



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 9.95 lakh hectares as on 8th December'17 for Rabi season (2017-18) which is higher than 8.87 lakh hectare covered during corresponding period last year. In Bihar, it has been sown in around 3.48 lakh hectares which is higher than 2.22 lakh hectares covered during corresponding period last year. While, in Maharashtra, Karnataka and A.P it has been sown in around 1.23, 0.75 and 0.74 lakh hectares respectively as on 8th December'17 for Rabi season (2017-18).

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 Davangere market contains moisture up to 19% now. About a half of the material arriving in the market is still infested with fungus. In the affected lots between 2 to 8% of the grains are infested. As per trade sources, weather conditions have become favorable so dry material is expected to become available soon.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by 2.21 % to Rs. 1341 per quintal (weekly average price) while starch feed makers quoted it firm by 1.27 % to Rs. 1356 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.

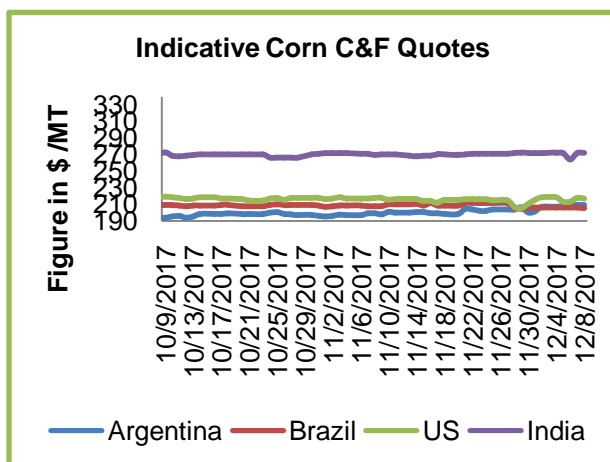
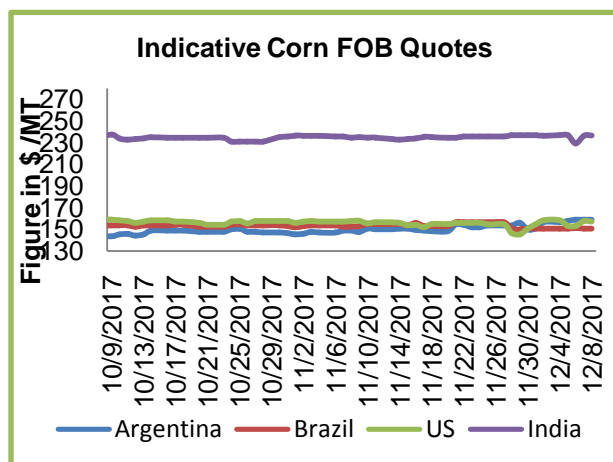
INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 1.18 USD/MT to 133.36 USD/MT compared to last week for December contract.

At 0.59 MMT (for the period 24th November –30th November, 2017) U.S corn exports were primarily to Mexico (203,600 MT), Colombia (170,600 MT), Japan (105,000 MT), Panama (38,900 MT), and Peru (29,800 MT).

China is expected to increase maize imports by 1 million bushels in next 2-3 years in order to achieve its 2020 E10 blending mandate. It may push up demand for U.S corn and support CBOT to some extent.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.46)				
As on 8.12.2017	Argentina	Brazil	US	India
FOB	158.86	150.70	157.30	236.97
C&F	208.86	205.70	217.30	271.97

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:

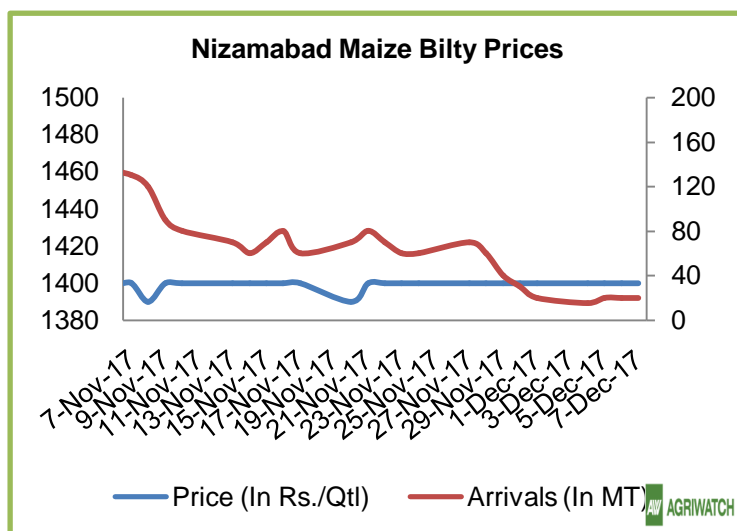
Destination	By Road (Rs/MT)	By Rake (Rs/MT)
Kolkata	13500-13750 (Bihar Origin)	N.A

CURRENT MARKET DYNAMICS:

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

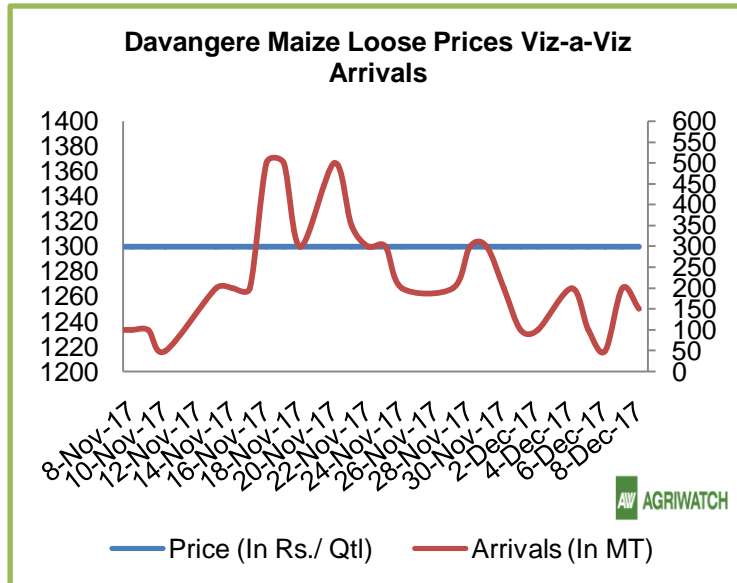
NIZAMABAD:

- As per farmers sowing intention, in Telangana and Andhra Pradesh regions, maize area likely to be same compared to last year while in Bihar, wheat area is likely to shift towards maize. As per trade sources, stock of maize in the hands of Private traders could be around 1.25 lakh bags (1 bag=50 kg) which was 2 lakh bags during corresponding period last year.



KARNATAKA:

- In Davangere, Maize crop contains moisture up to 19% now. About a half of the material arriving in the market is still infested with fungus. In the affected lots between 2 to 8% of the grains are infested. As per trade sources, weather conditions have become favorable so dry material is expected to become available soon. It is likely to trade steady amid sluggish demand.

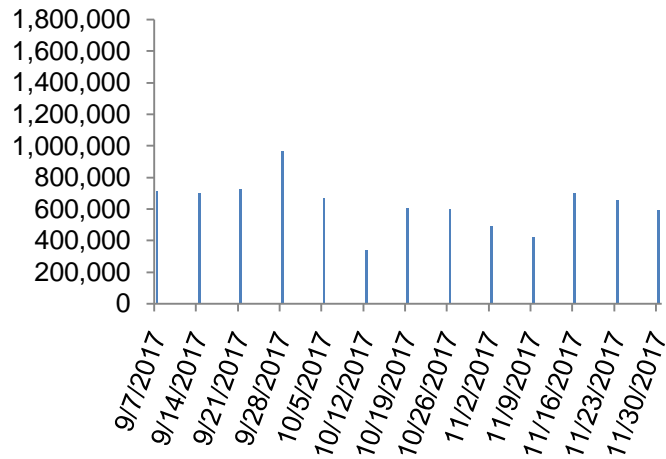


DOMESTIC MAIZE OUTLOOK:

Standard quality maize prices are likely to remain steady due to limited trade in major mandi.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 8.08 MMT in the 2017-18 marketing year. At 0.59 MMT (for the period 24th November –30th November, 2017) U.S corn exports were primarily to Mexico (203,600 MT), Colombia (170,600 MT), Japan (105,000 MT), Panama (38,900 MT), and Peru (29,800 MT).
- The Korea Feed Association purchased about 61,000 MT of corn from the trading house Pan Ocean at about \$189.80 per MT c&f plus a \$1.0 per MT surcharge for additional port unloading for arrival around March 10, 2018.
- China is expected to increase maize imports by 1 million bushels in next 2-3 years in order to achieve its 2020 E10 blending mandate. It may push up demand for U.S corn and support CBOT to some extent.

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

CBOT corn market is likely to trade under pressure on the forecast for rain across South America.

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	7-Dec-17	30-Nov-17	7-Nov-17	7-Dec-16	7-Dec-15
Gulabghagh	Bilty	1300	1225	1250	1600	1600
Delhi	Hybrid Maize (U.P.)	1300	NR	1310	1575	1640
Davangere	Loose Price	1300	1300	1300	1450	1460
Shimoga	Bilty	1200	1300	1150	1460	1550
Ranebennur	Bilty	1250	1210	1260	1459	NA
Bagalkot	Hybrid/Local	1209	1189	1221	1401	1550
Gadag	Local	1145	1173	1120	1355	1458
Nizamabad	Bilty	1400	1400	1400	1450	1560
Khanna	Bilty	1375	1380	1250	1700	NA
Sangli	Feed	1266	1255	1290	1435	1600
Ahmadabad	Feed	1340	1300	1330	1420	1625
	Starch	1360	1340	1330	1475	1625

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	7-Dec-17	30-Nov-17	Change
Corn CBOT Prices	Dec-17	133.36	134.54	-1.18
	Mar-18	138.38	140.05	-1.67
	May-18	141.73	143.20	-1.47
	July-18	145.07	146.25	-1.18
	Sep-18	147.83	149.01	-1.18

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