



# 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 16.71 lakh hectares as on 2nd February'18 for Rabi season (2017-18) which is higher than 16.26 lakh hectare covered during corresponding period last year. In Bihar, it has been sown in around 4.70 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 1.99, 0.99 and 2.09 lakh hectares respectively as on 2nd February'18 for Rabi season (2017-18).

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.

Overall maize cash markets traded steady to range bound during the week and is expected to be steady to slightly weak 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 firm by 0.08% to Rs. 1301 per quintal (weekly average price). However, starch feed makers quoted it down by 2.30% to Rs. 1319 per quintal compared to last week average price.

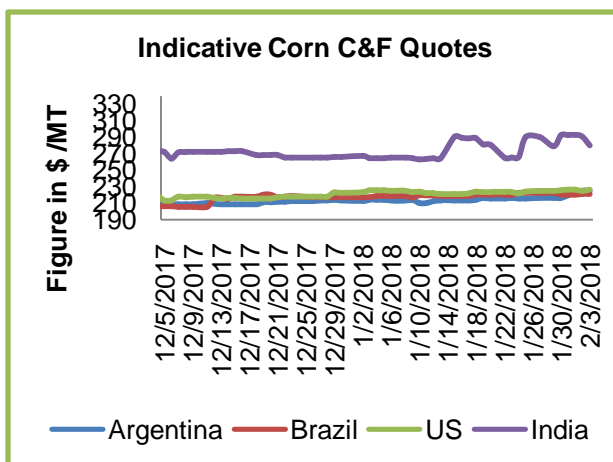
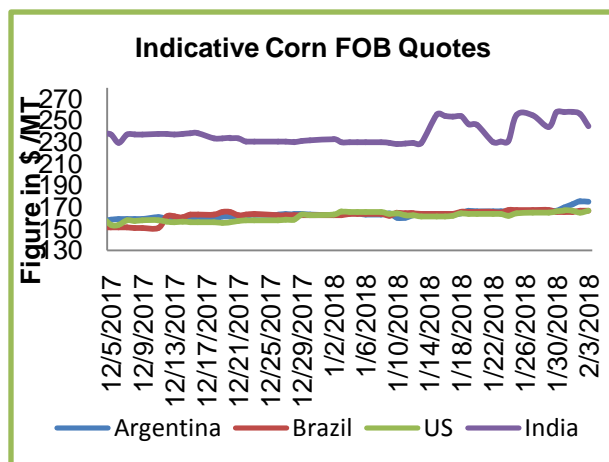
### RECOMMENDATION:

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. 1200-1230 per quintal for the week.

### INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT rose by 1.97 USD/MT to 142.32 USD/MT for March'18 contract compared to last week. Agriwatch expects that increase in export demand could support U.S corn market to gain. However, that gain could be limited due to ample global corn supply.

At 1.04 MMT (for the period 19th January –25th January, 2018) U.S corn exports were up 75 percent from the previous week and 51 percent from the previous 4-week average.

**EXPORT PARITY TREND**


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.14)				
As on 03.02.2018	Argentina	Brazil	US	India
<b>FOB</b>	174.9	166.4	166.3	244.78
<b>C&amp;F</b>	224.90	221.40	226.30	279.78

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.

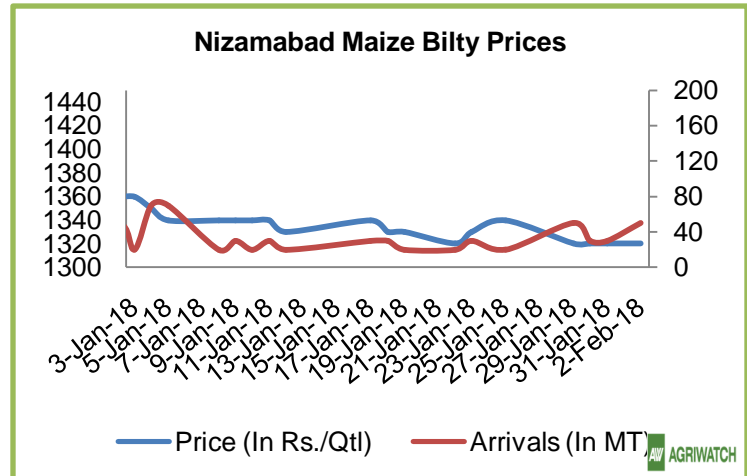
- We are unable to update export-import data as Govt has restricted the latest IBIS data for Public domain. We will be able to update it as and when available.

CURRENT MARKET DYNAMICS:

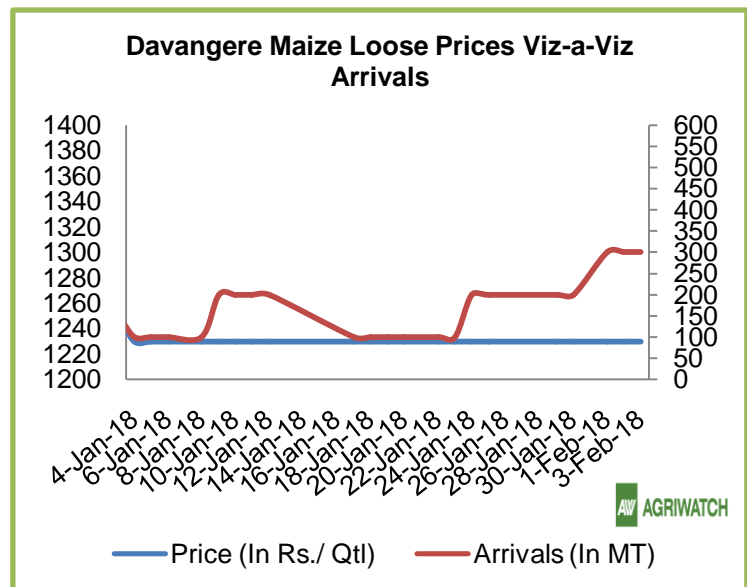
During the week under review, overall steady to range bound sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

NIZAMABAD:

- In Nizamabad, maize is likely to trade steady to slightly weak in near term amid sluggish demand. 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 too, maize is expected to trade steady to slightly weak in near term due to sluggish demand. Besides, peak crop arrivals in Tamil Nadu are expected soon which could also keep pressure on market sentiments.

DOMESTIC MAIZE OUTLOOK:

Standard quality maize prices are likely to be steady to slightly weak in near term.

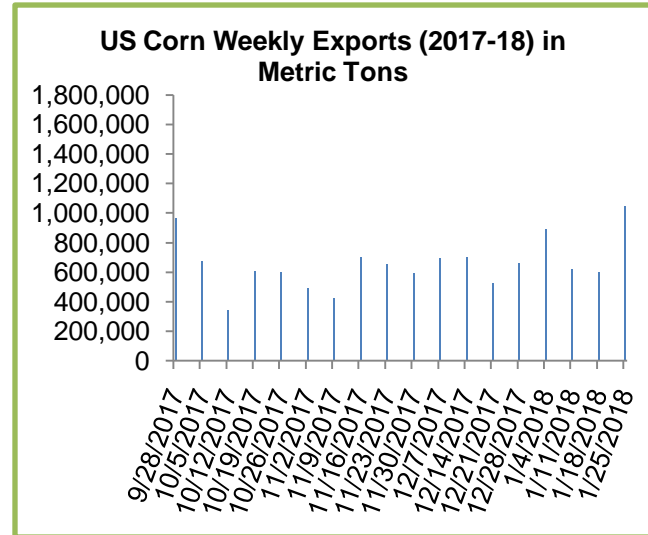


### INTERNATIONALS

### MARKET:

### HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 13.81 MMT in the 2017-18 marketing year. At 1.04 MMT (for the period 19<sup>th</sup> January –25<sup>th</sup> January, 2018) U.S corn exports were up 75 percent from the previous week and 51 percent from the previous 4-week average. The destinations were primarily to Japan (333,300 MT), Colombia (201,800 MT), Mexico (186,300 MT), South Korea (63,100 MT), and Morocco (60,600 MT).



### INTERNATIONAL CORN OUTLOOK:

Corn prices on CBOT rose by 1.97 USD/MT to 142.32 USD/MT for March'18 contract compared to last week. Agriwatch expects that increase in export demand could support U.S corn market to gain. However, that gain could be limited due to ample global corn supply.

### 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	01-Feb-18	25-Jan-18	18-Jan-18	01-Feb-17	01-Feb-16
Gulabgagh	Bilty	1270	1250	1200	1650	1600
Delhi	Hybrid Maize (U.P.)	1325	1325	1325	1600	1600
Davangere	Loose Price	1230	1230	1230	1600	1400
Shimoga	Bilty	1330	1330	1250	1600	1490
Ranebennur	Bilty	1185	1200	1200	1550	1550
Bagalkot	Hybrid/Local	1159	1123	1152	1451	1405
Gadag	Local	1120	1109	1069	1446	1413
Nizamabad	Bilty	1320	1340	1330	1500	1500
Khanna	Bilty	1450	1360	1410	1605	NA
Sangli	Feed	NA	NA	NA	1520	1530
Ahmadabad	Feed	1300	1300	1300	1550	1580
	Starch	1315	1350	1330	1570	1625

<b>Maize CBOT Weekly Futures Price Listing (USD/Ton)</b>				
	<b>Contract Month</b>	<b>31-Jan-18</b>	<b>24-Jan-18</b>	<b>Change</b>
<b>Corn CBOT Prices</b>	<b>Mar-18</b>	142.32	140.35	<b>1.97</b>
	<b>May-18</b>	145.47	143.60	<b>1.87</b>
	<b>July-18</b>	148.52	146.84	<b>1.68</b>
	<b>Sep-18</b>	151.37	149.80	<b>1.57</b>
	<b>Dec-18</b>	154.82	153.34	<b>1.48</b>

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