



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall maize cash markets traded steady to weak during the week and are expected to be steady to slightly firm in near term.

The material presently arriving in the south Indian markets has moisture content and fungus infestation in some places. This is mostly being bought by starch makers. It is expected that dry material would be available in coming weeks. Standard quality maize prices are expected to be steady to slightly firm due to feed makers demand but that firmness could be limited on the expectation of new crop arrival pressure amid high stock availability of old crop. Besides, big traders/stockists are not involved in direct purchasing. However, village level commercial establishments, continue to collect small quantity from farmers and sell it to feed industry. Thus, immediate demand of feed industry is fulfilled through small channel currently. This changing pattern of trade also restricts cash maize market getting firmer.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by 2.97 % to Rs. 1309 per quintal (weekly average price) while starch feed makers quoted it down by 2.07 % to Rs. 1322 per quintal compared to last week average price.

In India, maize has been sown in around 2.44 lakh hectares as of 10th November'17 for Rabi season (2017-18) which is higher than 2.36 lakh hectare covered during corresponding period last year.

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.

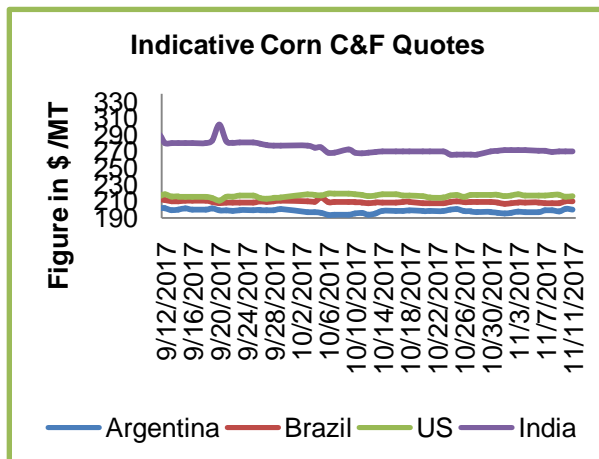
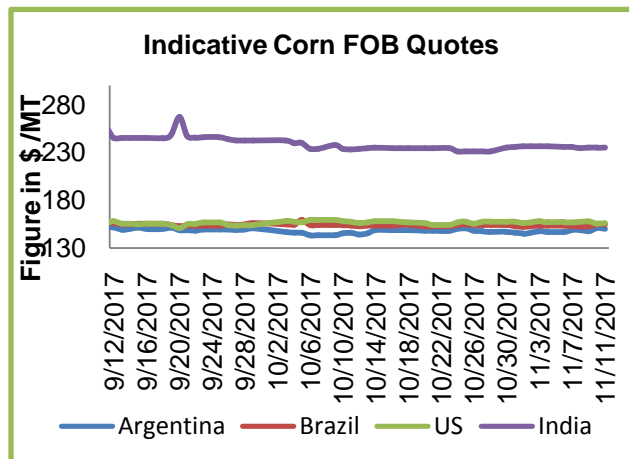
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 3.55 USD/MT to 134.44 USD/MT compared to last week for December contract.

At 0.48 MMT (for the period 27th October –2nd November, 2017) U.S corn exports were down 18.12 percent from the previous week. The primary destinations were Mexico (171,900 MT), Colombia (115,200 MT), Japan (69,500 MT), Honduras (39,500 MT), and Peru (35,400 MT).

USDA increased its yield forecast for U.S by 0.22 MT/ Hectare to 11.01 MT/Hectare for 2017/18 compared to last month forecast.

In U.S, 70% crop of corn has been harvested as of 5th November, 2017, which is lower by 14% from the corresponding period of last year and 13% from last 5 year average period.

EXPORT PARITY TREND

Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 65.19)				
As on 11.11.2017	Argentina	Brazil	US	India
FOB	150.20	155.10	156.41	234.96
Cost and Freight (C&F)	200.20	210.10	216.41	269.96

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:

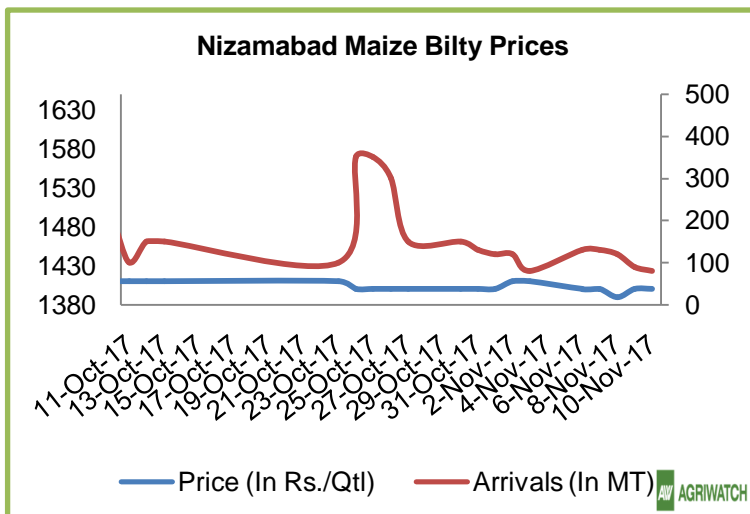
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13000-13500 (Bihar Origin)	N.A
Hyderabad	14000-14100 (Telangana Origin)	N.A

CURRENT MARKET DYNAMICS:

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

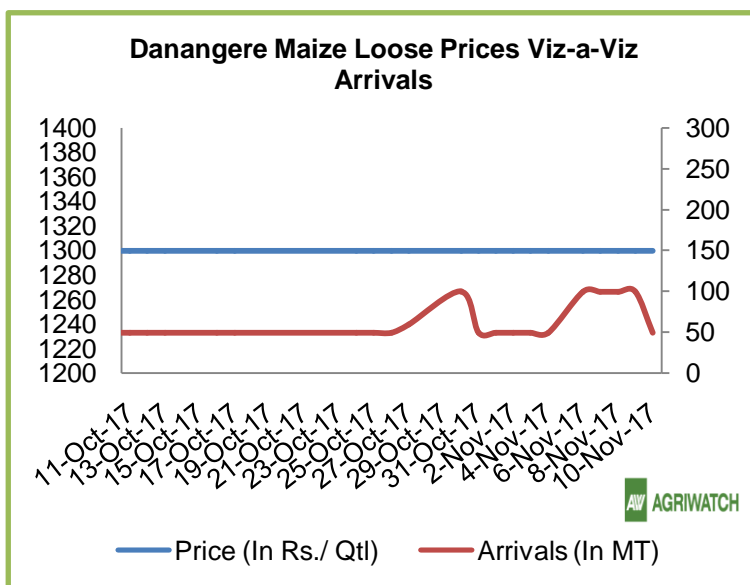
NIZAMABAD:

- In Nizamabad, maize crop contains moisture up to 16% now. Maize prices are likely to be steady to slightly firm on the expectation of fresh demand. As per trade source, Sukhjit starch & chemical limited is buying maize at Rs. 1320-1340 per quintal.



KARNATAKA:

- In Davangere region, maize (loose) traded steady at Rs. 1150-1300 per quintal compared to previous day. Maize crop contains upto 25% moisture now. 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.

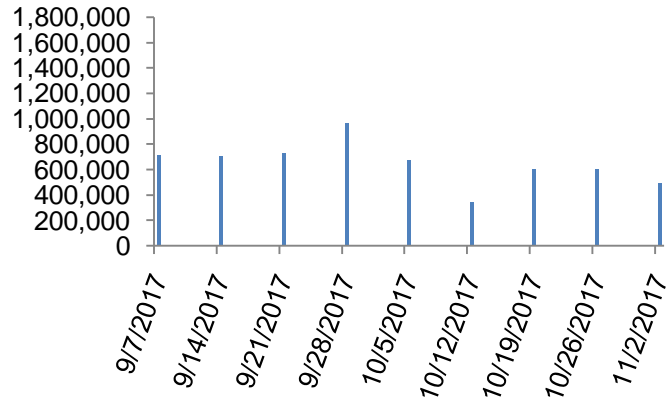


DOMESTIC MAIZE OUTLOOK:

Maize cash market is likely to stay steady to slightly firm in the near term.

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

- As per USDA, U.S corn exports reached 5.7 MMT in the 2017-18 marketing year. At 0.48 MMT (for the period 27th October – 2nd November, 2017) U.S corn exports were down 18.12 percent from the previous week. The primary destinations were Mexico (171,900 MT), Colombia (115,200 MT), Japan (69,500 MT), Honduras (39,500 MT), and Peru (35,400 MT).
- USDA increased its yield forecast for U.S by 0.22 MT/ Hectare to 11.01 MT/Hectare for 2017/18 compared to last month forecast.
- In U.S, 70% crop of corn has harvested as of 5th November, 2017, which is lower by 14% from the corresponding period of last year and 13% from last 5 year average period.

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

Corn prices on CBOT fall by 3.55 USD/MT to 134.44 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	9-Nov-17	2-Nov-17	11-Oct-17	9-Nov-16	9-Nov-15
Gulabgagh	Bilty	1250	1250	1290	1550	1480
Delhi	Hybrid Maize (U.P.)	1310	1310	1300	1550	1550
Davangere	Loose Price	1300	1300	1300	1480	1420
Shimoga	Bilty	1150	1320	1310	1400	NA
Ranebennur	Bilty	1260	1250	1350	1450	NA
Bagalkot	Hybrid/Local	1206	1241	1251	1396	NA
Gadag	Local	1093	1290	1251	1375	1352
Nizamabad	Bilty	1400	1410	1410	1450	NA
Khanna	Bilty	1200	1300	1300	1600	NA
Sangli	Feed	1290	1330	1480	1430	1520
Ahmadabad	Feed	1300	1350	1420	1450	1510
	Starch	1310	1350	1400	1400	1540

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	9-Nov-17	2-Nov-17	Change
Corn CBOT Prices	Dec-17	134.44	137.99	-3.55
	Mar-18	139.66	143.30	-3.64
	May-18	143.1	146.65	-3.55
	July-18	146.25	149.50	-3.25
	Sep-18	148.91	152.16	-3.25

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