



Maize Weekly Research Report

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EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall maize cash markets traded mixed during the week and are expected to be steady to range bound in near term as maize crop from Tamil Nadu could keep pressure on market sentiments. However, feed makers demand at lower price level could keep market stable.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize down by 0.23% to Rs. 1300 per quintal (weekly average price). However, starch feed makers quoted it firm by 0.75% to Rs. 1350 per quintal compared to last week average price.

As per Agriwatch trade sources, in Bihar, maize area is likely to increase by 10%. Maize crop conditions are good right now and new crop arrivals are expected to arrive in the end of March month.

As per Ministry of Agriculture, in India, maize has been sown in around 15.74 lakh hectares as on 19th January'18 for Rabi season (2017-18) which is higher than 15.35 lakh hectare covered during corresponding period last year. In Bihar, it has been sown in around 4.66 lakh hectares which is higher than 4.48 lakh hectares covered during corresponding period last year. While, in Maharashtra, Karnataka and A.P it has been sown in around 1.90, 0.97 and 1.91 lakh hectares respectively as on 19th January'18 for Rabi season (2017-18).

RECOMMENDATION:

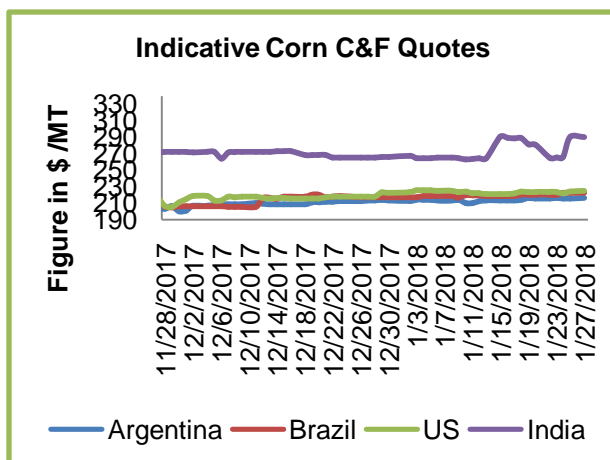
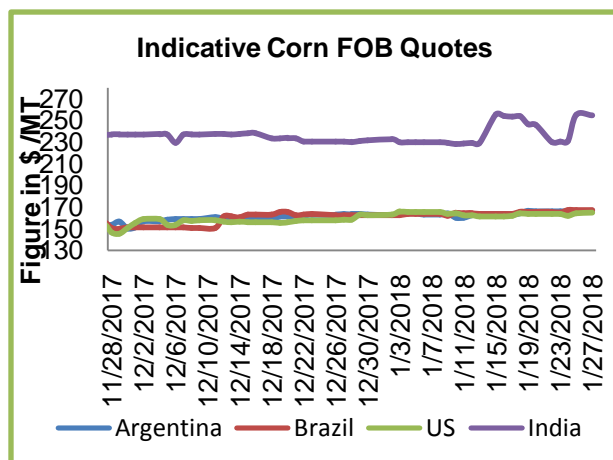
Weekly Call - : Market participants are advised to wait as there is no trade volume in near future contract. In Davangere cash market, prices of good quality of maize (loose) are likely to trade at Rs. 1200-1230 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 1.38 USD/MT to 140.35 USD/MT compared to last week for March'18 contract due to weakness in U.S dollar and dry weather condition in rival exporter Argentina.

At 0.59 MMT (for the period 12th January –18th January, 2018) U.S corn exports were down 3 percent from the previous week and 11 percent from the prior 4-week average.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 63.59)				
As on 27.1.2018	Argentina	Brazil	US	India
FOB	166.44	167.30	164.76	254.84
C&F	216.44	222.30	224.76	289.84

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.

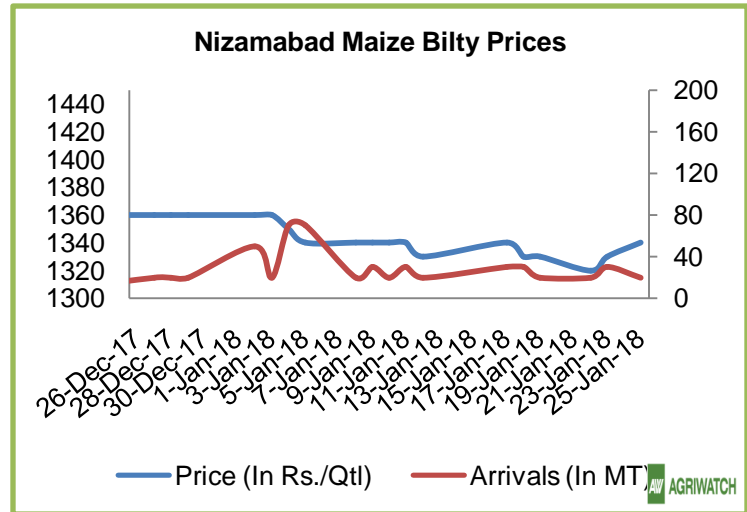
- We are unable to update export-import data as Govt has restricted the latest IBIS data for Public domain. We will be able to update it as and when available.

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:

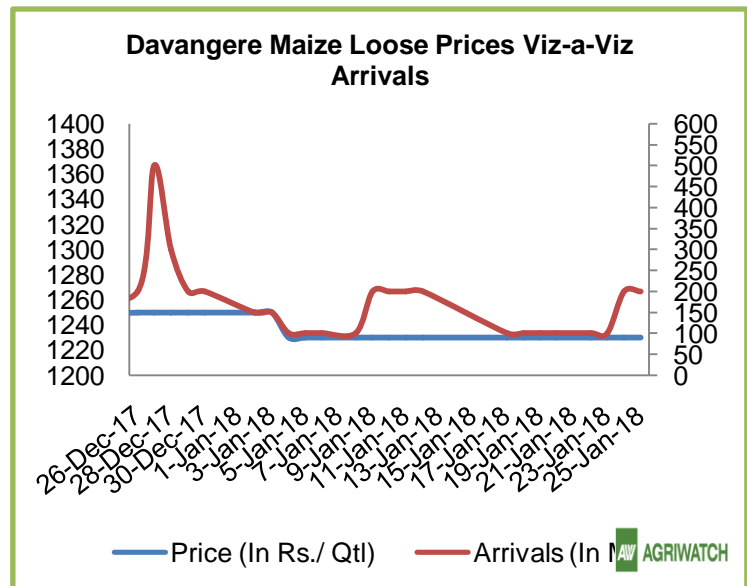
NIZAMABAD:

- In Nizamabad, Maize is likely to trade steady to range bound in near term. Starch feed makers demand could support the market at lower level. As per trade source, stock of maize could be around 25000 MT and 2500 MT in the hands of Government and Private Traders respectively.



KARNATAKA:

- In Davangere, maize is likely to trade steady to slightly weak in near term due to sluggish demand. Besides, new crop arrival in Tamil Nadu could also keep pressure on market sentiments. In Davangere, about a 70% 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.



DOMESTIC MAIZE OUTLOOK:

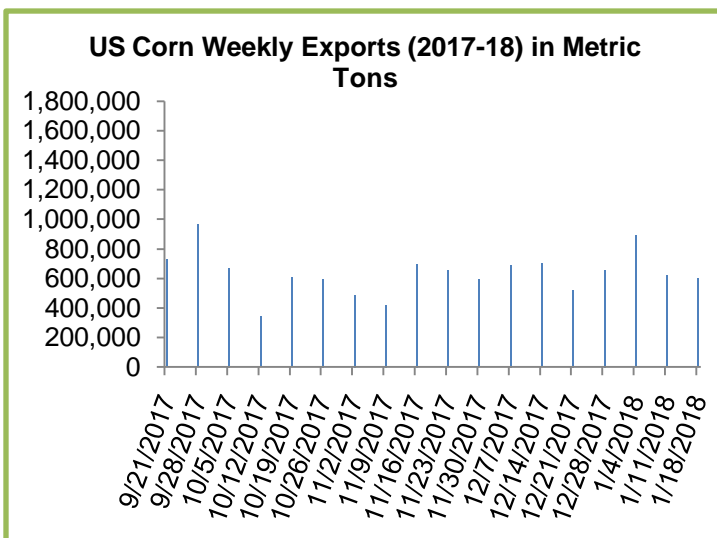
Standard quality maize prices are likely to be steady to range bound in near term.

INTERNATIONALS

MARKET:

HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 12.76 MMT in the 2017-18 marketing year. At 0.59 MMT (for the period 12th January –18th January, 2018) U.S corn exports were down 3 percent from the previous week and 11 percent from the prior 4-week average. The destinations were primarily to Mexico (204,100 MT), Japan (112,100 MT), Colombia (91,600 MT), Peru (83,300 MT), and Costa Rica (44,900 MT).



- Major Feedmill Group of South Korea purchased about 130000 MT corn from trading house Pan Ocean. Some 65,000 MT was purchased at 193.67 per MT c&f plus a \$1.25 per MT surcharge for additional port unloading for arrival in South Korea around April 30. Another 65,000 MT was purchased at \$193.55 per MT c&f plus a \$1.25 per MT surcharge for additional port unloading for May 10 arrival.

INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 1.38 USD/MT to 140.35 USD/MT compared to last week for March'18 contract due to weakness in U.S dollar and dry weather condition in rival exporter Argentina.

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1200-1230per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	25-Jan-18	18-Jan-18	26-Dec-17	25-Jan-17	25-Jan-16
Gulabgagh	Bilty	1250	1250	1250	1620	1600
Delhi	Hybrid Maize (U.P.)	1325	1325	1320	1600	1650
Davangere	Loose Price	1230	1230	1250	1520	1460
Shimoga	Bilty	1330	1250	1300	1450	1490
Ranebennur	Bilty	1200	NA	1220	1510	1500
Bagalkot	Hybrid/Local	1123	1152	1186	1451	1430
Gadag	Local	1109	NA	1176	1511	1490
Nizamabad	Bilty	1340	1340	1360	1510	1510
Khanna	Bilty	1360	1410	1450	1660	NA
Sangli	Feed	NA	NA	1295	1510	1535
Ahmadabad	Feed	1300	1300	1320	1550	1580
	Starch	1350	1330	1335	1560	1600

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24-Jan-18	17-Jan-18	Change
Corn CBOT Prices	Mar-18	140.35	138.97	1.38
	May-18	143.60	142.12	1.48
	July-18	146.84	145.37	1.47
	Sep-18	149.80	148.32	1.48
	Dec-18	153.34	151.96	1.38

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