



Maize Weekly Research Report

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EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall maize cash markets traded steady to range bound movement during the week and are expected to be steady to slightly firm after a week but that firmness could be limited despite feed makers demand on the expectation of new crop arrival pressure

New crop contains high moisture at this time and some quality has been affected by fungus too. In Nizamabad, maize crop contains moisture up to 17% now and has been affected by fungus while Davangere crop contains moisture up to 25% now. At the demand side, 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 Ahmadabad region of Gujarat, poultry feed makers quoted maize down by 1.53 % to Rs. 1349 per quintal (weekly average price) while starch feed makers quoted it firm by 0.22 % to Rs. 1350 per quintal compared to last week average price.

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.

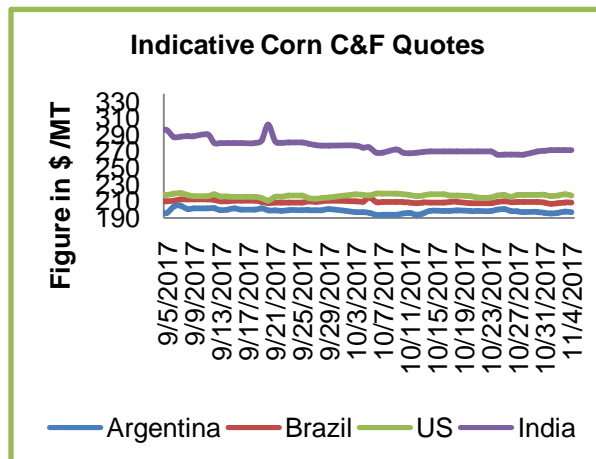
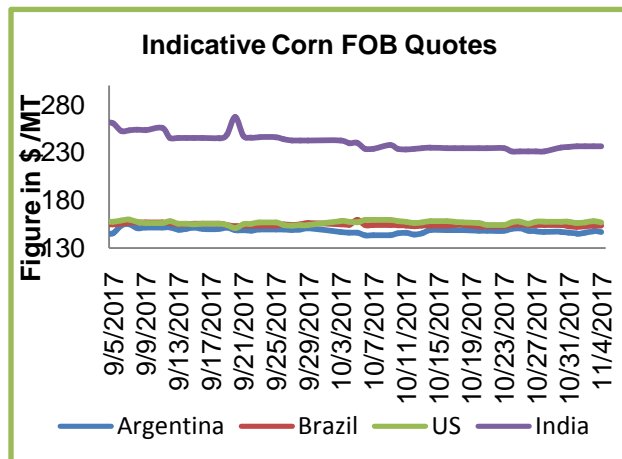
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 0.69 USD/MT to 137.10 USD/MT compared to last week for December contract.

At 0.59 MMT (for the period 20th October –26th October, 2017) U.S corn exports were primarily to Mexico (221,400 MT), Japan (203,100 MT), Peru (73,300 MT), Colombia (41,500 MT), and Costa Rica (24,700 MT).

In U.S, 54% crop of corn has harvested as of 29th October, 2017, which is lower by 19% from the corresponding period of last year and 18% from last 5 year average period. 66% crop of corn is in good to excellent condition, same compared to last week.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.59)				
As on 4.11.2017	Argentina	Brazil	US	India
FOB	146.95	153.70	157.20	236.49
Cost and Freight (C&F)	196.95	208.70	217.20	271.49

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:

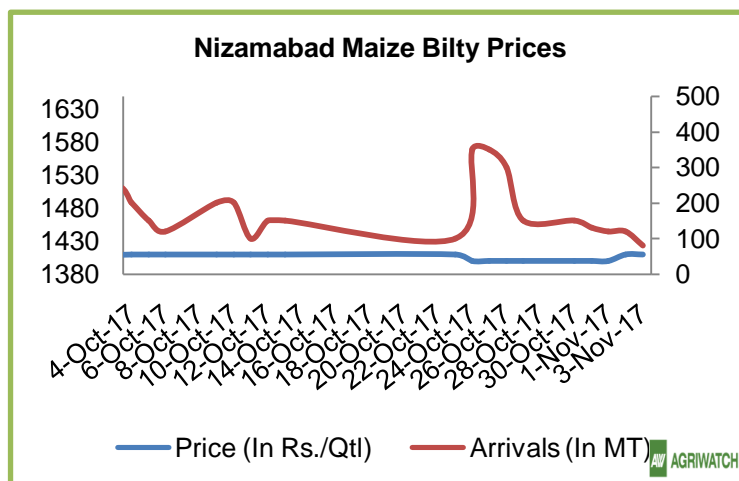
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13250-13500 (Bihar Origin)	N.A
Hyderabad	14100 (Telangana Origin)	N.A

CURRENT MARKET DYNAMICS:

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

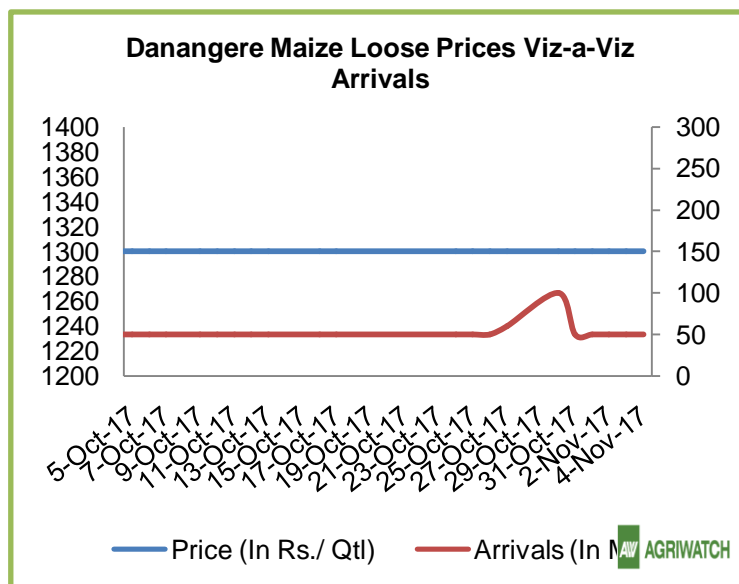
NIZAMABAD:

- In Nizamabad, maize crop contains moisture up to 17% at this time. Maize prices are likely to be steady despite fresh demand on the expectation of crop arrival pressure. Sukhjit starch & chemical limited is buying maize at Rs. 1320-1340 per quintal which contains moisture up to 15%.



KARNATAKA:

- In Davangere region, maize crop contains moisture up to 25% at this time. Maize prices are likely to be steady amid sluggish demand. Stock of maize could be around 1 lakh bags which was almost nil during corresponding period last year. As per trade a source, Riddhi Siddhi is buying maize at Rs. 1260 per quintal.

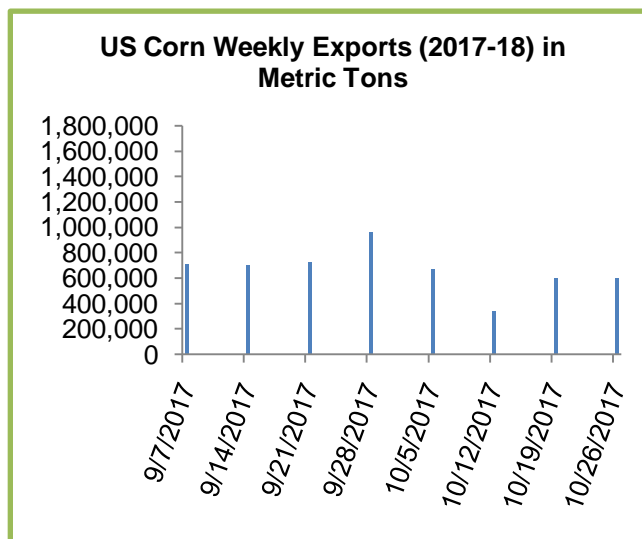


DOMESTIC MAIZE OUTLOOK:

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

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, at 0.59 MMT (for the period 20th October –26th October, 2017) U.S corn exports were primarily to Mexico (221,400 MT), Japan (203,100 MT), Peru (73,300 MT), Colombia (41,500 MT), and Costa Rica (24,700 MT).
- Nonghyup Feed Inc. of South Korea purchased in two consignments 134,000 MT of corn. The first consignment of 67,000 MT was purchased from Pan Ocean trading house at \$186.25 per MT c&f plus a \$1.00 per MT surcharge for additional port unloading for Feb. 25, 2018 arrival. Another consignment of 67,000 MT was purchased from ADM at \$185.26 per MT c&f plus \$1.25 per MT surcharge for additional port unloading for March 5, 2018, arrival.
- Meanwhile, Major Feedmill Group of South Korea purchased about 129,000 MT of corn to be sourced from optional origins in an international tender for the arrival around Feb. 25, 2018. Some 60,000 MT was bought at around \$187.30 per MT c&f plus a \$1.00 per MT surcharge for additional port unloading. A further 69,000 MT was bought at around \$189.30 per MT c&f plus surcharges of \$1.00 and \$1.25 per MT for unloading in additional ports.
- Besides, Korea Corn Processing Industry Association purchased about 60,000 MT of corn likely to be sourced from the United States at \$192.90 per MT c&f for arrival in South Korea around Feb. 15, 2017.
- Further, Feed Leaders Committee and Major Feed mill Group of South Korea each purchased about 69,000 MT of corn at \$185.26 per MT c&f plus \$1.25 per MT surcharge for additional port unloading; likely to be sourced from the United States or South America in a private, non-tender deal. FLC purchased for the arrival around 10th March, 2018 while MFG purchased for the arrival around 7th March, 2018.
- In U.S, 54% crop of corn has harvested as of 29th October, 2017, which is lower by 19% from the corresponding period of last year and 18% from last 5 year average period. 66% crop of corn is in good to excellent condition, same compared to last week.



INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT fall by 0.69 USD/MT to 137.10 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	2-Nov-17	26-Oct-17	2-Oct-17	2-Nov-16	2-Nov-15
Gulabghagh	Bilty	1250	Closed	1325	1550	1500
Delhi	Hybrid Maize (U.P.)	1310	1310	1275	1500	1550
Davangere	Loose Price	1300	1300	1300	1450	1450
Shimoga	Bilty	1320	1320	1320	1450	1550
Ranebennur	Bilty	1250	1300	1390	1490	NA
Bagalkot	Hybrid/Local	1241	1289	1271	1371	1400
Gadag	Local	1290	1119	1129	1410	1315
Nizamabad	Bilty	1410	1400	1410	1450	1440
Khanna	Bilty	1300	1275	1275	1650	NA
Sangli	Feed	1330	1370	1472	1380	1487
Ahmadabad	Feed	1350	1380	1440	1400	1550
	Starch	1350	1350	1400	1375	1560

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	1-Nov-17	25-Oct-17	Change
Corn CBOT Prices	Dec-17	137.10	137.79	-0.69
	Mar-18	142.41	143.20	-0.79
	May-18	145.86	146.45	-0.59
	July-18	148.71	149.01	-0.30
	Sep-18	151.27	151.67	-0.40

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