



Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Major maize cash markets traded mixed during the week and are likely to trade steady to slightly firm due to scarcity of the good quality material amid high feed makers demand. Delay in imports likely to keep firmness of Indian maize prices. However, any government release amid expectation of new crop in Telangana at the end of February month likely to limit the firmness.

In Davangere region of Karnataka, maize is likely to trade firm as demand from Bangalore feed makers is still supporting to maize cash market.

STATE WISE RABI SOWING COVERAGE

In India, Rabi maize has been sown in around 15.49 lakh hectares as of 15th February, 2019 which is lower than 17.20 lakh hectares during corresponding period last year. In Bihar, maize has been sown in around 4.75 lakh hectare which is almost equal to 4.70 lakh hectares during corresponding period last year. Crop conditions are favourable till the time. In Karnataka, it has been sown in around 0.81 lakh hectare which is lower than 0.99 lakh hectares during corresponding period last year. In Maharashtra, it has been sown in around 1.16 lakh hectares- lower than 2.08 lakh hectares during corresponding period last year. In Gujarat, maize progressive area of Rabi 2018-19 is 0.97 lakh hectares which is equal to 0.96 lakh hectares during corresponding period last year.

In Telangana, Maize sowing for the Rabi season as of 15th February'19 reported at 1.12 lakh a hectare which is lower than 1.40 lakh hectares in the corresponding period last year. Crop is at harvesting stage. Nizambad, Kamareddy, Warangal (U)/(R), Nirmal, Karimnagar and Mahabubabad districts are affected by fall army worm. Trade sources revealed that in Nizamabad, around 10-20% crop is affected by fall army worm. New crop in Telangana is expected to arrive at the end of Feb month.

RECOMMENDATION:

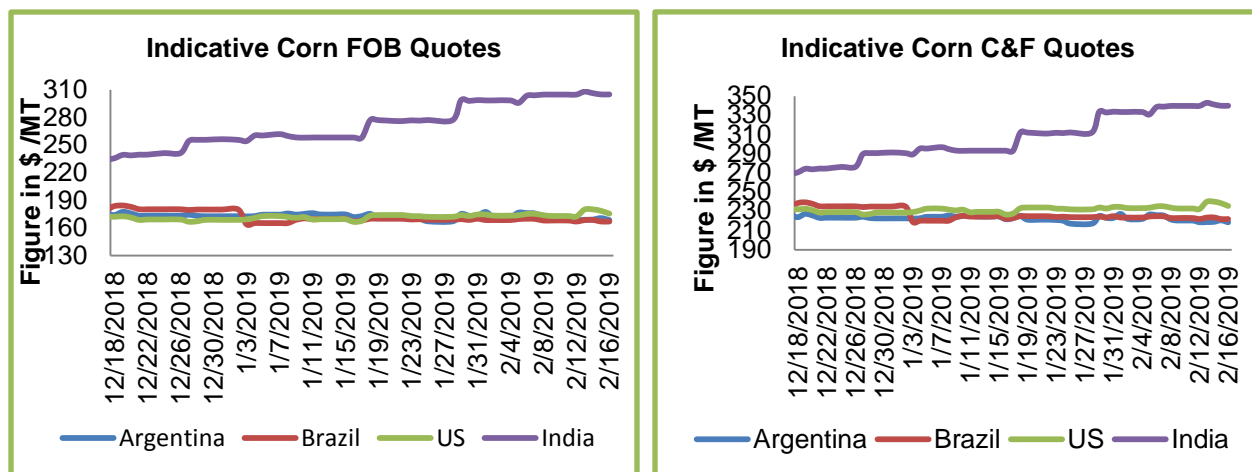
Weekly Call - : Market participants are advised to wait in Maize as there is no trade volume in maize future market. In Davangere cash market, maize (loose) prices are likely to trade at Rs. 2000-2050 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fall by 0.69 USD/MT to 147.53 USD/MT for Mar'19 contract compared to last week due to low export demand for U.S corn.

At 0.66 MMT (for the period 28th December- 3rd January, 2019) US corn exports were down 34 percent from the previous week and 31 percent from the previous 4-week average; for the destinations like Mexico (251,900 MT), Japan (239,800 MT), Peru (41,000 MT), Canada (24,400 MT), and Guatemala (20,700 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 71.36)				
As on 16.02.2019	Argentina	Brazil	US	India
FOB	168.50	166.90	175.51	304.91
C&F	218.50	221.90	235.51	339.91

As depicted by the above data, there is no parity for Indian maize as gap of prices between India and other exporting countries has broadened.

TRADE SCENARIO

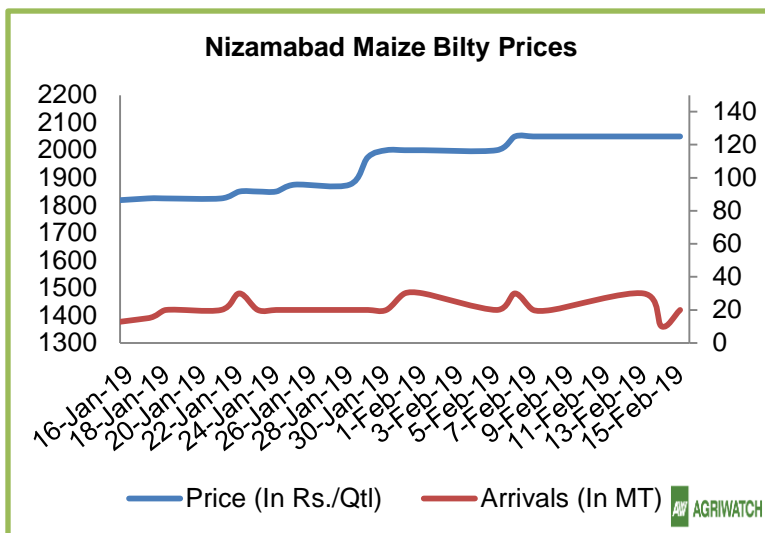
From the trade point of view, In Nizamabad, maize is moving to Hyderabad at Rs. 2150 per quintal. Meanwhile, it is moving towards Bangalore at Rs. 2175 per quintal, Namakkal at Rs. 2250-60 per quintal, Chitradurga at Rs. 2150 per quintal, Ranebennur at Rs. 2150 per quintal and Chennai at Rs. 2300 per quintal (Delivered price); sourced from Davangere. In Bihar, maize is moving towards Kolkata at Rs. 2150 per quintal.

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:

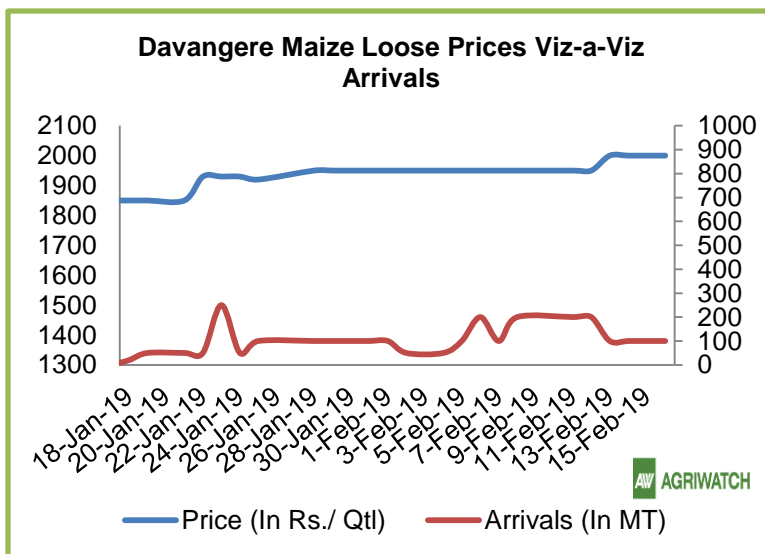
TELANGANA:

- In Telangana, Maize sowing for the Rabi season as of 15th February'19 reported at 1.12 lakh a hectare which is lower than 1.40 lakh hectares in the corresponding period last year. Crop is at harvesting stage. Nizamabad, Kamareddy, Warangal (U)/(R), Nirmal, Karimnagar and Mahabubabad districts are affected by fall army worm. Trade sources revealed that in Nizamabad, around 10-20% crop is affected by fall army worm. New crop in Telangana is expected to arrive at the end of Feb month.



KARNATAKA:

- In Davangere region of Karnataka, maize is likely to trade firm as demand from Bangalore feed makers is still supporting to maize cash market. As per trade source, around 40,000 MT of maize has been stocked by stockists.



DOMESTIC MAIZE OUTLOOK:

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

INTERNATIONAL MARKET HIGHLIGHT:

U.S corn exports reached 19.27 MMT in the 2018-19 marketing year. At 0.66 MMT (for the period 28th December- 3rd January, 2019) US corn exports were down 34 percent from the previous week and 31 percent from the previous 4-week average; for the destinations like Mexico (251,900 MT), Japan (239,800 MT), Peru (41,000 MT), Canada (24,400 MT), and Guatemala (20,700 MT).

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fall by 0.69 USD/MT to 147.53 USD/MT for Mar'19 contract compared to last week due to low export demand for U.S corn.

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (loose) prices are likely to trade at Rs.2000-2050 per quintal for the week.

ANNEXUREMAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	14-Feb-19	7-Feb-19	14-Jan-19	14-Feb-18	14-Feb-17
Naugachia	Bilty	2075	2125	1875	NA	1550
Delhi	Hybrid Maize (U.P.)	2200	2200	1950	1340	1575
Davangere	Loose Price	2000	1950	1850	1230	1500
Shimoga	Bilty	2020	1990	1800	1360	1650
Ranebennur	Bilty	2060	1925	1900	1200	1585
Bagalkot	Hybrid/Local	1950	1946	1810	1150	1460
Gadag	Local	1909	1950	1796	1026	1493
Nizamabad	Bilty	2050	2050	Closed	NA	1510
Khanna	Bilty	2270	2230	2000	1400	1625
Sangli	Feed	NA	2145	1931	NA	1533
Ahmedabad	Feed	2200	2275	Closed	1270	1550
	Starch	2100	2250	Closed	1320	1550

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	14-Feb-19	07-Feb-19	Change
Corn CBOT Prices	Mar-19	147.53	148.22	-0.69
	May-19	150.78	151.27	-0.49
	Jul-19	153.83	154.42	-0.59
	Sep-19	155.11	155.60	-0.49
	Dec-19	157.18	157.57	-0.39

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