NCDEX Maize Price Outlook Summary

<table>
<thead>
<tr>
<th>29 Jun 2017</th>
<th>NCDEX Maize Rabi July’17 INR/Qtl</th>
<th>Davangere Maize Spot INR/MT</th>
<th>Sangli Maize Spot INR/MT</th>
<th>Nizamabad Maize Spot INR/MT</th>
<th>Gulabagh Maize Spot INR/MT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change</td>
<td>1306</td>
<td>16250</td>
<td>17000</td>
<td>15956</td>
<td>12783.5</td>
</tr>
<tr>
<td></td>
<td>-10.00</td>
<td>0.00</td>
<td>100.00</td>
<td>280.50</td>
<td>-23.00</td>
</tr>
</tbody>
</table>

Fundamental Summary

Critical Price drivers
- Declined maize supply in physical markets: Upward
- Active demand from local poultry firms: Upward
- Maize MSP increased by INR 60 to INR 1425 per qtl for the 2017-18 kharif season: Upward
- Normal monsoon across South to central Indian region initiated maize sowing activity: Downward
- Anticipation of higher kharif maize sowing area on y-o-y basis: Downward

Prices are likely to trade mixed in the range of 1325 to 1280 in the coming 3-5 trading days.

NCDEX Maize Rabi Trading Strategy

<table>
<thead>
<tr>
<th>Fresh / Open Position</th>
<th>Contract</th>
<th>Position</th>
<th>Entry</th>
<th>Entry Date</th>
<th>Objective</th>
<th>Stop Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>July’17</td>
<td>Wait</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Traders are advised to wait for fresh position.

Fundamental Analysis

- NCDEX Maize futures for July’17 delivery traded negative during last trade session on the back of wait and watch mode from maize buyers as anticipation of lower taxes after GST regime.
- Meanwhile, active demand from local poultry firms as increased chick replacement might limit steep price fall in immediate front.
- Moreover, expected competition within the maize buyers after GST regime shall keep domestic maize prices on positive note.
- Normal monsoon across North Karnataka, Maratwada and Telangana region has been commenced maize sowing activity expected normal monsoon in month of July shall increase sowing pace might limit steep maize price rise in medium term.
- Indian cumulative rainfall from 1st Jun to 29th June stood LPA (long period average) of 158.7 mm against normal rainfall of 155.5 mm.
- Indian Maize sowing area as on 23rd Jun’17, is reported around 9.44 Lakh hectares against 9.5 Lakh hectares during previous year same period. Overall Indian maize area for current kharif season is expected to be near 78-80 Lakh hectares against 79 Lakh hectares during last year kharif season.
- On the other hand, maize sowing activity might commence in MP and Rajasthan from next week onwards due to prevailing normal rainfall.
- However, cash flow problems in some parts of South and central Indian regions might is extend the sowing activity due to farmers are unable to buy fertilizers and other agri inputs for sowing.
- Demand front, active demand from local poultry firms in South Indian region as prevailing higher chicken and egg prices across India and favorable weather condition for chick development might increase feed demand and same may keep domestic maize prices on positive note.
- Furthermore, stockiest are continuously holding their stocks due to anticipation of higher prices in coming weeks, such scenario might keep prices on positive note in near term.
- In Bihar markets continuous higher arrivals are witnessing from farmers due to sluggish storage space availability and declined demand from traders. Thus might keep this region prices on stable.
note in coming 1-2 weeks. However, expected declined supply from next week of onward might limit steep price fall in immediate front.

Moreover, Government of India has increased the minimum support price from INR 1,365/quintal (2016-17) to INR 1,425/quintal for the year 2017-18, expectations of comfortable price may prompt farmers to grow more maize which will be impacting negatively in prices.

Moving ahead, domestic maize prices are likely trade positive note in coming trade session owing to good demand from local poultry firms and declined maize availability in physical markets.

**Technical Outlook: NCDEX Maize Rabi July’17**

- NCDEX Maize Rabi July’17 futures prices after opening lower traded with positive momentum however closed lower with a loss of INR 10 in the last trading day.
- Short term trend on the daily chart has turned bullish however lacking intensity due inherent weakness on medium term chart.
- Hence upside resistance will attract seller to push the prices lower.
- On the downside support is expected around INR 1300 while any sharp pull back towards 1280 will attract the buyer again.
- Prices are hovering around short term average depicting consolidating market.
- On the daily technical setup the momentum indicators 9-Day RSI has turned flat again hence consolidation is likely to continue some more days.

Concisely, Prices are likely to trade mixed in the range of 1325 to 1280 in the coming 3-5 trading days.

**Market Prices**

<table>
<thead>
<tr>
<th>Exchange</th>
<th>Contract</th>
<th>Open</th>
<th>High</th>
<th>Low</th>
<th>Close</th>
<th>Change</th>
<th>Previous Close</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCDEX Maize INR/Qtl</td>
<td>Jul’17</td>
<td>1281</td>
<td>1314</td>
<td>1281</td>
<td>1306</td>
<td>-10.00</td>
<td>1316</td>
</tr>
<tr>
<td></td>
<td>Aug’17</td>
<td>1324</td>
<td>1324</td>
<td>1310</td>
<td>1318</td>
<td>-8.00</td>
<td>1326</td>
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</table>

<table>
<thead>
<tr>
<th>Market</th>
<th>Commodity</th>
<th>29 Jun 2017</th>
<th>28 Jun 2017</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Davangere</td>
<td>Maize</td>
<td>16250</td>
<td>16250</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>Karimnagar</td>
<td>Maize</td>
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<td>NA</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Nizamabad</td>
<td>Maize</td>
<td>15956</td>
<td>15675</td>
<td>280.50</td>
<td>1.79%</td>
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</tbody>
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