

Daily Indian Maize Price Outlook and Strategy

Decision enabling market analysis & price outlook



Report for 30 June 2017

NCDEX Maize Price Outlook Summary

	NCDEX Maize Rabi July'17 INR/Qtl	Davangere Maize Spot INR/MT	Sangli Maize Spot INR/MT	Nizamabad Maize Spot INR/MT	Gulabgha Maize Spot INR/MT
29 Jun 2017					
Change	1306	16250	17000	15956	12783.5
	-10.00	0.00	100.00	280.50	-23.00

Critical Price drivers		Price Direction
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.		
Price Outlook Summary	Mixed	
Direction	Mixed	
Price Range	1280 to 1325	

NCDEX Maize Rabi Trading Strategy

Fresh / Open Position	Contract	Position	Entry	Entry Date	Objective	Stop Loss
	July'17	Wait	--	--	--	--

Strategy Review: Traders are advised to wait for fresh position.

Closed Positions Audit

Market	Period	Strike Rate %	Net Profit Per Lot
NCDEX Maize	2016 to Till Date	65%	INR 40.00
1M	Apr 2017	0%	INR 0.00

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 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

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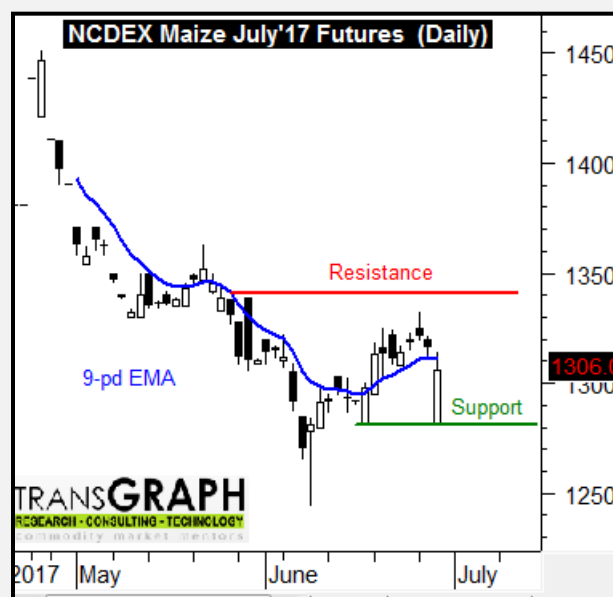


note in coming 1-2 weeks. However, expected declined supply from next week of onward might limit steep price fall in immediate front.

- ✓ 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.



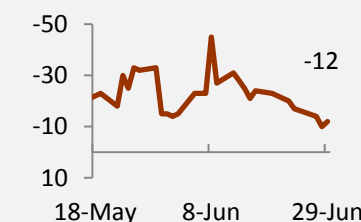
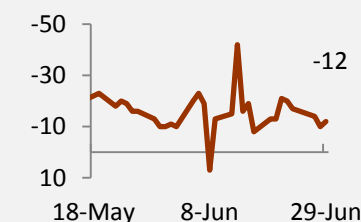
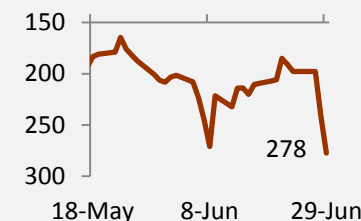
Concisely, Prices are likely to trade mixed in the range of 1325 to 1280 in the coming 3-5 trading days.

Mini Charts

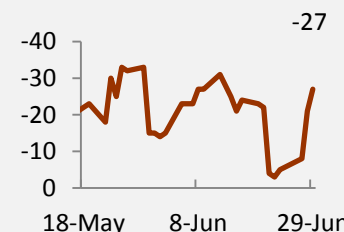
Maize Spot Vs Future

Maize- Jul17 – Aug17

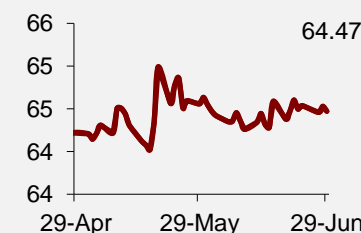
Maize- Aug17 – Sep17



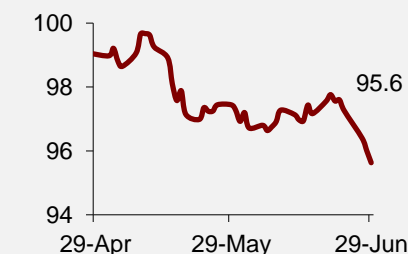
Maize- Sep17 – Oct17



INR vs. USD



Dollar Index



Market Prices

Exchange	Contract	29 Jun 2017				Change	Previous Close
		Open	High	Low	Close		
NCDEX Maize	Jul'17	1281	1314	1281	1306	-10.00	1316
	Aug'17	1324	1324	1310	1318	-8.00	1326

Market	Commodity	29 Jun 2017	28 Jun 2017	Change	% Change
Davangere	Maize	16250	16250	0.00	0.00%
Karimnagar	Maize	NA	NA	0.00	0.00
Nizamabad	Maize	15956	15675	280.50	1.79%

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Market	Commodity	29 Jun 2017	28 Jun 2017	Change	% Change
Delhi	Maize	13000	13000	0.00	0.00%
Sangli	Maize	17000	16900	100.00	0.59%
Gulabgh	Maize	12784	12807	-23.00	-0.18%

Our Extensive coverage of Grains & Feedstock

Report	Coverage #	Price Outlook & Strategies
Daily NCDEX Maize Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	IN.MAIZE.NCDEX
Daily NCDEX Guar Seed & Gum Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	IN.GUARSEED.NCDEX, IN. GUARSEED.NCDEX
Weekly Guar Seed & Gum Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, MI, FF, MP, 2W	IN.GUARSEED.JODHPUR, IN.GUARGUM.JODHPUR
Bi-weekly Maize Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 6W, 2M	IN.MZ.NIZAMABAD
Bi-weekly Wheat Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 6W, 2M	IN.WHEAT.DELHI
Bi-weekly Feed Grain Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 6W, 2M	IN.MZ.NIZAMABAD, IN.BJR.JAIPUR, IN.SORGM.JAIPUR, IN.BARLEY.JAIPUR, IN.BRICE.GANGAVATI
Bi-Weekly Poultry Feed Market Analysis and Price Outlook	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	IN.SB.NCDEX, IN.SM.INDORE, IN.MZ.NIZAMABAD

News Update NU, Fundamental Analysis FA, Balance Sheets BS, Weather Analysis WA, Policy Impact PI, Technical Analysis TA, Trading Strategies TS, Procurement Strategies PS, Price Outlook PO, Market Intelligence MI, Facts & Figures FF, Market Prices MP, Price Spreads PS, Forward Curves FC, Elliott Wave Analysis EWA, 5D, 2W, 6W, 2M, 4-6M

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