



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Standard quality maize prices are likely to stay steady despite fresh demand of feed makers as new crop arrivals has started from Telangana, Karnataka and Maharashtra regions. As new crop contains high moisture at this time and some quality has been affected by fungus. Starch feed makers are actively buying low quality material at these lower rates. However, feed makers are still waiting for dry material and quoting lower rates on the expectation of crop arrival pressure in near term. In Nizamabad, maize crop contains moisture up to 20% at this time and has been affected by fungus while Davangere crop contains moisture up to 25% at this time.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by 2.84% to Rs. 1370 per quintal (weekly average price) while starch feed makers quoted it down by 5.14 % to Rs. 1347 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. 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.

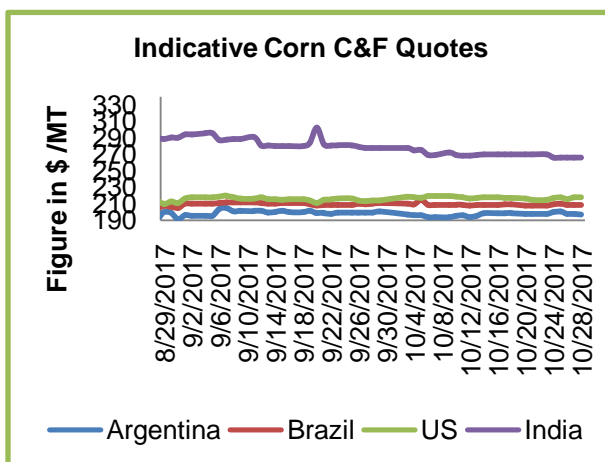
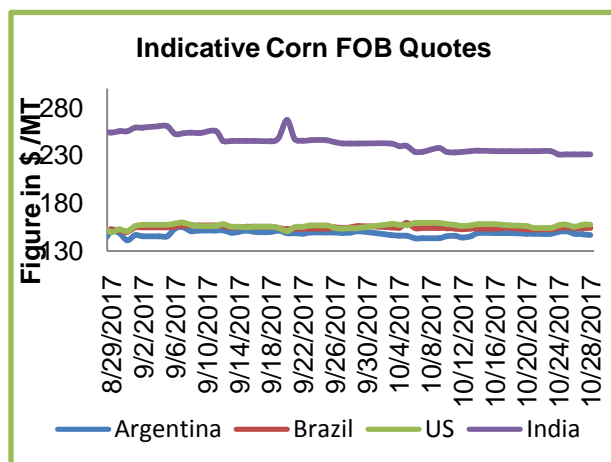
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 0.39 USD/MT to 138.18 USD/MT compared to last week for December contract.

International Grains Council (IGC) increased its forecast for 2017/18 global corn production by 5 MMT to 1034 MMT compared to previous forecast.

At 0.60 MMT (for the period 13th October –19th October, 2017) U.S corn exports were primarily to Mexico (198,400 MT), Peru (136,500 MT), Japan (95,500 MT), Colombia (90,900 MT), and Costa Rica (29,200 MT).

In U.S, 96% crop of corn has matured as of 22nd October, 2017, lower by 3% compared to last year. Meanwhile, 38% crop of corn has harvested which is lower by 21% from the corresponding period of last year. 66% 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. 65.00) | | | | |
|--|-----------|--------|--------|--------|
| As on 21.10.2017 | Argentina | Brazil | US | India |
| FOB | 147.15 | 153.90 | 157.81 | 231.21 |
| 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:

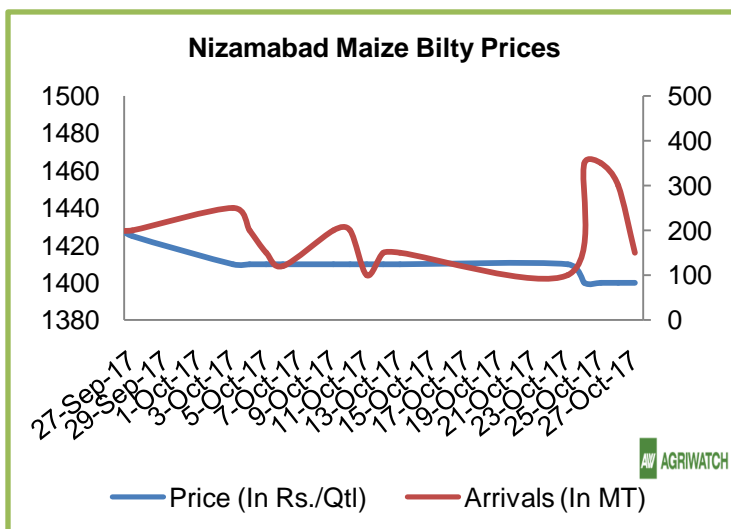
| Destination | By Road (Rs/MT) | By Rake (Rs/MT) |
|-------------|-------------------------------|-----------------|
| Kolkata | 13000-13250 (Bihar Origin) | N.A |

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:

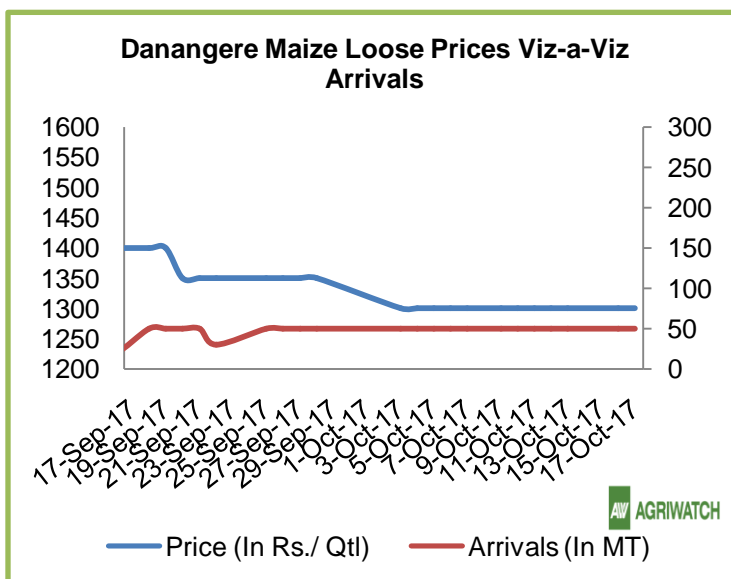
NIZAMABAD:

- In Nizamabad, maize crop contains moisture up to 20% at this time. Some quality has been affected by fungus and being mostly bought by starch feed makers. On the other side; Standard quality maize prices are likely to stay steady despite fresh demand of feed makers on the expectation of crop arrival pressure.



KARNATAKA:

- In Davangere region, new crop arrivals of maize has started contains moisture up to 25% at this time. Around 50 bags (1 bag=60 kg) of new crop on daily basis has just started. It is likely to trade steady amid sluggish demand. As per trade source, In Davangere, stock of maize could be around 1 lakh bags which were 2 lakh bags during corresponding period last year.

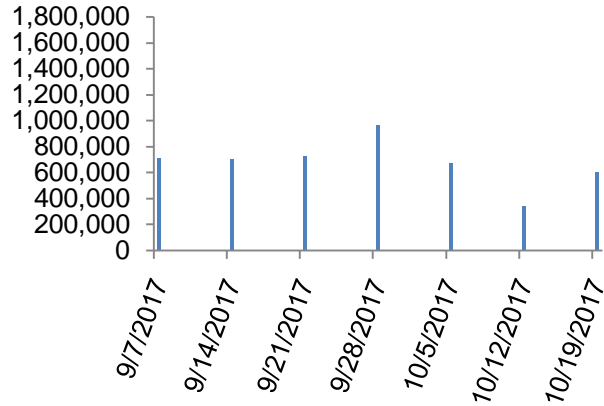


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to stay steady despite fresh demand of feed makers on the expectation of crop arrival pressure.

INTERNATIONALS**MARKET:****HIGHLIGHTS/CURRENT DEVELOPMENTS**

- As per USDA, at 0.60 MMT (for the period 13th October –19th October, 2017) U.S corn exports were primarily to Mexico (198,400 MT), Peru (136,500 MT), Japan (95,500 MT), Colombia (90,900 MT), and Costa Rica (29,200 MT).
- International Grains Council (IGC) increased its forecast for 2017/18 global corn production by 5 MMT to 1034 MMT compared to previous forecast. However, forecast for global corn ending stock was down by 5 MMT to 203 MMT compared to last forecast for 2017/18 due to increase in trade and consumption estimates.
- In U.S, 96% crop of corn has matured as of 22nd October, 2017, lower by 3% compared to last year. Meanwhile, 38% crop of corn has harvested which is lower by 21% from the corresponding period of last year. 66% crop of corn is in good to excellent condition, up by 1% compared to last week.

US Corn Weekly Exports (2017-18) in Metric Tons**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 | 26-Oct-17 | 18-Oct-17 | 26-Sep-17 | 26-Oct-16 | 26-Oct-15 |
|------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| Gulabbagh | Bilty | 1250 | Closed | 1300 | 1520 | 1430 |
| Delhi | Hybrid Maize (U.P.) | 1310 | 1300 | 1300 | 1330 | 1440 |
| Davangere | Loose Price | 1300 | Closed | 1350 | 1450 | 1400 |
| Shimoga | Bilty | 1330 | NA | 1250 | 1580 | NA |
| Ranebennur | Bilty | 1330 | 1400 | 1380 | 1450 | NA |
| Bagalkot | Hybrid/Local | 1289 | 1135 | 1250 | 1342 | 1411 |
| Gadag | Local | NA | 1351 | 1159 | 1368 | NA |
| Nizamabad | Bilty | 1400 | Closed | 1430 | 1450 | NA |
| Khanna | Bilty | 1275 | Closed | 1300 | 1550 | Closed |
| Sangli | Feed | 1370 | 1480 | 1448 | 1370 | 1470 |
| Ahmadabad | Feed | 1380 | Closed | 1380 | 1440 | 1550 |
| | Starch | 1350 | Closed | 1390 | 1400 | 1550 |

| Maize CBOT Weekly Futures Price Listing (USD/Ton) | | | | |
|--|-----------------------|------------------|------------------|---------------|
| | Contract Month | 25-Oct-17 | 17-Oct-17 | Change |
| Corn CBOT Prices | Dec-17 | 138.18 | 137.79 | 0.39 |
| | Mar-18 | 143.79 | 143.20 | 0.59 |
| | May-18 | 147.14 | 146.45 | 0.69 |
| | July-18 | 149.99 | 149.01 | 0.98 |
| | Sep-18 | 152.55 | 151.67 | 0.88 |

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