



Maize Weekly Research Report

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EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall maize cash markets traded mixed during the week and is expected to be steady to slightly weak in near term due to high carry forward stock amid new crop arrival pressure in to the market.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by 0.52% to Rs. 1347 per quintal (weekly average price). Meanwhile starch feed makers quoted it down by 0.22% to Rs. 1353 per quintal compared to last week average price.

Agriwatch expects good crop production for A.P while Bihar maize production is expected to be almost same compared to last year despite increase in area as there is chance of yield loss.

Bihar crop is expected to be delayed and likely to hit the market in the mid of April.

RECOMMENDATION:

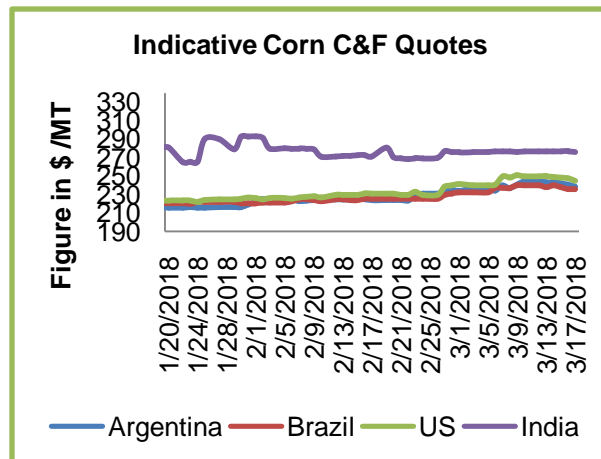
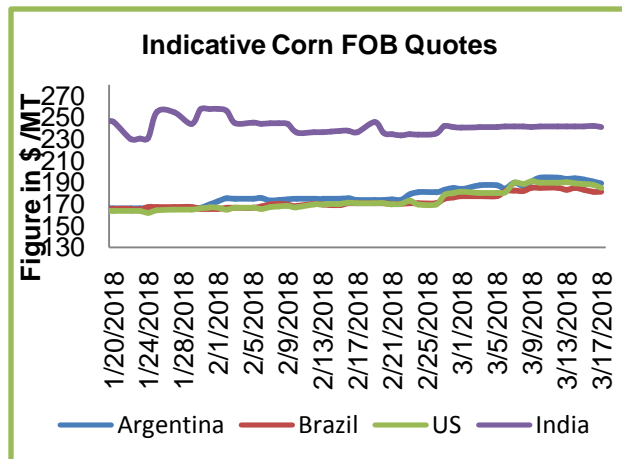
Weekly Call - : Market participants are advised to go long in Maize for May contract near 1170 levels for a target of 1178 and 1182 with a stop loss at 1166 on closing basis. In Davangere cash market, prices of good quality of maize (loose) are likely to trade at Rs. 1100-1150 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn prices on CBOT fall by 1.87 USD/MT to 150.98 USD/MT for May'18 contract compared to last week. Agriwatch expects that corn prices on CBOT could go up as drought in Argentina and limited corn supplies in Brazil have opened export opportunity for the U.S.

At 1.41 MMT (for the period 2nd March -8th March, 2018) U.S corn exports were up 31 percent from the previous week and 40 percent from the previous 4-week average. The primary destinations were Japan (360,700 MT), Mexico (319,100 MT), Taiwan (190,900 MT), Saudi Arabia (130,500 MT), and Colombia (125,500 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 65.08)				
As on 17.03.2018	Argentina	Brazil	US	India
FOB	188.90	181.10	184.96	241.24
C&F	238.90	236.10	244.96	276.24

As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed down.

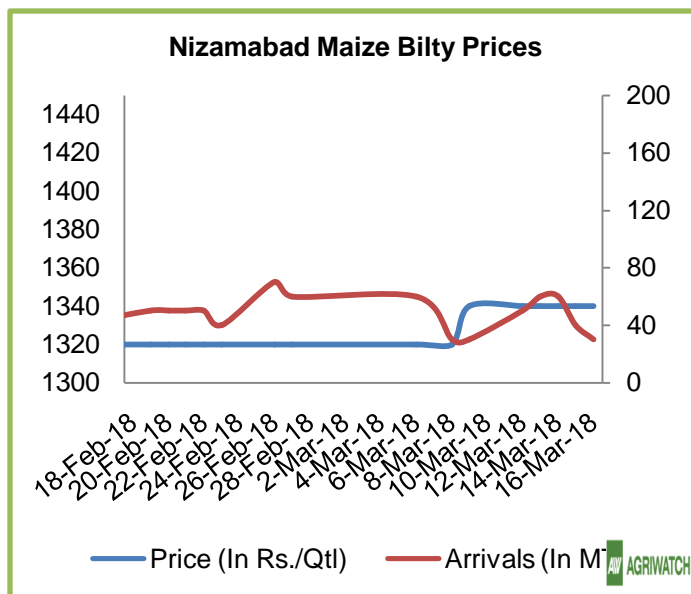
- We are unable to update export-import data as Govt has restricted the latest IBIS data for Public domain. We will be able to update it as and when available.

CURRENT MARKET DYNAMICS:

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

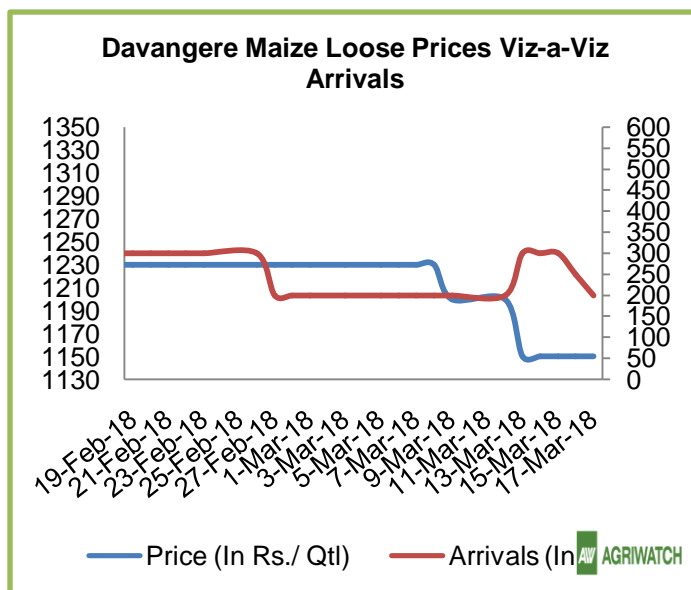
ANDHRA PRADESH:

- Considering the current situation, there is not much risk of drastic fall in prices, in A.P market as it is already being traded at the lower end but new crop arrival pressure could weigh a little, on market sentiments.
- In Nizamabad, maize production is likely to be same compared to last year and is likely to trade steady to range bound in near term amid local feed makers demand. New crop arrivals are expected after a week.



KARNATAKA:

- In Davangere, maize is likely to trade steady to slightly weak in near term amid sluggish demand. New crop arrival pressure in the Shimoga and Haveri districts could also weigh on market sentiments.



DOMESTIC MAIZE OUTLOOK:

Standard quality maize prices are likely to be steady to slightly weak on the expectation of new crop arrival pressure and high carry forward stock.

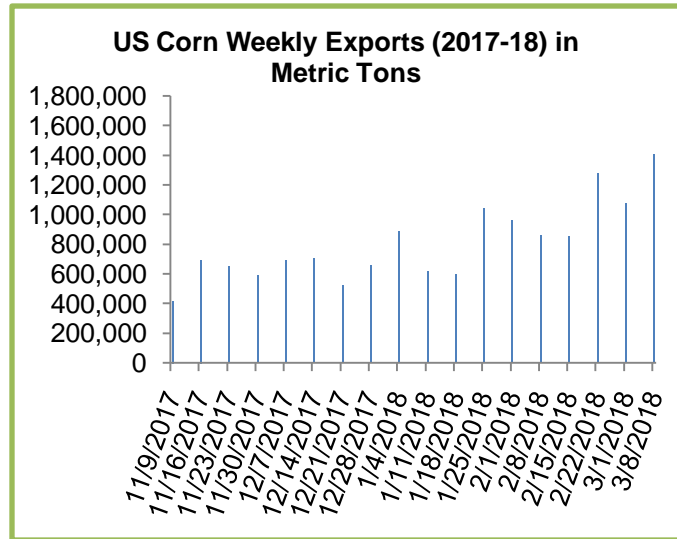


INTERNATIONALS

MARKET:

HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 20.21 MMT in the 2017-18 marketing year. At 1.41 MMT (for the period 2nd March -8th March, 2018) U.S corn exports were up 31 percent from the previous week and 40 percent from the previous 4-week average. The primary destinations were Japan (360,700 MT), Mexico (319,100 MT), Taiwan (190,900 MT), Saudi Arabia (130,500 MT), and Colombia (125,500 MT).



INTERNATIONAL CORN OUTLOOK:

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FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(May Contract Weekly Chart)

- Candlestick depicts gain in the market.
- Prices closed above 9 and 18 days EMAs.
- RSI is moving up in neutral zone.
- Increase in prices with lower OI indicates short covering.
- Strategy: Buy near 1170 for target 1178 and 1182 in the near term.

Strategy: Buy
Maize NCDEX (May)

Support & Resistance				
S2	S1	PCP	R1	R2
1126	1149	1172	1184	1196

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1100-1150 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	15-Mar-18	8-Mar-18	15-Feb-18	15-Mar-17	15-Mar-16
Gulabbagh	Bilty	1200	1200	1150	1450	NA
Delhi	Hybrid Maize (U.P.)	1340	1340	1350	1500	1710
Davangere	Loose Price	1150	1230	NA	NA	NA
Shimoga	Bilty	NA	1330	1360	1530	1470
Ranebennur	Bilty	1200	1150	1150	1550	1410
Bagalkot	Hybrid/Local	1101	1146	NA	1450	1362
Gadag	Local	1044	1066	1026	1456	1341
Nizamabad	Bilty	1340	1320	NA	1470	1400
Khanna	Bilty	1400	1400	1405	1650	1750
Sangli	Feed	NA	NA	NA	1537	1460
Ahmadabad	Feed	1350	1310	1280	1540	1560
	Starch	1340	1330	1320	1560	1580

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	14-Mar-18	7-Mar-18	Change
Corn CBOT Prices	May-18	150.98	152.85	-1.87
	July-18	153.04	155.70	-2.66
	Sep-18	156.19	157.67	-1.48
	Dec-18	158.36	160.03	-1.67
	Mar-19	160.52	164.56	-4.04

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