

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

As per Ministry of Agriculture, in India, maize has been sown in around 6.49 lakh hectares as on 24th November'17 for Rabi season (2017-18) which is higher than 5.32 lakh hectare covered during corresponding period last year.

As per farmers sowing intention, in Telangana and Andhra Pradesh regions, maize area likely to be same compared to last year.

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

The material presently arriving in the Nizamabad markets contains 30% damaged grains and 10-12% fungus while in Davangere, maize crop contains moisture up to 20% now. About a third of the material arriving in the market is infested with fungus. In the affected lots between 2 to 8% of the grains are infested. In India, Standard quality maize prices are expected to be steady due to new crop arrival pressure amid high stock availability of old crop.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by 1.17 % to Rs. 1292 per quintal (weekly average price) while starch feed makers quoted it firm by 0.15 % to Rs. 1307 per quintal compared to last week average price.

RECOMMENDATION:

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

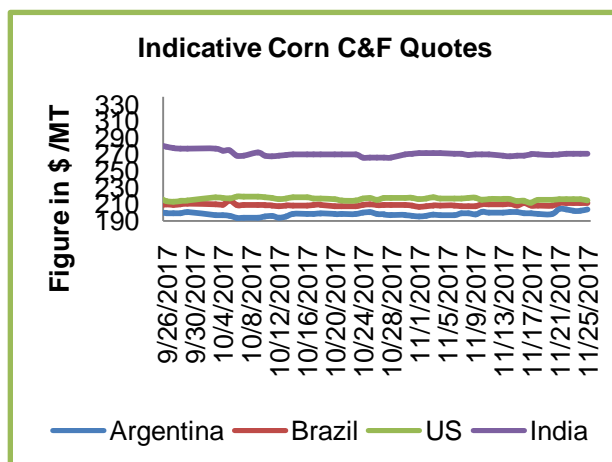
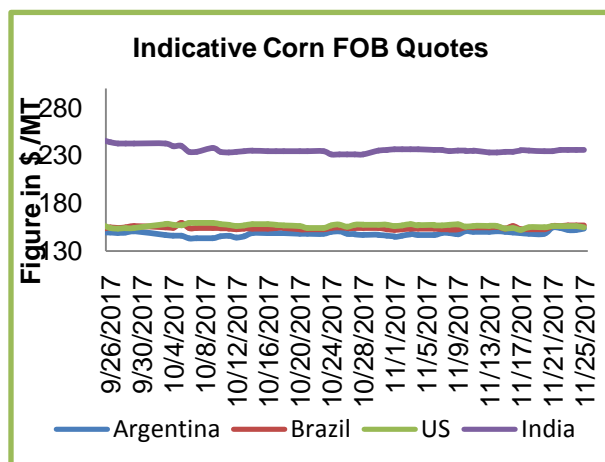
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 3.45 USD/MT to 135.92 USD/MT compared to last week for December contract.

At 0.69 MMT (for the period 10th November –16th November, 2017) U.S corn exports were primarily to Mexico (344,400 MT), Peru (103,900 MT), Colombia (101,700 MT), Saudi Arabia (70,900 MT), and Ireland (15,700).

In U.S, 90% crop of corn has been harvested as of 19th November, 2017, which is lower by 6% than that of the corresponding period of last year and 5% from last 5 year average period.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.64)				
As on 25.11.2017	Argentina	Brazil	US	India
FOB	153.54	156.55	154.61	235.98
C&F	203.54	211.55	214.61	270.98

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:

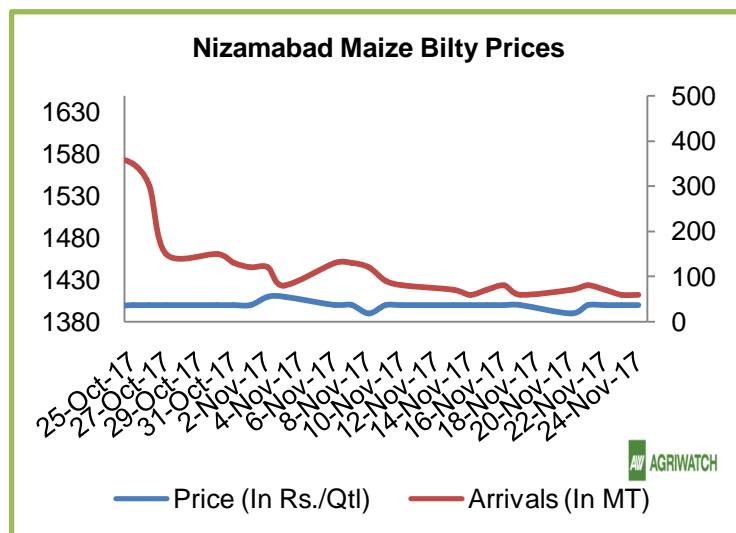
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13000-13250 (Bihar Origin)	N.A
Hyderabad	14000 (Telangana Origin)	N.A

CURRENT MARKET DYNAMICS:

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

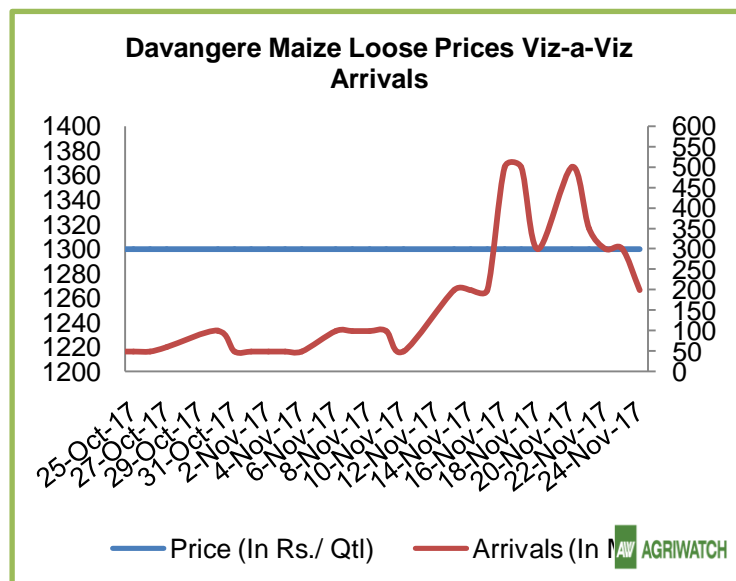
NIZAMABAD:

- In Nizamabad, maize prices are likely to be steady; Trade remains restricted in major markets as feed industries are getting supply directly from farmers. Maize arriving in to mandis contains 30% damaged grains and 10-12% fungus. As per trade source, stock of maize in the hands of Private traders could be around 1 lakh bags (1 bag=50 kg) which was 1.5 lakh bags during corresponding period last year.



KARNATAKA:

- In Davangere, Maize crop contains moisture up to 20% now. About a third of the material arriving in the market is infested with fungus. In the affected lots between 2 to 8% of the grains are infested. As per trade sources, weather conditions have become favourable so dry material is expected to become available soon. It is likely to trade steady amid sluggish demand. As per trade source, stock of maize in the hands of Private traders could be around 10,000 bags (1 bag=100 kg) which was 20,000 bags during corresponding period last year

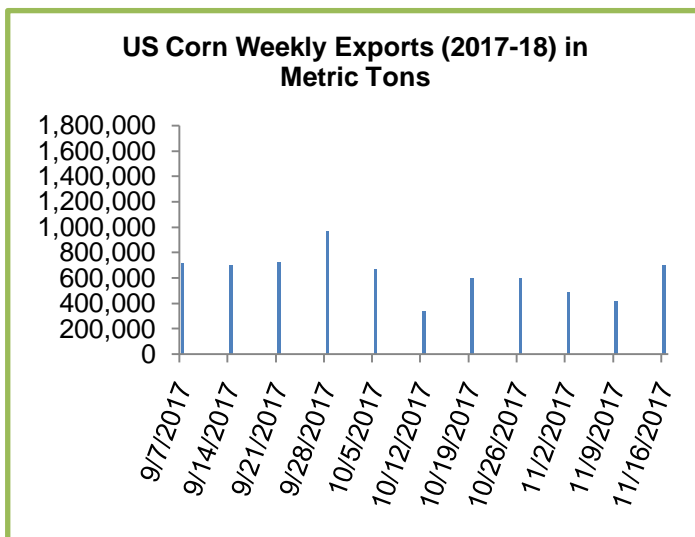


DOMESTIC MAIZE OUTLOOK:

Maize prices are expected to remain steady on the expectation of new crop arrival pressure amid high stock availability.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 6.84 MMT in the 2017-18 marketing year. At 0.69 MMT (for the period 10th November –16th November, 2017) U.S corn exports were primarily to Mexico (344,400 MT), Peru (103,900 MT), Colombia (101,700 MT), Saudi Arabia (70,900 MT), and Ireland (15,700).
- In U.S, 90% crop of corn has been harvested as of 19th November, 2017, which is lower by 6% than that of corresponding period of last year and 5% from last 5 year average period.
- Turkey's state grain board TMO bought about 96,000 MT of corn for shipment to the ports of Derince and Marmara between Nov. 29 and Dec. 12. Around 72,000 MT was bought from Trading house Tiryaki Agro at 708 Turkish lira (\$180.61) per MT c&f. Rest 24000 MT was bought from Erser Group at 709 Turkish lira (\$180.87) per MT c&f.

**INTERNATIONAL CORN OUTLOOK:**

Corn prices on CBOT rose by 3.45 USD/MT to 135.92 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	23-Nov-17	16-Nov-17	23-Oct-17	23-Nov-16	23-Nov-15
Gulabghagh	Bilty	1250	1250	NR	1625	1600
Delhi	Hybrid Maize (U.P.)	1320	1325	1300	1625	1625
Davangere	Loose Price	1300	1300	1300	1480	1550
Shimoga	Bilty	1200	1200	1320	1450	1550
Ranebennur	Bilty	1220	1235	1350	1475	NA
Bagalkot	Hybrid/Local	1195	1209	1316	1445	1471
Gadag	Local	1173	1160	1250	1551	1456
Nizamabad	Bilty	1400	1400	1410	1450	1530
Khanna	Bilty	1400	1350	1275	1700	NA
Sangli	Feed	1257	1240	1400	1470	1612
Ahmadabad	Feed	1300	1270	Closed	1450	1600
	Starch	1300	1300	Closed	1450	1600

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	22-Nov-17	15-Nov-17	Change
Corn CBOT Prices	Dec-17	135.92	132.47	3.45
	Mar-18	140.54	137.40	3.14
	May-18	143.79	140.74	3.05
	July-18	146.94	143.79	3.15
	Sep-18	149.80	146.65	3.15

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