



Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Sowing Coverage and Crop Condition
- ❖ Recommendations
- ❖ International Corn Market Summary
- ❖ Export Parity Trend
- ❖ Trade Scenario
- ❖ Current Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Davangere Market Analysis
- ❖ Annexure

EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall maize cash markets traded steady to slightly weak during the week and is expected to trade steady to slightly weak ahead amid limited demand and expected new crop arrival.

In Nizamabad, new crop arrivals which are lower in quantity and contains moisture up to 21%; being traded at Rs. 1800 per quintal. While, in Mysore and Hassan districts of Karnataka, new crop contains moisture up to 25% and being delivered to Tamilnadu at Rs. 1800-1900 per quintal.

As per trade sources, Vessel (OCEAN CROWN) with 49,999.00 tonnes of corn has arrived at Tuticorin port on 15th September, 2019.

SOWING COVERAGE AND CROP CONDITION:

In India, maize has been sown in around 80.38 lakh hectares as of 13th Sep'19 which is higher than 78.54 lakh hectare covered during corresponding period last year. In M.P, maize has been sown in around 15.42 lakh hectares which is higher than 13.60 lakh hectares covered during corresponding period last year. In Rajasthan, maize has been sown in around 8.84 lakh hectares which is higher than 8.71 lakh hectares covered during corresponding period last year. In Karnataka, it has been sown in 11.89 lakh hectare which is slightly lower than 11.59 lakh hectare covered during corresponding period last year. However, In A.P, maize has been sown in around 86,657 hectares as of 11th September'19 which is lower than 96,607 hectare covered during corresponding period last year. Maize sown area is 91.8% to season normal and at vegetative to flowering stage. In Anantapuram, Krishna and Kurnool districts, around 13,046 hectare area is affected by Fall army worm and Stem borer; out of which 9,634 hectare area is treated. In Telangana, it has been sown in 3.81 lakh hectare as of 11th September'19 which is lower than 4.62 lakh hectare covered during corresponding period last year. Maize sown area is 76% to season normal and its sowing is almost completed. Maize crops are at tasselling to cob formation stage. Fall army worm is below ETL level in Mahboobnagar, Gadwal, Janagoan and Khammam districts.

As per trade sources, in mahboobnagar district of Telangana, total yield could be affected around 20-25% due to pest and untimely rainfall while in janagoan district, crop yield could be affected around 5-10%. In hubli-dharwad, and belgaum districts of Karnataka, total crop loss, due to heavy rainfall, could be around 15 to 20%. In shimoga, bagalkot and bijapur districts; crop loss could be around 5 % in each districts while in chikmagalur district; crop loss could be around 2%. Meanwhile, in Sangli region of Maharashtra, around 15% crop loss could be due to flood while in Aurangabad, around 5-10% yield could be affected due to dry spell.

RECOMMENDATION:

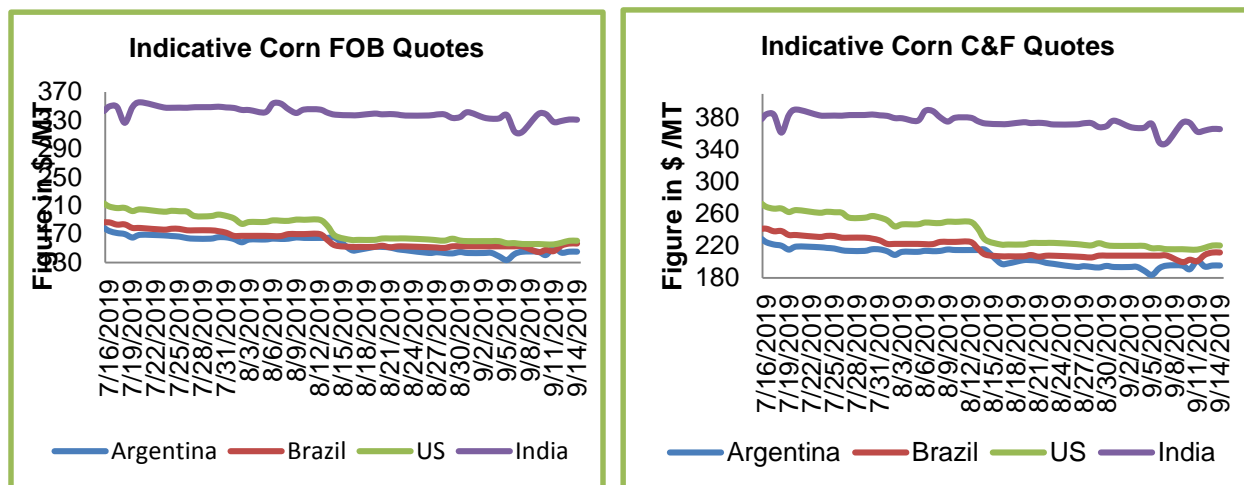
Weekly Call - : In Davangere cash market, maize (Bilty) prices are likely to trade at Rs. 2200-2350 per quintal for the week.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 3.15 USD/MT to 139.56 USD/MT for September'19 contract compared to previous week. Further, price direction depends on the demand for U.S corn.

U.S corn exports reached 49.20 MMT in the 2018-19 marketing year; down 14% from the previous year. In U.S, 55% crop of Corn is in good to excellent condition which is 3% lower than previous week.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 71.02)				
As on 14.09.2019	Argentina	Brazil	US	India
FOB	145.28	156.6	160.3	330.89
C&F	195.28	211.6	220.3	365.89

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.

EXPORTS FOR THE MONTH OF JULY'19

As per trade sources, India exported around 21,443 MT of maize for the month of July'19 at an average FoB of \$330.05/ MT. Out of which, around 18,273 MT Indian maize was exported mainly to Nepal mainly through Jogbani ICD followed by Raxaul and Sonauli ICD port.

IMPORTS FOR THE MONTH OF JULY'19

As per trade sources, India imported around 13,752 MT of maize for the month of July'19. Out of which, around 11,958 MT was imported from Ukraine for the Kandla port at an average value of \$207.31/ MT.

TRADE SCENARIO

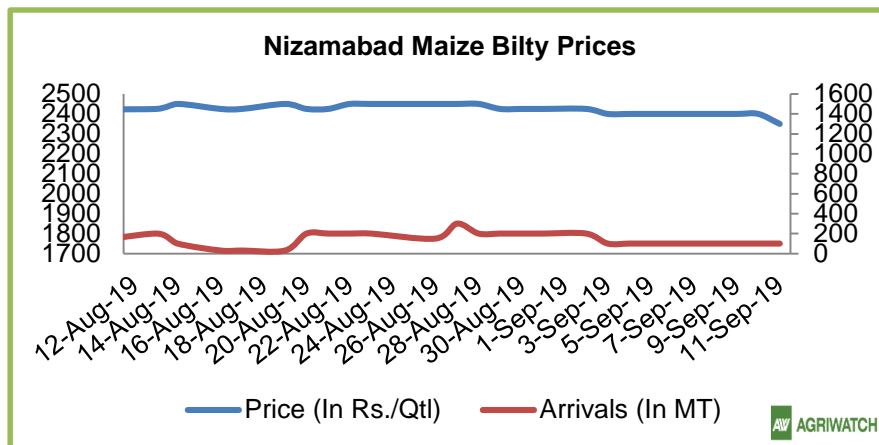
From the trade point of view, In Gulabgh, maize (bilty) is trading at Rs. 2100 per quintal. In Naugachia region of Bihar, new crop contains moisture up to 16% and is small in size and being delivered for the cattle feed purpose to Rajasthan at Rs.2200 per quintal and to Varanasi (U.P) at Rs. 2150 per quintal. Meanwhile, old crop is moving towards U.P at Rs. 2250-2300 per quintal, Haryana and Rajasthan at Rs. 2300-2350 per quintal; sourced from Naugachia region of Bihar.

CURRENT MARKET DYNAMICS:

During the week under review, steady to slightly weak sentiments witnessed in most of the major spot markets of maize. The various key spot markets dynamics are as under:

TELANGANA:

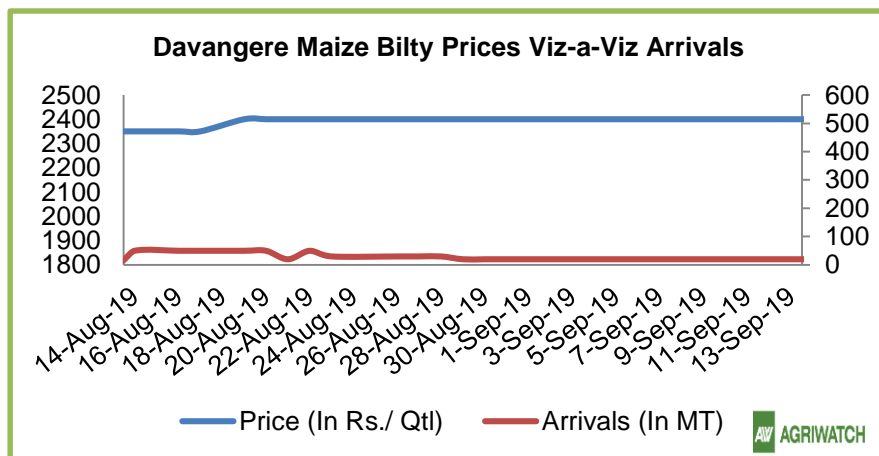
- In Nizamabad, new crop arrivals which are lower in quantity and contains moisture up to 21%; being traded at Rs. 1800 per quintal. Maize is moving towards Hyderabad at Rs. 2450 per



quintal; sourced from Nizamabad. As per trade sources, in Telangana, stock of maize could be around 10,000 MT which was 16,000 MT during corresponding period last year.

KARNATAKA:

- As per trade sources, in Mysore and Hassan districts of Karnataka, new crop contains moisture up to 25% and being delivered to Tamilnadu at Rs. 1800-1900 per quintal.



- In hubli-dharwad, and belgaum districts of Karnataka, total crop loss, due to heavy rainfall, could be around 15 to 20%. In shimoga, bagalkot and bijapur districts; crop loss could be around 5 % in each districts while in chikmagalur district; crop loss could be around 2%.

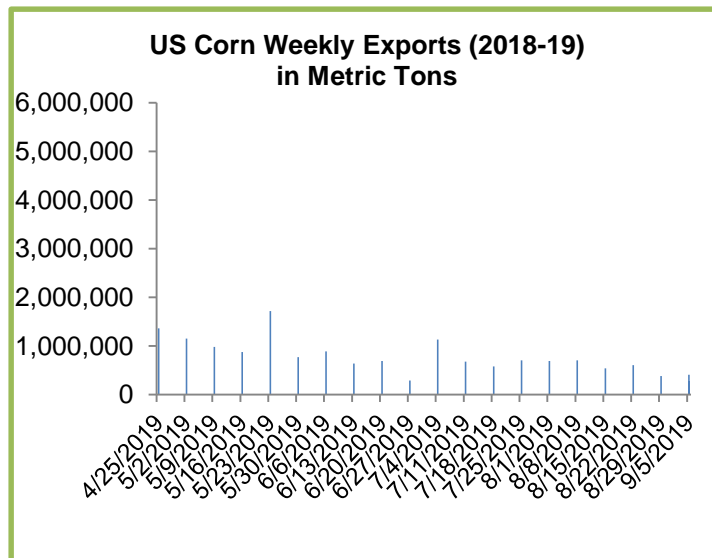
DOMESTIC MAIZE OUTLOOK:

Prices of maize are likely to be steady to slightly weak ahead amid limited demand and expected new crop arrival.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S corn exports reached 49.20 MMT in the 2018-19 marketing year; down 14% from the previous year. The destinations were primarily to Mexico (88,200 MT), Saudi Arabia (58,900 MT), China (58,000 MT), El Salvador (22,500 MT), and Guatemala (19,500 MT) for the year ending on 31st August'19. Exports for new marketing year 2019-20 during September 1-5 totaled 412,200 MT, for the primary destinations like Mexico (212,000 MT) and Japan (109,700 MT).

In U.S, Corn has been dough 89% as of 08th September, 2019 which is lower by 10% compared to last year and 8% from last 5 year average period. It has dented 55% as of 08th September, 2019 which is lower by 29% compared to last year and 22% from last 5 year average period. Corn has matured 11% as of 08th September, 2019. 55% crop of Corn is in good to excellent condition which is 3% lower than previous week.


INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 3.15 USD/MT to 139.56 USD/MT for September'19 contract compared to previous week. Further, price direction depends on the demand for U.S corn.

DAVANGERE MARKET ANALYSIS: MAIZE



In Davangere cash market, maize (Bilty) prices are likely to trade at Rs.2200-2350 per quintal for the week.

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	12-Sep-19	5-Sep-19	12-Aug-19	12-Sep-18	12-Sep-17
Gulabghagh	Bilty	2100	2150	2200	1330	1250
Delhi	Hybrid Maize (U.P.)	2125	2150	2150	1400	1300
Davangere	Bilty Price	2400	2400	Closed	1500	1450
Shimoga	Bilty	NA	NA	NA	NA	1380
Ranebennur	Bilty	2400	2400	2350	1500	1525
Bagalkot	Hybrid/Local	NA	NA	2200	NA	1356
Gadag	Local	2011	NA	NA	NA	1269
Nizamabad	Bilty	Closed	2400	2425	1400	1475
Khanna	Bilty	2070	2125	Closed	1400	1320
Sangli	Feed	2515	2604	NA	1606	1500
Ahmedabad	Feed	2270	2300	2300	1540	1440
	Starch	2275	2250	2300	1550	1410

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	12-Sep-19	05-Sep-19	Change
Corn CBOT Prices	Sep-19	139.56	136.41	3.15
	Dec-19	144.58	141.23	3.35
	Mar-20	149.5	146.35	3.15
	May-20	153.14	149.89	3.25
	July-20	155.9	152.65	3.25

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.