

Maize Weekly Research Report

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EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall maize cash markets traded steady to firm during the week and are expected to trade steady to range bound in near term. In Gulabghat region of Bihar, maize prices recovered from the bottom level due to yield loss and delay in new crop arrivals. Agriwatch expects that recovery could limit the bottom level of South Indian markets during harvesting season too despite high carry forward stock.

In Gulabghat region of Bihar, maize new crop arrivals have started which are low in quantity. As per trade sources, the size of grains is small and contains 14 to 18% moisture. Maize crop arrivals in Naugachia region would start after mid of April. Arrival pressure could be seen in the month of May. In Bihar, carry forward stock of maize could be around 15000 to 20000 MT.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by 0.38% to Rs. 1326 per quintal (weekly average price). Meanwhile starch feed makers quoted it firm by 1.47% to Rs. 1378 per quintal compared to last week average price.

RECOMMENDATION:

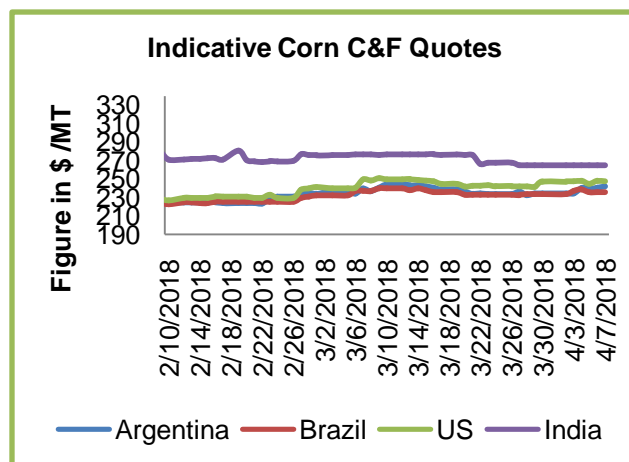
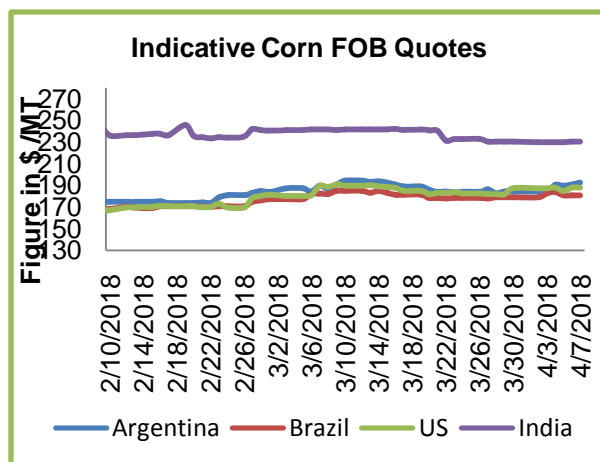
Weekly Call - : Market participants are advised to go long in Maize for May contract near 1171 levels for a target of 1179 and 1183 with a stop loss at 1167 on closing basis. In Davangere cash market, prices of good quality of maize (loose) are likely to trade at Rs. 1230-1270 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fall by 0.99 USD/ MT to 149.99 USD/MT for May'18 contract compared to last week.

At 1.27 MMT (for the period 9th March -15th March, 2018) US corn exports were down 8 percent from the previous week and 3 percent from the previous 4-week average. The destinations were primarily to South Korea (331,400 MT), Japan (260,500 MT), Mexico (165,200 MT), Spain (138,500 MT), and Taiwan (87,700 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 64.94)				
As on 07.04.2018	Argentina	Brazil	US	India
FOB	192.32	180.80	187.60	230.19
C&F	242.32	235.80	247.60	265.19

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.

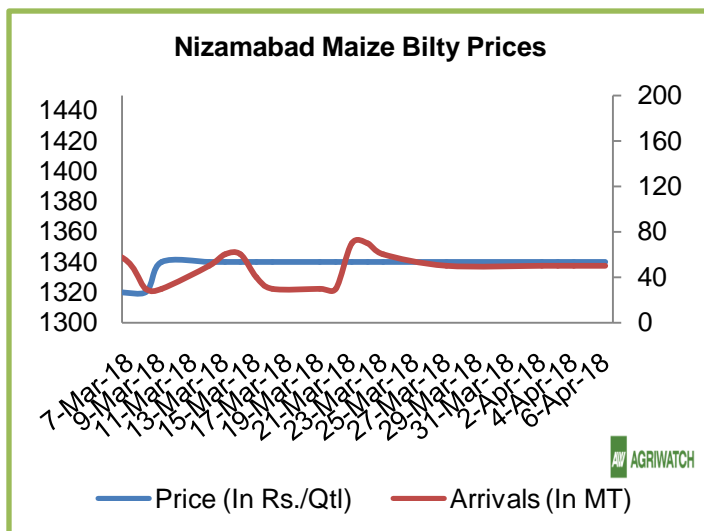
CURRENT MARKET DYNAMICS:

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

ANDHRA PRADESH:

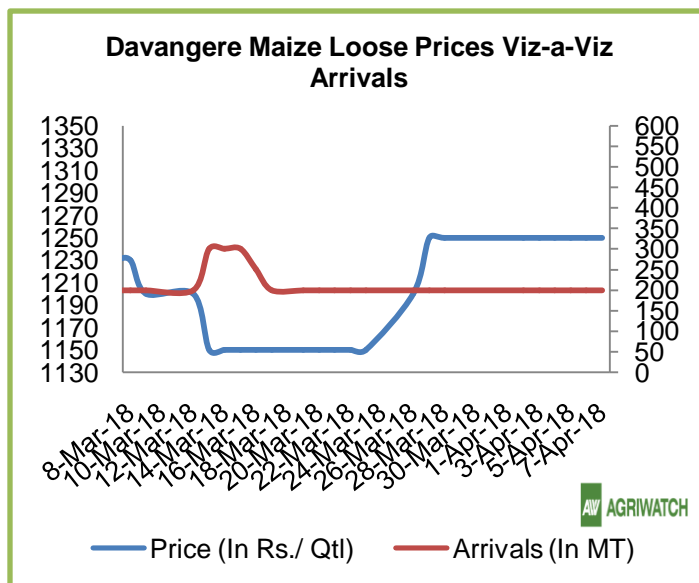
- Considering the current situation, there is not much risk of drastic fall in prices, in A.P market as it is already being traded at the lower end but new crop arrival pressure could weigh a little, on market sentiments.
- In Nizamabad, maize is likely to trade steady to range bound despite new crop arrival pressure as starch feed makers demand could support market at the lower level.

Stock of maize in Nizamabad could be around 2.5 lakh quintal.



KARNATAKA:

- In Davangere region, maize prices recovered by taking cues of yield loss in Bihar. It is likely to trade steady to range bound in near term amid sluggish demand
- In Karnataka, stock of maize could be around 2 lakh quintal which was 3 lakh quintals during corresponding period last year.

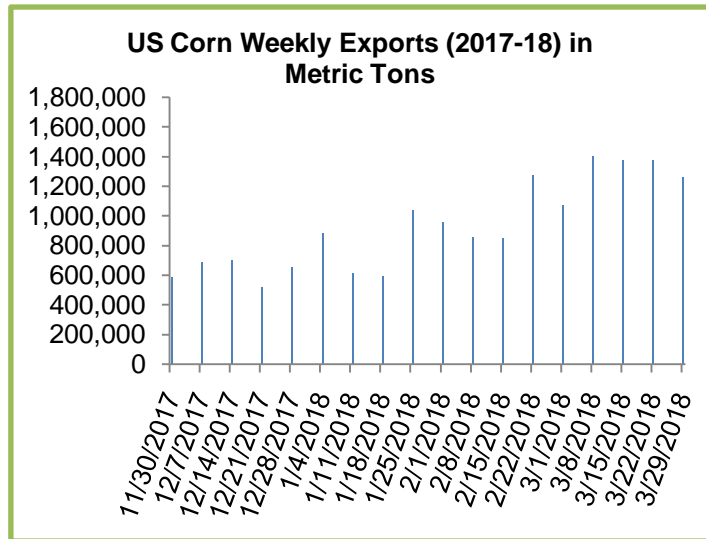


DOMESTIC MAIZE OUTLOOK:

Standard quality maize prices are likely to be steady to range bound despite new crop arrival pressure and high carry forward stock.

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 24.23 MMT in the 2017-18 marketing year. At 1.27 MMT (for the period 9th March -15th March, 2018) US corn exports were down 8 percent from the previous week and 3 percent from the previous 4-week average. The destinations were primarily to South Korea (331,400 MT), Japan (260,500 MT), Mexico (165,200 MT), Spain (138,500 MT), and Taiwan (87,700 MT).

**INTERNATIONAL CORN OUTLOOK:**

Corn on CBOT fall by 0.99 USD/ MT to 149.99 USD/MT for May'18 contract compared to last week. However, it is expected to trade steady to firm in the near term.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(May Contract Weekly Chart)

- Candlestick depicts firm situation in the market.
- Prices closed above 9 days EMAs.
- RSI is moving up in neutral zone.
- Strategy: Buy near 1171 for target 1179 and 1183 in the near term.

Strategy: Buy
Maize NCDEX (May)

Support & Resistance				
S2	S1	PCP	R1	R2
1134	1152	1171	1184	1192

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1230-1270 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Market	Grade	5-Apr-18	29-Mar-18	5-Mar-18	5-Apr-17	5-Apr-16
Gulabbagh	Bilty	1350	1350	1200	1400	1250
Delhi	Hybrid Maize (U.P.)	1450	1400	1340	1550	1475
Davangere	Loose Price	1250	1250	1230	1520	1360
Shimoga	Bilty	1380	1330	1330	1540	1490
Ranebennur	Bilty	NA	NA	1150	1590	1450
Bagalkot	Hybrid/Local	1141	1100	1140	1486	1418
Gadag	Local	1105	1045	1089	1531	1410
Nizamabad	Bilty	1340	1340	1320	1450	1410
Khanna	Bilty	1530	1450	1400	1620	1650
Sangli	Feed	NA	NA	NA	1550	1485
Ahmadabad	Feed	1325	1320	1340	1540	1510
	Starch	1380	1370	1360	1540	1530

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	4-Apr-18	28-Mar-18	Change
Corn CBOT Prices	May-18	149.99	150.98	-0.99
	July-18	153.44	153.04	0.40
	Sep-18	156.19	156.19	0.00
	Dec-18	159.44	158.36	1.08
	Mar-19	162.30	160.52	1.78

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