



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

No major activity happened during the week as most of the cash markets were closed due to Diwali festival. We are expecting fresh demand for good quality maize in near term but the concern is that new crop from Telangana region contains high moisture and its quality has affected by fungus due to recent rains. Besides, if rains continue in Karnataka region, same condition could happen there.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by 0.70% to Rs. 1410 per quintal (weekly average price) while starch feed makers quoted it firm by 1.21 % to Rs. 1420 per quintal compared to last week average price.

In India, maize has been sown in around 80.91 lakh hectares as of 13th 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:

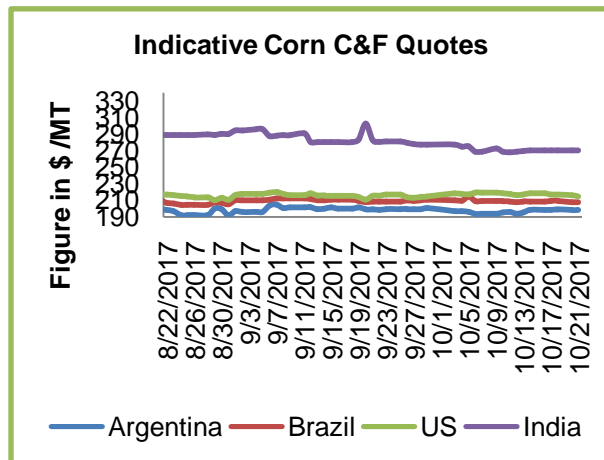
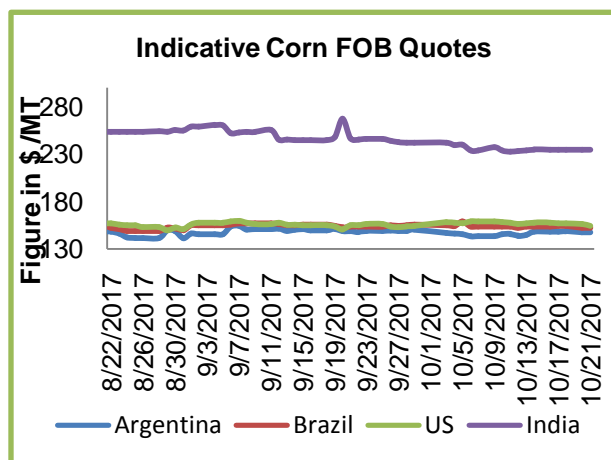
Weekly Call - : Market participants are advised to wait as there is no trade volume in near future contract. In Davangere cash market, maize (loose) prices are likely to trade at Rs.1300 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 1.58 USD/MT to 137.79 USD/MT compared to last week for December contract.

At 0.33 MMT (for the period 6th October –12th October, 2017) exports were primarily to Mexico (166,100 MT), Colombia (80,100 MT), Peru (39,200 MT), Japan (28,600 MT), and Canada (12,600 MT).

In U.S, 90% crop of corn has matured as of 15th October, 2017, lower by 6% compared to last year. Meanwhile, 28% crop of corn has harvested which is lower by 16% from the corresponding period of last year. 65% crop of corn is in good to excellent condition, up by 1% compared to last week.

EXPORT PARITY TREND

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 65.04)				
As on 21.10.2017	Argentina	Brazil	US	India
FOB	148.03	152.80	154.50	234.91
Cost and Freight (C&F)	198.03	207.80	214.50	269.91

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:

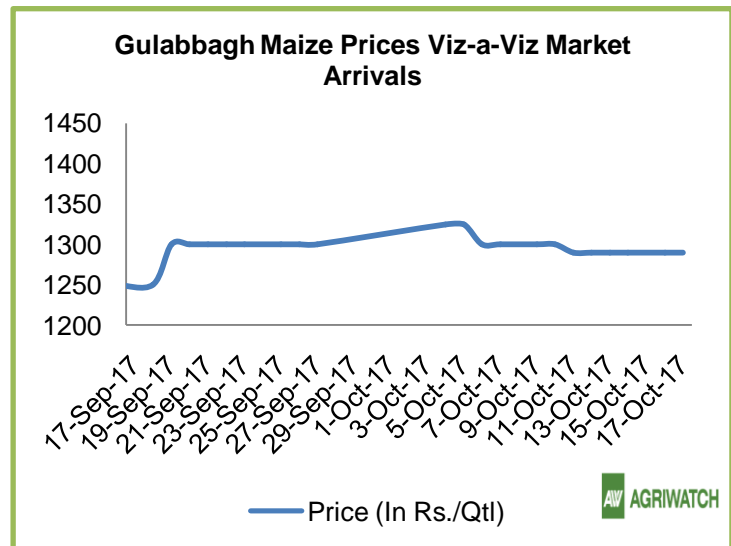
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13000-13500 (Bihar Origin)	N.A
Bangalore	14200-14500 (Karnataka Origin)	N.A
Nammakal	15200-15500 (Karnataka Origin)	N.A

CURRENT MARKET DYNAMICS:

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

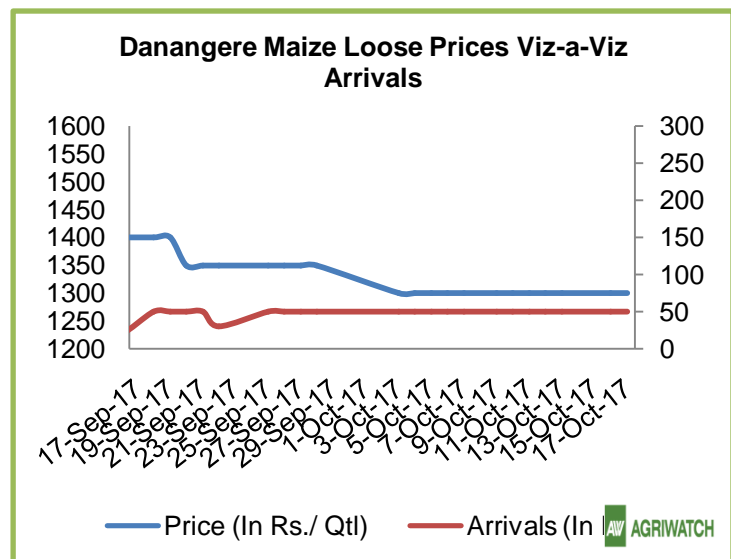
GULABBAGH:

- In Gulabbagh, maize market was closed most of the days during the week due to Diwali festival. 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 steady in near term.
- In Davangere; stock of maize could be around 20,000 MT which was 15,000 MT during corresponding period last year.
- There is concern that crop quality could be affected if rains continue.

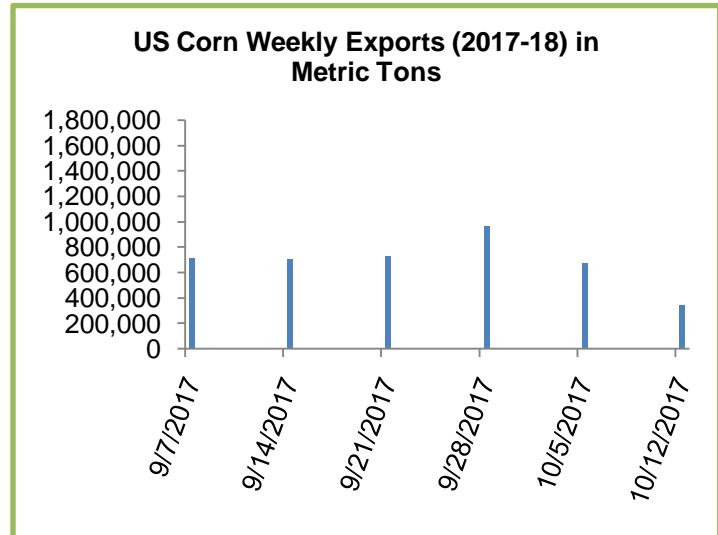


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to trade steady to slightly firm on the expectation of fresh demand.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, at 0.33 MMT (for the period 6th October –12th October, 2017) exports were primarily to Mexico (166,100 MT), Colombia (80,100 MT), Peru (39,200 MT), Japan (28,600 MT), and Canada (12,600 MT).
- In U.S, 90% crop of corn has matured as of 15th October, 2017, lower by 6% compared to last year. Meanwhile, 28% crop of corn has harvested which is lower by 16% from the corresponding period of last year. 65% crop of corn is in good to excellent condition, up by 1% compared to last week.
- Nonghyup Feed Inc of South Korea purchased around 69,000 MT of corn from Cargill at \$188.75 per MT c&f plus a \$1.25 per MT surcharge for additional port unloading for Feb. 15, 2018, arrival; likely to be sourced from United States or South America.



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 1.58 USD/MT to 137.79 USD/MT compared to last week for December contract.

DAVANGERE MARKET ANALYSIS: MAIZE



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

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	18-Oct-17	11-Oct-17	18-Sep-17	18-Oct-16	18-Oct-15
Gulabbagh	Bilty	Closed	1290	1250	1600	1430
Delhi	Hybrid Maize (U.P.)	1300	1300	1300	1540	1400
Davangere	Loose Price	Closed	1300	NA	1550	1440
Shimoga	Bilty	NA	1310	1350	1700	1550
Ranebennur	Bilty	1400	1350	1460	1700	1500
Bagalkot	Hybrid/Local	NA	1251	NA	1420	1401
Gadag	Local	1351	1251	1001	1522	1350
Nizamabad	Bilty	Closed	1410	NA	1450	1385
Khanna	Bilty	Closed	1300	1320	1580	NA
Sangli	Feed	1480	1480	1400	1500	1465
Ahmadabad	Feed	Closed	1420	1425	1500	1500
	Starch	Closed	1400	1350	1425	1500

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	17-Oct-17	10-Oct-17	Change
Corn CBOT Prices	Dec-17	137.79	136.21	1.58
	Mar-18	143.20	141.53	1.67
	May-18	146.45	144.88	1.57
	July-18	149.01	147.93	1.08
	Sep-18	151.67	150.78	0.89

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