

Maize Monthly Research Report

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August, 2021**OUTLOOK AND REVIEW:****DOMESTIC MAIZE MARKET SUMMARY**

Maize cash markets showed almost steady trend during the month of July 2021 compared to previous month and Maize cash markets trend during the month of July 2021 was almost similar to corresponding period last year. For the month of August 2021, Agriwatch expects that Maize would trade steady to range bound in a narrow zone in near term, and may attain firm bias later. Also, continuous ongoing buying in markets along with reduced or no arrivals accompanied with no near future arrivals of any new Maize crop in coming months will provide support to Maize market.

Till 30th July 2021, Maize crop covered 72.65 lakh hectare of area in India against 72.76 lakh hectare of area during same period previous year. Till 30th July 2021 largest area covered by Maize till date, was in M.P, that is 15.29 lakh hectare, followed by Karnataka and Maharashtra which is 11.95 lakh hectare and 7.8 lakh hectare respectively. Acreage cover under Maize has increased in M.P and Karnataka as compared to previous year for same time period, whereas it has declined in Maharashtra for same time period as compared to last year.

MAIZE TRADE SCENARIO

Sources revealed that maize in Nizamabad market is being traded at Rs. 1900 per quintal, with little to no arrivals in the APMC. Maize in Davangere, Karnataka is being traded at Rs. 2050 per quintal. Feed maize is being supplied to Tamil Nadu at Rs. 2050 per quintal, sourced from Davangere. Feed Maize is trading in Maharashtra above Rs. 2000 per quintal. Good quality maize is being traded in Bihar at Rs. 1850 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1800 per quintal. Whereas, poor quality maize has been loaded for Bangladesh from Naugachia and Gulabghagh.

INTERNATIONAL CORN MARKET SUMMARY

Maize on CBOT fell by US\$ 16.23 per MT to US\$ 219.68 per MT for September, 2021 contract compared to the previous month due to concerns related to poor condition of Maize crop and comparatively less area cover under Maize planting in U.S. . Agriwatch expects that Maize crop condition related concerns in U.S. and Brazil, would support CBOT Maize.

USDA increased its World Maize Ending Stock Estimate by 1.76 MMT to 291.182 MMT for July'21/ 2021-22, USDA also increased its World Maize Production Estimates by 4.94 MMT to 1194.799 MMT for July'21/ 2021-22, this might weight on the global Maize market. USDA also revised the Ending Stock Estimates for U.S at 36.37 MMT for July'21/ 2021-22. Although USDA kept Ending Stock Estimates same for Argentina, at 2.62 MMT for July'21/ 2021-22 and Brazil at 8.93 MMT for July'21/ 2021-22.

August, 2021
INDIA MAIZE BALANCE SHEET

Maize Year-(Oct-Sep)	2019-20	2020-21F
Opening Stocks (MMT)	01.42	3.41
Production (MMT)	25.38	24.51
Imports (MMT)	00.34	0.02
Total Supply (MMT)	27.14	27.94
Export (MMT)	01.11	3.28
Domestic Consumption (MMT)	22.62	22.52
Total Demand (MMT)	23.73	25.79
Ending Stock (MMT)	03.41	2.15
Monthly Use	01.98	2.15
Stock to Use Ratio	14.38%	8.34%

- The 2020-21 season, beginning October 2020, started with an opening stock of 3.41 MMT and is expected to end in September 2021 with 2.15 MMT.
- Total Maize production in India is estimated at around 24.51 MMT in 2020-21 against our total annual demand including exports of 2.98 MMT.
- *As the Ending stocks are expected to be lower than in 2019-20, Indian Maize prices would take clue from that.*

- **F=AW Forecast**

CONSUMPTION BREAK UP

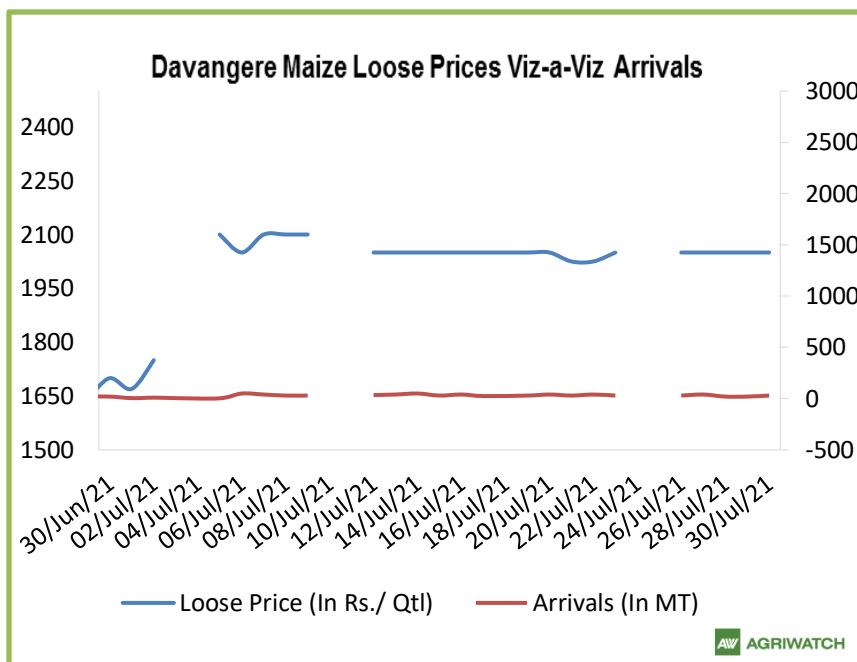
(Quantity in MMT)

Consumption Break Up	2019-20	2020-21F
Poultry & Cattle Feed	14.27	14.05
Starch & Brewery	04.66	04.66
Human Consumption	01.85	01.86
Seed	00.27	00.27
Shortage & Wastage	01.02	00.99
Storage & Moisture Loss	00.56	00.72
Total Domestic Consumption	22.62	22.55

STATE - WISE MARKET DYNAMICS

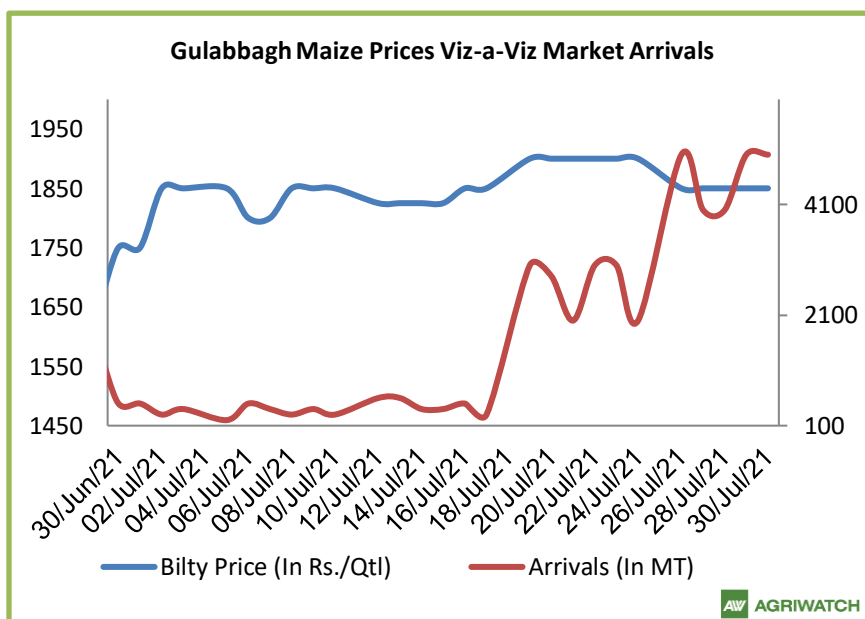
Karnataka

In Karnataka, maize is likely to trade range bound with a slightly steady bias in near term and strong bias by end of the month on the expectation of increased domestic demand and export demand in the upcoming days of August month. Also, decreased and very little arrival in major markets will continue to support the maize market. Agriwatch expects that maize in Davangere would trade in a range of Rs.1,800-2,500 per quintal (loose price) during the month of August 2021.



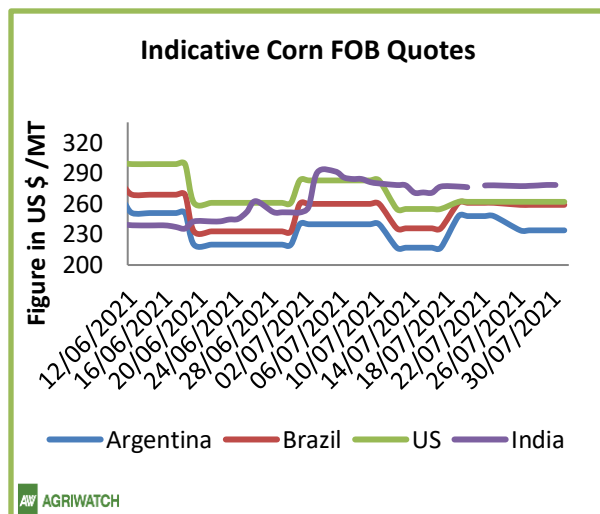
Bihar

In Gulabbagh region of Bihar, in the month of June Maize traded range bound with a strong bias between Rs.1,850-Rs.1,900 per quintal (Bilty Price). Maize in Gulabbagh would trade steady to likely to trade range bound in the Range of Rs.1,800-Rs.2,200 with a slightly steady bias in near term and strong bias by the end of the month on the expectation of increased domestic demand and export demand in coming days.



DOMESTIC PRICE OUTLOOK:

Agriwatch expects that Maize would trade steady to range bound in a narrow zone in near term, and may attain firm bias later. Also, continuous ongoing buying in markets along with reduced or no arrivals accompanied with no near future arrivals of any new Maize crop in coming months will provide support to Maize market.

ON THE EXPORT-IMPORT FRONT:


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.32)				
As on July 30, 2021	Argentina	Brazil	US	India
FOB	234.00	259.00	262.00	278.53
C&F	284.00	314.00	322.00	313.53

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

MAIZE EXPORTS DURING JUNE'21:

As per the trade sources, India exported around 3,42,517 MT of Maize in May 2021 at an average FoB of US\$ 232.61 per MT, out of which, 1,85,467 MT was exported to Vietnam at an average FoB of US\$ 263.97 per MT and around 29,685 MT was exported to Malaysia at an average FoB of US\$ 271.81 per MT. Around 65,748 MT was exported to Bangladesh at an average FoB of US\$ 219.71 per MT. And, 52,79 4MT was exported to Nepal at an average FoB of US\$ 220.34 per MT.

MAIZE VESSEL POSITION:

As per the sources 50,000 MT of Maize Vessel FORTUNE WING, and 30,000 MT of Maize Vessel, OCEAN CROWN are waiting at berth for loading on Vizag port. Whereas 53,200 MT of Maize Vessel, OCEAN DESTINY and, 40,000MT of Maize Vessel, GHOUSTA have completed loading at Vizag port. Also, 40,000MT of Maize Vessel TAN BINH 245 has completed loading on Gangavaram port as on date 5th July, 2021.

As per trade sources, around 2,28,060 MT of Maize has been loaded till June,2021 and 2nd week of July, 2021 , mainly through Vizag port followed by Tuticorin port.

August, 2021

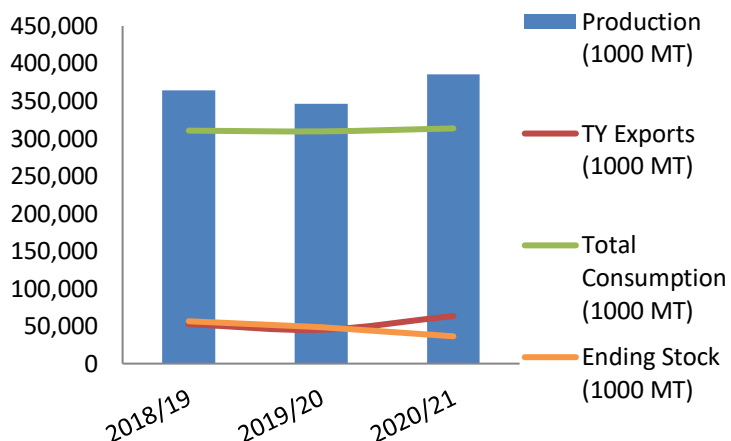
INTERNATIONAL MARKET SCENARIO:

U.S. Maize exports have reached 62.11 MMT in the 2020-21 marketing year. At 1.36 MMT (for the period July 15-22 July, 2021) . U.S. Maize exports were up by 36 percent from the previous week and up by 21 percent from the prior 4-week average; primarily to destinations like China (698,700 MT), Japan (308,500 MT), Mexico (256,900 MT), Venezuela (30,000 MT), and Jamaica (19,000 MT). Agriwatch expects that weather related concerns in U.S. and Brazil, would provide support to CBOT Maize.

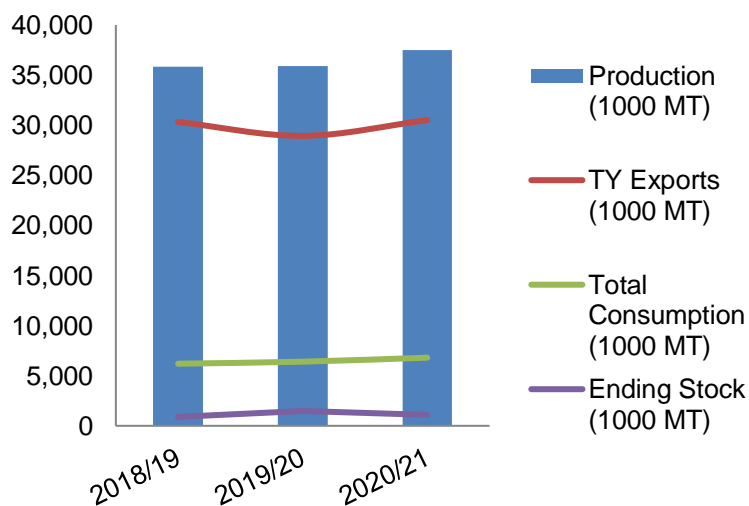
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In the U.S, as of 25th July 2021, 79% crop of corn is in silking stage which is same as that of July, 2020 and 6% more as compared to last five year average. Also, 64% crop is in good + excellent condition, which is 1% less than that of in last week and 8% less as compared to previous year for same time period.

U.S Production, Consumption, Export & Ending Stock Scenario



Ukraine Production, Consumption ,Export & Ending Stock Scenario



August, 2021
CBOT CORN FUTURE PRICES

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	July 30, 2021	June 30, 2021	Change
Corn CBOT Prices	Sep-21	219.68	235.91	-16.23
	Dec-21	219.08	231.68	-12.60
	Mar-22	222.14	234.44	-12.30
	May-22	223.91	236.21	-12.30
	July-22	223.81	-	-

INTERNATIONAL CORN OUTLOOK:

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Monthly Spot Price Comparison

Month-wise Average prices of Maize at various markets					
Market	2021-July	2021-June	2020-July	% Change from Prev. Month	% Change from Prev. Year
Delhi	1739	1643	1264	5.84	37.58
Davangere	2056	NA	1404	-	46.44
Shimoga	1967	1838	1320	7.02	49.02
Bagalkot	1823	1637	1333	11.36	36.76
Gadag	1797	NA	1335	-	34.61
Nizamabad	1847	1642	1369	12.48	34.92
Khanna	1561	1490	1120	4.77	39.38
Sangli (NCDEX Quality)	2068	1930	1483	7.15	39.45
Gulabghat (NCDEX Quality)	1836	1586	1235	15.76	48.66
Naugachia	1776	1468	1138	20.98	56.06
Erode (NCDEX Quality)	2148	1944	1563	10.49	37.43

- All market prices are monthly average of loose prices

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