



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

More or less maize cash markets traded steady during the week .We are expecting that maize could trade firm at the end of this month; until then, it could trade steady to range bound movement. Maize is moving towards Punjab and U.P at Rs. 1400 and 1350 per quintal respectively; sourced from naugachia region of Bihar. Overall, feed makers demand was reported lower during the week due to Shravan month and is expected to increase towards the end of this month.

In Nizamabad too, maize prices are likely to trade steady in the near term. As per trade sources, stock of maize in Nizamabad could be around 4 lakh bags (1 bag=50 kg.) which is almost same as during corresponding period last year.

In Ahmadabad region of Gujarat, poultry feed makers quoted maize firm by 0.13% to Rs. 1501 per quintal (weekly average price). While, starch feed makers quoted it firm by 0.07% to Rs. 1490 per quintal compared to last week average price.

KHARIF SOWING COVERAGE:

In Telangana, maize has been sown in around 4.35 lakh hectares as on 16th August 2018 which is lower than 4.44 lakh hectare covered during corresponding period last year. Maize is at vegetative stage and sowing of maize is almost completed. Current sowing stands at 81% to season normal. In A.P, maize has been sown in around 0.86 lakh hectares as on 15th August 2018 which is higher than 0.73 lakh hectare covered during corresponding period last year. Maize is at flowering stage to pod development and pod maturity stage and sowing of maize is almost completed. Current sowing stands at 90% to season normal. In India, maize has been sown in around 74.34 lakh hectares as on 10th August 2018 which is lower than 74.44 lakh hectare covered during corresponding period last year. In Karnataka, it has been sown in 10.34 lakh hectare which is higher than 9.04 lakh hectare covered during corresponding period last year. In M.P, it has been sown in 13.02 lakh hectares which is higher than 13.11 lakh hectares during corresponding period last year. ***Agriwatch estimates all India maize kharif sown area at 80.79 lakh hectares for 2018-19 which is higher than 80.58 lakh hectares compared to last year.***

RECOMMENDATION:

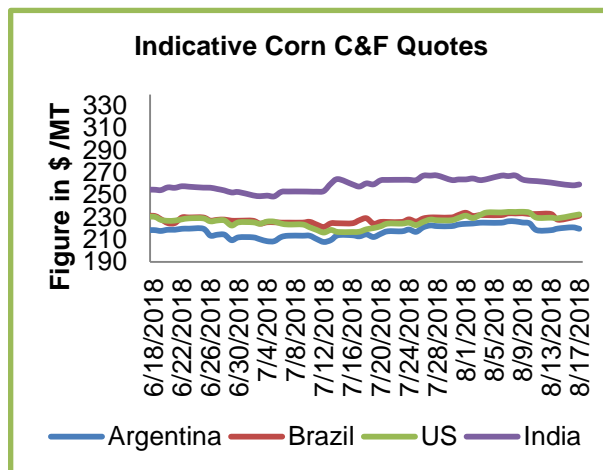
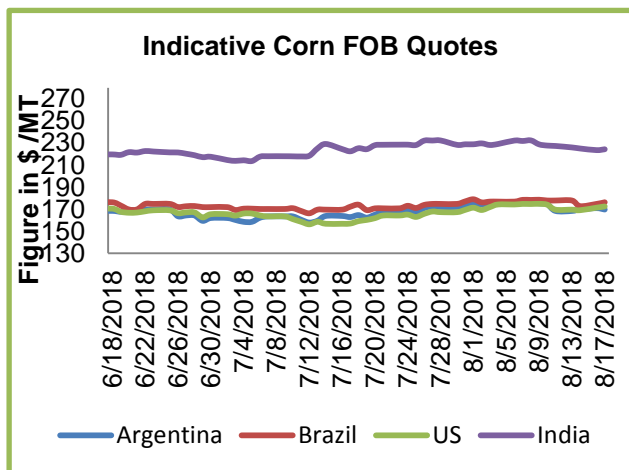
Weekly Call - : Market participants are advised to go long in Maize for September contract near 1326 levels for a target of 1342 and 1350 with a stop loss at 1317 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1300-1340 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

At 1.22 MMT (for the period 3rd August- 9th August, 2018) US corn exports were down 15% from the previous week and 13% from the previous 4-week average.

In U.S, Corn dough is at 73% as of 12th August, 2018, which is higher by 15% compared to corresponding period last year.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 69.98)				
As on 17.08.2018	Argentina	Brazil	US	India
FOB	169.69	176.30	172.50	224.35
C&F	219.69	231.30	232.50	259.35

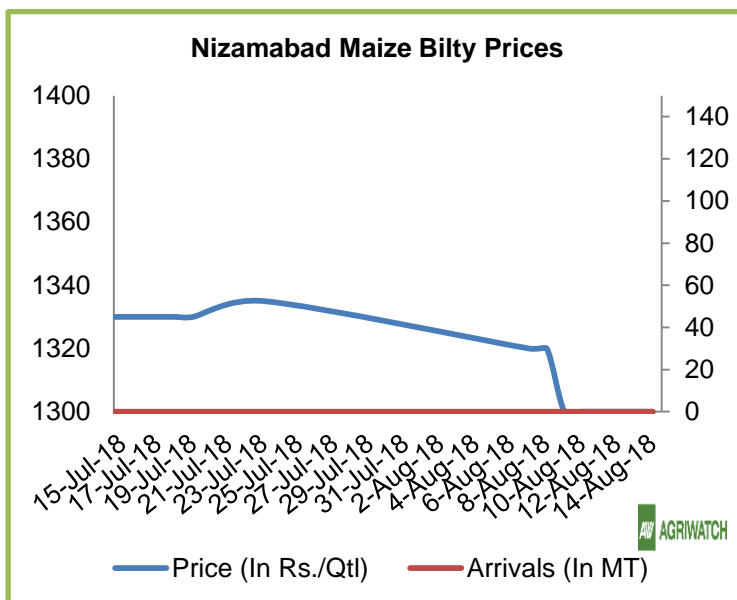
As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed down.

CURRENT MARKET DYNAMICS:

During the week under review, steady sentiments reported in the various key spot markets dynamics are as under:

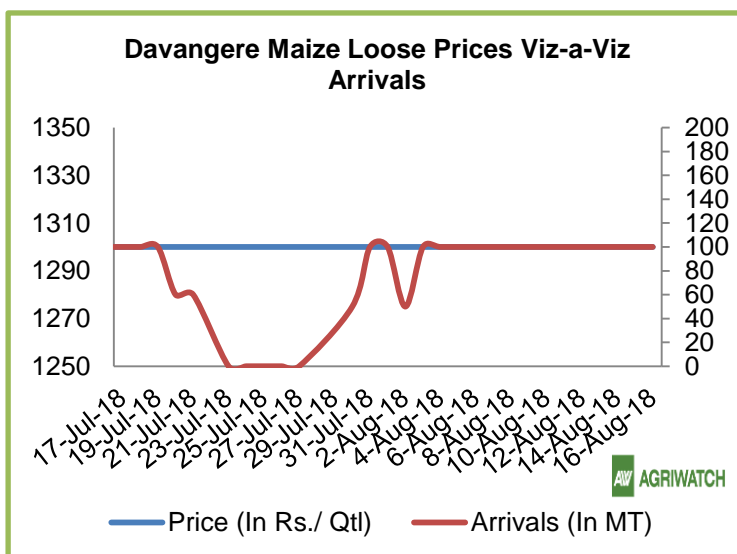
ANDHRA PRADESH & TELANGANA:

- In Nizamabad, maize prices are likely to trade steady in the near term. As per trade sources, stock of maize in Nizamabad could be around 4 lakh bags (1 bag=50 kg.) which is almost same as during corresponding period last year.
- In A.P, maize is likely to trade steady or range bound as crop arrival pressure has decreased. We expect impact of increase in MSP could be seen after the end of this month.



KARNATAKA:

- In Davangere, maize is likely to trade steady to slightly firm on the expectation of increase in Tamilnadu feed makers' demand. As per trade sources, stock of maize could be around 5 lakh quintal compared to 3 lakh quintal same time last year. If rains occur at this time, it would be good for maize yields.

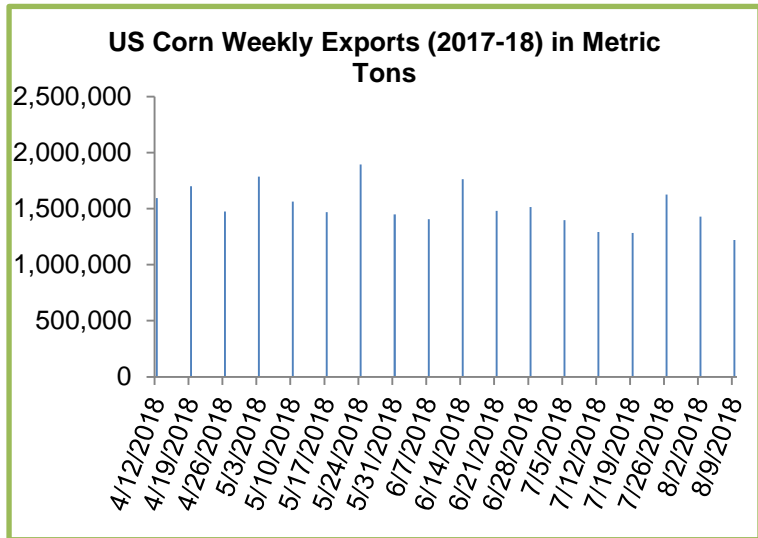


DOMESTIC MAIZE OUTLOOK:

Prices of standard quality maize are likely to be steady to range bound in the near term.

INTERNATIONALS**MARKET:****HIGHLIGHTS/CURRENT DEVELOPMENTS**

- As per USDA, U.S corn exports reached 53.41 MMT in the 2017-18 marketing year. At 1.22 MMT (for the period 3rd August- 9th August, 2018) US corn exports were down 15% from the previous week and 13% from the previous 4-week average. The destinations were primarily to Mexico (463,100 MT), Japan (290,700 MT), Colombia (147,200 MT), Peru (109,700 MT), and Egypt (44,000 MT).



- In U.S, Corn dough is at 73% as of 12th August, 2018, which is higher by 15% compared to corresponding period last year. Corn dented is at 26% as of 12th August, 2018, which is higher by 11% compared to corresponding period last year. 70% of corn is in good to excellent condition, lower by 1% compared to last week but higher by 8% compared to corresponding period last year.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fall by 1.58 USD/ MT to 143.79 USD/MT for September'18 contract compared to last week due to low export demand for U.S corn.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:



(September Contract Weekly Chart)

- Candlestick depicts firmness in the market.
- RSI is moving in overbought region might take correction in the short run.
- Prices closed above 9 days EMAs.
- Increase in prices with higher OI indicates to long build up.
- Strategy: Buy near 1326 for target 1342 and 1350 in the near term.

Strategy: Buy

Maize NCDEX (September)

Support & Resistance				
S2	S1	PCP	R1	R2
1303	1320	1337	1352	1357

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1300-1340 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Market	Grade	16-Aug-18	9-Aug-18	16-Jul-18	16-Aug-17	16-Aug-16
Gulabbagh	Bilty	1200	1200	1170	1320	1530
Delhi	Hybrid Maize (U.P.)	1400	1400	1275	1325	1600
Davangere	Loose Price	1300	1300	1300	Closed	1650
Shimoga	Bilty	1400	NA	1400	1700	1860
Ranebennur	Bilty	NA	1400	1270	NA	1790
Bagalkot	Hybrid/Local	1300	NA	1326	NA	NA
Gadag	Local	1300	NA	1216	NA	NA
Nizamabad	Bilty	1300	1300	1330	NA	1700
Khanna	Bilty	1410	1400	1310	1300	1610
Sangli	Feed	1537	1526	1546	1650	1800
Ahmadabad	Feed	1500	1520	1450	1460	1740
	Starch	1500	1500	1425	1400	1725

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	16-Aug-18	09-Aug-18	Change
Corn CBOT Prices	Sep-18	143.79	145.37	-1.58
	Dec-18	149.5	150.68	-1.18
	Mar-19	154.13	155.11	-0.98
	May-19	156.88	157.77	-0.89
	July-19	159.15	159.93	-0.78

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