



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 and are likely to trade mixed in the near term. At one side, scarcity of goods amid high feed makers demand could keep firmness intact while on the other sides, new crop arrival could slightly limit the firmness.

In Nizamabad region, new crop arrivals are lower in quantity and contain moisture up to 18%. It is likely to trade steady to slightly firm in the near term. As per trade source, in Godavari district of A.P, new crop arrivals would start coming in to the market in few days while in Tenali district, crop arrivals are likely to come from first week of April.

As per trade sources, India exported 16,114 MT of maize for the month of February'19 at an average FoB of \$301.69/ MT. Indian maize is exported mainly to Nepal mainly through Jogbani ICD followed by Raxaul and Sonauli ICD port.

ALL INDIA RABI CROP PRODUCTION

In India, Rabi maize has been sown in around 15.56 lakh hectares as of 22nd February, 2019 which is lower than 17.28 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. All India Rabi maize production is estimated by Agriwatch at 5.67 MMT for the year 2018/19.

RECOMMENDATION:

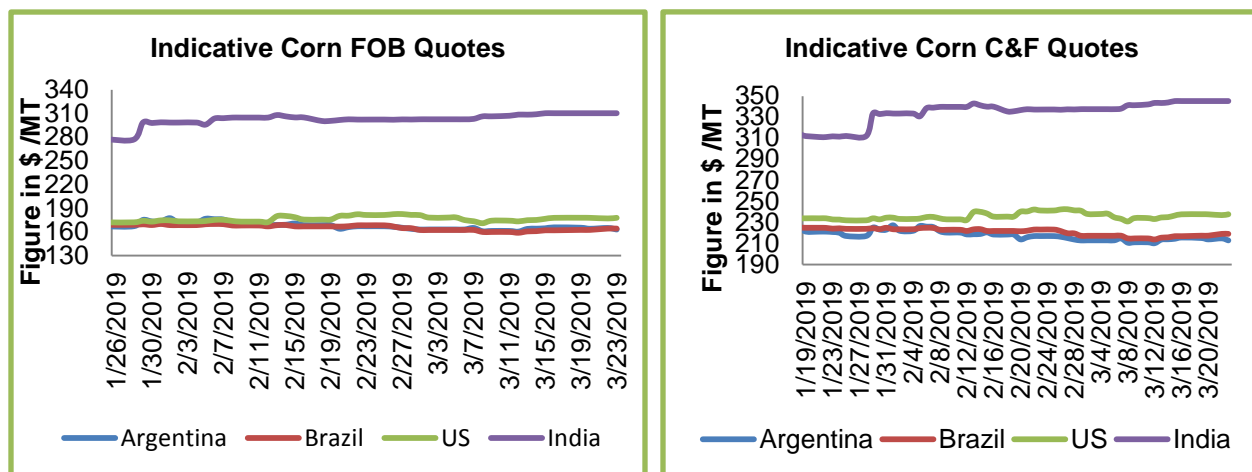
Weekly Call - : Market participants are advised to buy in Maize for May contract near 1770 level for a target of 1786 and 1794 with a stop loss at 1761 on closing basis.. In Davangere cash market, maize (loose) prices are likely to trade at Rs. 1950-2040 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 2.36 USD/MT to 148.12 USD/MT for May'19 contract compared to last week due to increase in demand for U.S corn by China.

U.S corn exports reached 27.82 MMT in the 2018-19 marketing year. At 0.76 MMT (for the period 08th Mar- 14th Mar, 2019) US corn exports were down by 2.74% compared to previous week; mainly for the destinations like Japan (277,900 MT), Mexico (138,300 MT), Taiwan (124,100 MT), Colombia (54,600 MT), and Guatemala (42,400 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 69.17)				
As on 23.03.2019	Argentina	Brazil	US	India
FOB	162.89	164.10	177.72	310.25
C&F	212.89	219.10	237.72	345.25

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

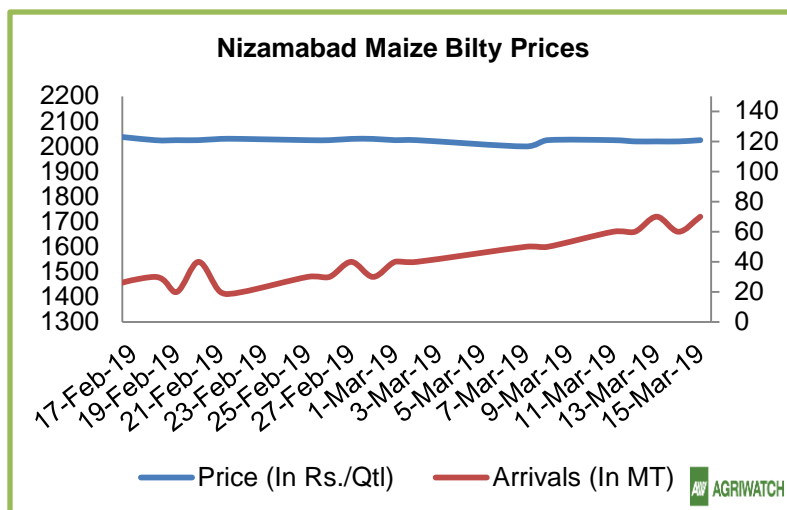
From the trade point of view, In Nizamabad, maize is moving to Hyderabad at Rs. 2150 per quintal. Meanwhile, maize is moving towards Bengaluru at Rs. 2150 per quintal, Namakkal at Rs. 2100-2200 per quintal, Chitradurga at Rs. 2100 per quintal, Chennai at Rs. 2200 per quintal, Sangali at Rs. 2125-2150 per quintal and Ranabennur at Rs. 2050 per quintal (Delivered price); sourced from Davangere. In Bihar, maize is moving towards Kolkata at Rs. 2025 per quintal.

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:

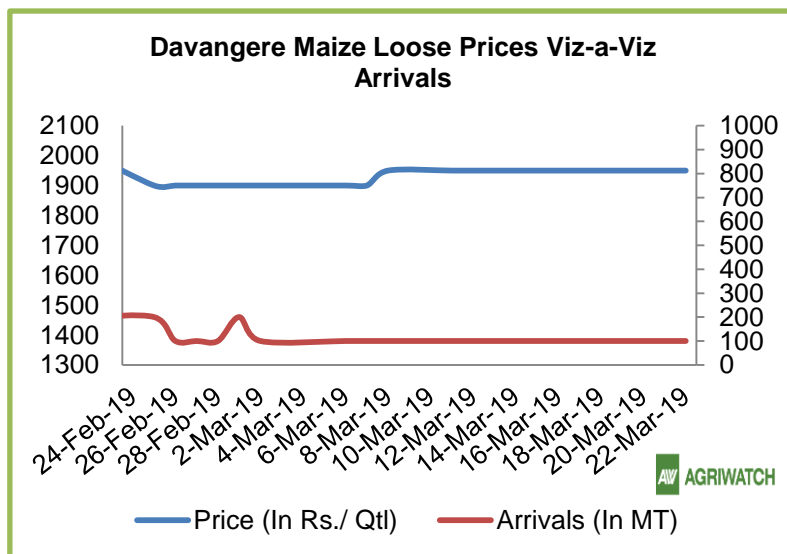
TELANGANA:

- Sentiments remained same as Nizamabad cash market was closed during the week due to Holi festival.
- In Nizamabad region, new crop arrivals are lower in quantity and contain moisture up to 18%. It is likely to trade steady to slightly firm in the near term. As per trade source, in Godavari district of A.P, new crop arrivals would start coming in to the market in few days while in Tenali district, crop arrivals are likely to come from first week of April.



KARNATAKA:

- In Karnataka region, Despite the new crop arrivals from Haveri and Ranebennur region; maize is likely to trade steady to slightly firm in near term due to demand of Tamilnadu and Bengaluru feed makers.
- In Davangere region of Karnataka, maize is moving towards Bengaluru at Rs. 2150 per quintal, Namakkal at Rs. 2100-2200 per quintal, Chitradurga at Rs. 2100 per quintal, Chennai at Rs. 2200 per quintal, Sangali at Rs. 2125-2150 per quintal and Ranebennur at Rs. 2050 per quintal (Delivered price); sourced from Davangere.

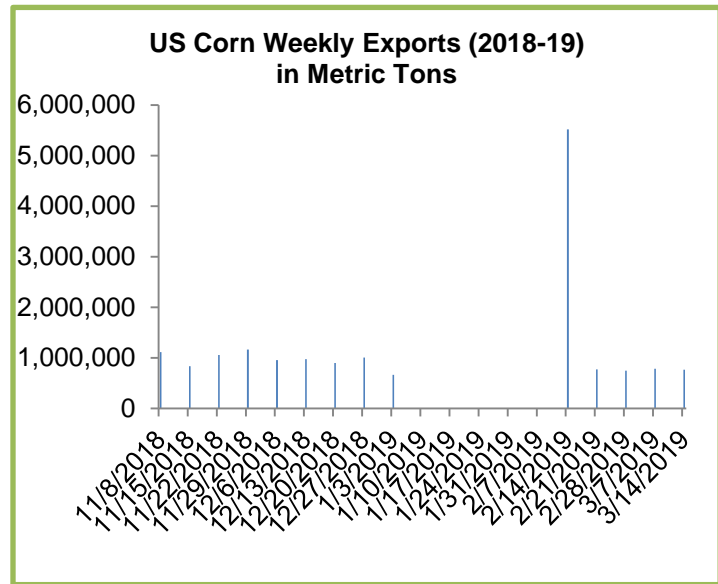


DOMESTIC MAIZE OUTLOOK:

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

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S corn exports reached 27.82 MMT in the 2018-19 marketing year. At 0.76 MMT (for the period 08th Mar- 14th Mar, 2019) US corn exports were down by 2.74% compared to previous week; mainly for the destinations like Japan (277,900 MT), Mexico (138,300 MT), Taiwan (124,100 MT), Colombia (54,600 MT), and Guatemala (42,400 MT).



FUTURES MARKET ANALYSIS: NCDEX MAIZE:

(May Contract Weekly Chart)

- Candlestick depicts firm situation in the market.
- Prices closed above 18 days EMAs indicates to firmness.
- Increase in prices with higher volume and OI indicates to long build up.
- Strategy: Buy near 1770 for target 1786 and 1794 in the near term.

Strategy: Buy
Maize NCDEX (May)

Support & Resistance				
S2	S1	PCP	R1	R2
1748	1760	1783	1795	1807

DAVANGERE MARKET ANALYSIS: MAIZE

In Davangere cash market, maize (loose) prices are likely to trade at Rs.1950-2040 per quintal for the week.

ANNEXURE**MAIZE SPOT MARKET PRICES (RS. /QUINTAL)**

Maize(Corn)Weekly Prices:						
Market	Grade	22-Mar-19	14-Mar-19	22-Feb-19	22-Mar-18	22-Mar-17
Naugachia	Bilty	1925	1925	2030	NA	1375
Delhi	Hybrid Maize (U.P.)	2200	2200	2200	1380	1600
Davangere	Loose Price	1950	1950	2000	1150	1480
Shimoga	Bilty	2010	2000	1980	NA	1530
Ranebennur	Bilty	2050	2065	2050	1100	1525
Bagalkot	Hybrid/Local	NA	1946	1970	1119	1467
Gadag	Local	1920	1840	1830	NA	1479
Nizamabad	Bilty	Closed	2020	2030	1340	1450
Khanna	Bilty	2200	2250	2230	1380	1600
Sangli	Feed	2130	2147	2151	NA	1545
Ahmedabad	Feed	Closed	2200	2200	1340	1530
	Starch	Closed	2000	2200	1400	1560

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	21-Mar-19	14-Mar-19	Change
Corn CBOT Prices	May-19	148.12	145.76	2.36
	Jul-19	151.76	149.40	2.36
	Sep-19	154.23	152.06	2.17
	Dec-19	156.98	155.11	1.87
	Mar-20	161.02	-	-

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