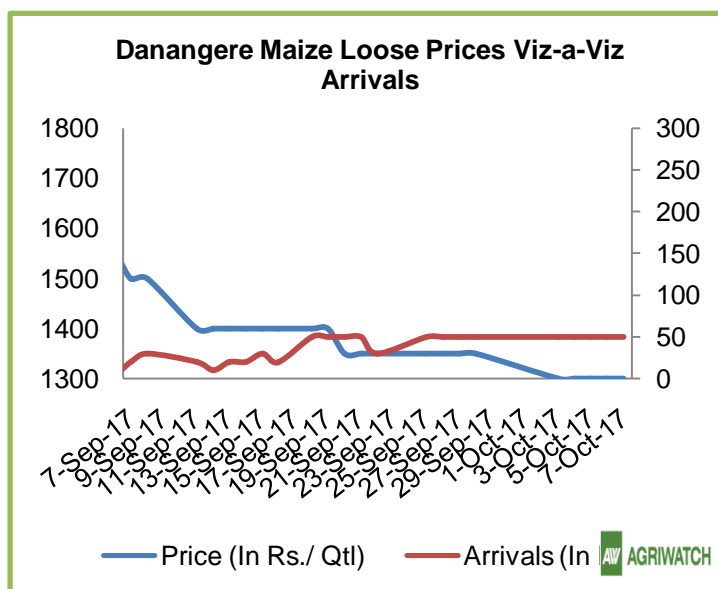
GULABBAGH:

- In Gulabbagh, maize traded firm by Rs. 25 per quintal to Rs. 1325 per quintal (Bilty) compared to last week. Maize could trade steady to slightly firm in the near term.



KARNATAKA:

- New crop has started in Hasan, Mysore surroundings which contain high moisture that is up to 23%. It is likely to trade range bound in near term.
- In Karnataka, stock of maize could be around 30,000 MT which was 50,000 MT during corresponding period last year while in Davangere; it could be around 10,000 MT which was 20,000 MT during corresponding period last year.

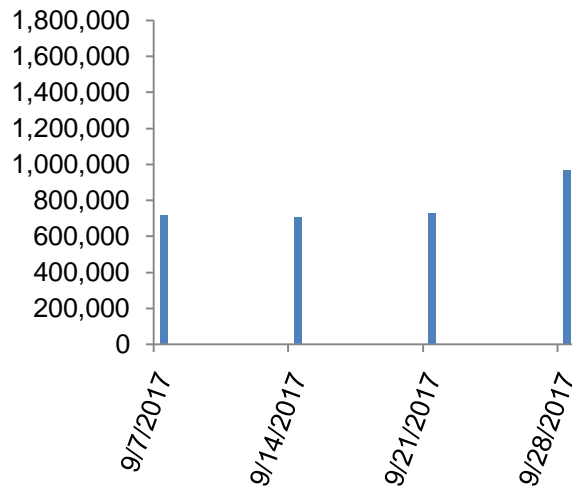


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly firm in near term on the expectation of fresh demand amid concern over recent rainfall.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, at 0.96 MMT (for the period 22nd September –28th September, 2017) exports were primarily to Mexico (401,500 MT), Japan (154,600 MT), Colombia (137,100 MT), South Korea (72,300 MT), and Peru (69,400 MT).
- In U.S, 96% crop of corn has dented as of 1st October, 2017, lower by 4% compared to last year and 2% from last 5 year average period. Meanwhile, 68% crop of corn has matured, lower by 16% compared to last year. Also, 17% crop of corn has harvested which is lower by 6% from the corresponding period of last year. 63% crop of corn is in good to excellent condition, up by 2% compared to last week.

US Corn Weekly Exports (2017-18) in Metric Tons**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT fall by 2.26 USD/MT to 137.10 USD/MT compared to last week for December contract on the expectation of huge corn output.

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1300-1320 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	5-Oct-17	28-Sep-17	4-Sep-17	5-Oct-16	5-Oct-15
Gulabbagh	Bilty	1325	1300	1350	1600	1430
Delhi	Hybrid Maize (U.P.)	1275	1300	1325	1550	1465
Davangere	Loose Price	1300	1350	NA	1550	1400
Shimoga	Bilty	1320	1350	1630	1750	NA
Ranebennur	Bilty	1450	1380	1500	1570	NA
Bagalkot	Hybrid/Local	1271	1250	NA	1807	1401
Gadag	Local	1129	1159	1431	1561	1390
Nizamabad	Bilty	1400	1425	NA	1850	1450
Khanna	Bilty	1270	1200	1290	1620	1480
Sangli	Feed	1500	1450	1560	1740	1580
Ahmadabad	Feed	1425	1440	1500	1700	1580
	Starch	1400	1420	1440	1700	1550

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	4-Oct-17	27-Sep-17	Change
Corn CBOT Prices	Dec-17	137.10	139.36	-2.26
	Mar-18	142.22	144.38	-2.16
	May-18	145.76	147.93	-2.17
	July-18	148.91	150.88	-1.97
	Sep-18	151.76	153.54	-1.78

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