



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. However, it is likely to trade steady to firm in the near term amid high feed makers demand. As per trade sources, Maize is moving towards Haryana and Punjab at Rs. 1475 and Rs. 1520 per quintal (Delivered price) respectively, sourced from Bihar. Maize is likely to trade firm in the near term due to high feed makers demand.

In Karnataka, small arrivals of new crop have started in Hassan, Mysore and Periyapatna and Davangere districts. The arrivals contain 30-35% moisture. As per trade source, in koppal, ranebennuru districts, there is immediate rain required for late sown crop; otherwise yield loss could extend from 20 to 40%. In Nizamabad too, small arrivals of early new crop have started; contain 22% moisture.

KHARIF SOWING COVERAGE:

Across India, maize has been sown in 79.23 lakh hectares as on 20th September 2018 which is slightly lower than 79.28 lakh hectare covered during corresponding period last year. In Karnataka, it has been sown in 11.60 lakh hectare which is higher than 11.31 lakh hectare covered during corresponding period last year. In M.P, it has been sown in 13.61 lakh hectares which is higher than 13.17 lakh hectares during corresponding period last year. In Rajasthan, it has been sown in 8.71 lakh hectares which is higher than 8.56 lakh hectare covered during corresponding period last year. However, In Maharashtra, it has been sown in 8.29 lakh hectares which is lower than 9.14 lakh hectares covered during corresponding period last year. In A.P, maize has been sown in around 0.98 lakh hectares as on 19th September 2018 which is higher than 0.96 lakh hectare covered during corresponding period last year. Maize is at pod development to pod maturity and harvesting stage. Current sowing stands at 102% to season normal. In Telangana, maize has been sown in around 4.61 lakh hectares as on 19th September 2018. Current sowing stands at 86% to season normal.

RECOMMENDATION:

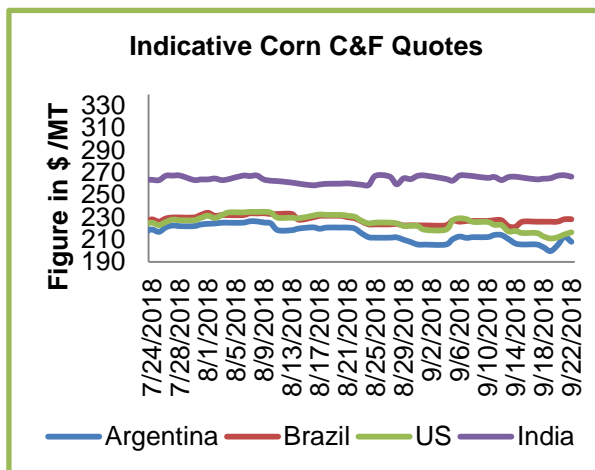
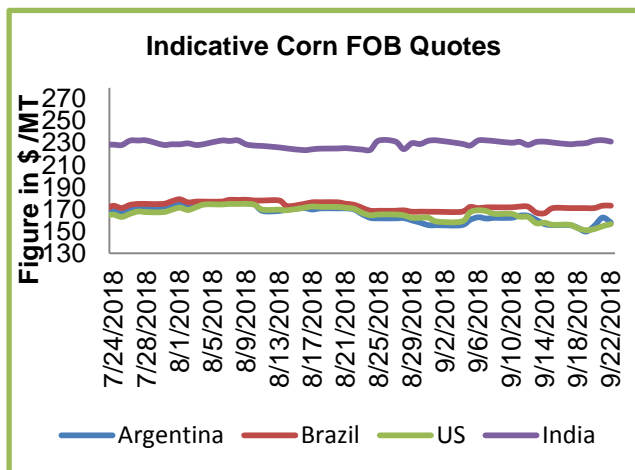
Weekly Call - : Market participants are advised to go long in Maize for October contract near 1355 levels for a target of 1367 and 1373 with a stop loss at 1348 on closing basis. In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1430-1460 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

In U.S, 68% of corn is in good to excellent condition, same compared to last week and 7% compared to corresponding period last year. 9% crop of corn has been harvested, which is 2% higher compared to corresponding period last year.

At 1.08 MMT (for the period 7th September- 13th September, 2018) US corn exports were for the destinations Mexico (398,900 MT), Japan (96,000 MT), Taiwan (86,900 MT), Saudi Arabia (73,800 MT), and Colombia (73,300 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 72.25)				
As on 22.09.2018	Argentina	Brazil	US	India
FOB	157.97	173.20	156.51	231.28
C&F	207.97	228.20	216.51	266.28

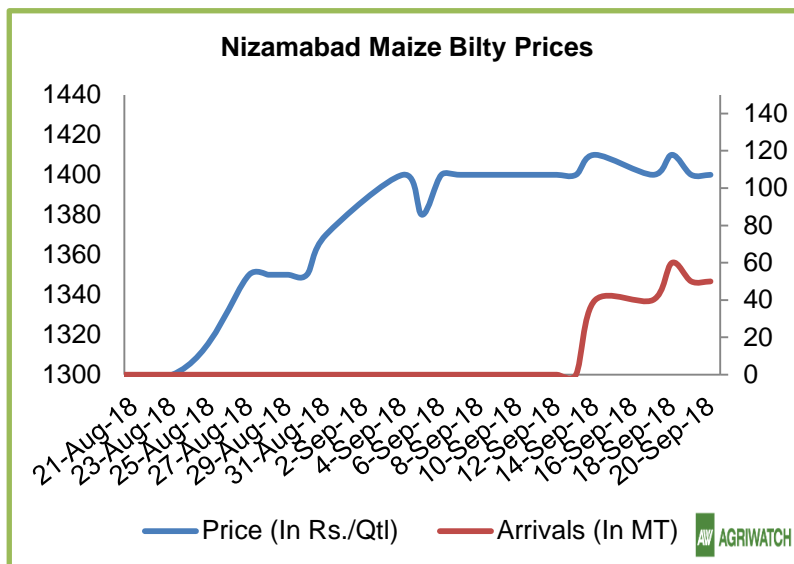
As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed down.

CURRENT MARKET DYNAMICS:

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

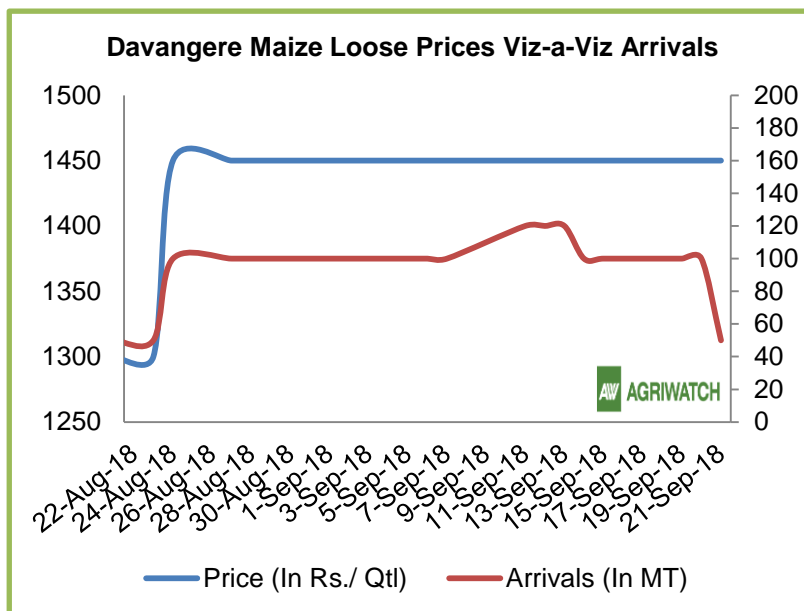
ANDHRA PRADESH & TELANGANA:

- In A.P and Nizamabad, maize prices are likely to trade steady to slightly firm in the near term amid feed makers demand. In Nizamabad, poultry feed makers are buying maize at Rs. 1400 per quintal while local starch feed makers are buying at Rs. 1310 per quintal. Maize is moving towards Hyderabad at Rs. 1520-1530 per quintal. As per trade sources, In Nizamabad, small arrivals of early new crop have started; contain 22% moisture.



KARNATAKA:

- In Karnataka, small arrivals of new crop have started in Hassan, Mysore and Periyapatna and Davangere districts. The arrivals contain 30-35% moisture. As per trade source, in koppal, ranebennuru districts, there is immediate rain required for late sown crop; otherwise yield loss could extend from 20 to 40%. In Davangere, stock of maize could be around 3 lakh quintal which is same compared to corresponding period last year.

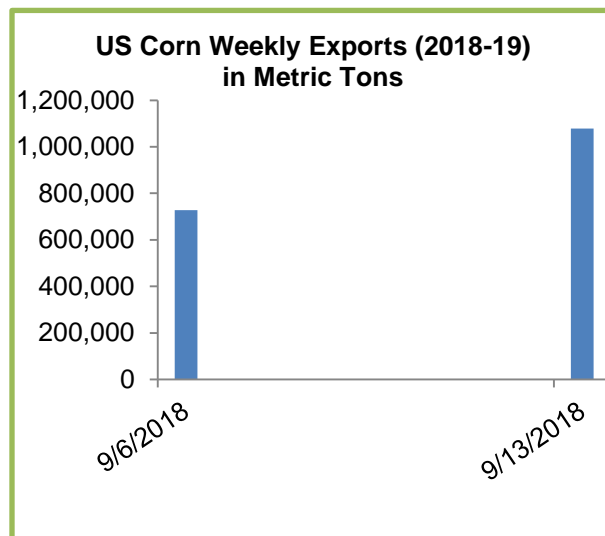


DOMESTIC MAIZE OUTLOOK:

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

INTERNATIONALS MARKET: HIGHLIGHTS/CURRENT DEVELOPMENTS

- As per USDA, U.S corn exports reached 1.80 MMT in the 2018-19 marketing year. At 1.08 MMT (for the period 7th September- 13th September, 2018) US corn exports were for the destinations Mexico (398,900 MT), Japan (96,000 MT), Taiwan (86,900 MT), Saudi Arabia (73,800 MT), and Colombia (73,300 MT).
- In U.S, Crop of corn has matured 54% as of 16th September, 2018, which is higher by 22% compared to corresponding period last year. 93% crop of corn has dented as of 16th September, 2018 which is higher by 9% compared to corresponding period last year. 68% of corn is in good to excellent condition, same compared to last week and 7% compared to corresponding period last year. 9% crop of corn has been harvested, which is 2% higher compared to corresponding period last year.


INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 0.78 USD/ MT to 138.77 USD/MT for December'18 contract compared to last week due to increase in export demand for U.S corn. However, expand in corn harvest is likely to put pressure on CBOT corn market.

FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(October Contract Weekly Chart)

- Candlestick depicts range bound situation in the market.
- RSI is moving down in neutral region indicates to down in the market.
- However, Prices closed above 9 days EMAs.
- Strategy: Buy near 1355 for target 1367 and 1373 in the near term.

Strategy: Buy
Maize NCDEX (October)

Support & Resistance				
S2	S1	PCP	R1	R2
1328	1344	1361	1374	1385

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.1430-1460 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	20-Sep-18	13-Sep-18	20-Aug-18	20-Sep-17	20-Sep-16
Gulabghagh	Bilty	1350	1330	1200	1300	1550
Delhi	Hybrid Maize (U.P.)	1400	1400	1400	1300	1525
Davangere	Loose Price	1450	1450	1300	1350	1800
Shimoga	Bilty	1460	NA	1380	1350	NA
Ranebennur	Bilty	NA	NA	NA	1300	1800
Bagalkot	Hybrid/Local	NA	NA	1319	NA	NA
Gadag	Local	NA	NA	NA	NA	NA
Nizamabad	Bilty	1400	1410	Closed	Closed	1780
Khanna	Bilty	1390	1400	1400	1300	1630
Sangli	Feed	1580	1604	1603	1463	1920
Ahmedabad	Feed	1550	1550	1460	1420	1720
	Starch	1530	1525	1430	1370	1670

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	20-Sep-18	13-Sep-18	Change
Corn CBOT Prices	Dec-18	138.77	137.99	0.78
	Mar-19	143.6	142.81	0.79
	May-19	146.75	146.15	0.60
	Jul-19	149.21	148.62	0.59
	Sep-19	151.17	-	-

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