



Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Kharif Crop Arrival Quality & Trade Scenario
- ❖ Rabi Crop Sowing Coverage
- ❖ International Corn Market Summary
- ❖ Export- Import Parity Trend
- ❖ Exports for the Month of October'19
- ❖ Imports for the Month of October'19
- ❖ Second Advance Estimate of Kharif Production
- ❖ Current Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Annexure

EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall maize cash markets traded mixed during the week as one side; arrival pressure are weighing on market sentiments while on the other side; improvement in arrival quality kept prices higher than last week. Maize is likely to trade steady to slightly weak in near term due to arrival pressure. However, feed makers demand could support at lower level.

KHARIF CROP ARRIVAL QUALITY & TRADE SCENARIO:

In Davangere region of Karnataka, maize arrivals are still containing moisture up to 19. It is moving towards Namakkal at Rs. 1950 per quintal while Bangalore at Rs. 1900 per quintal; sourced from Davangere. Sources revealed that maize which is small in size and fungus affected, being delivered to Tamilnadu at Rs. 1900 per quintal for cattle feed; sourced from Hassan and Mysore.

In Nizamabad, maize is trading weak due to arrival pressure. However, feed makers demand could support the market at lower level. Maize arrivals are containing moisture up to 16%, fungus 5% and damaged grains around 5-7%. Maize is moving towards Hyderabad at Rs. 2200 per quintal while it is being bought by local starch feed makers at Rs. 1800 per quintal.

In A.P, arrivals are minimal in quantity. Vijayanagaram poultries are getting maize from Orissa while Krishna district and Prakasham district's poultries and distilleries are being supported by arrival from Khammam and Kurnool district. In Kurnool and khammam districts of A.P, maize arrivals are containing moisture up to 16%, back fungus 6-6.5% and green fungus slightly exist. In nandikotkur region of Kurnool, maize loading rate is Rs. 1820 per quintal. Sources revealed that in Nandikotkur region of Kurnool district, around 1,20,000 MT of maize has been stocked.

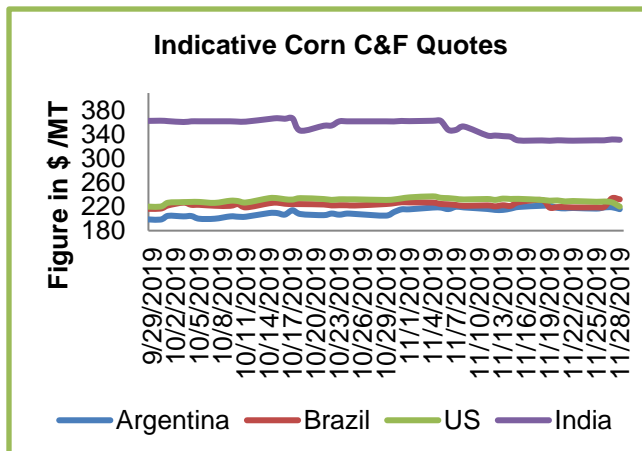
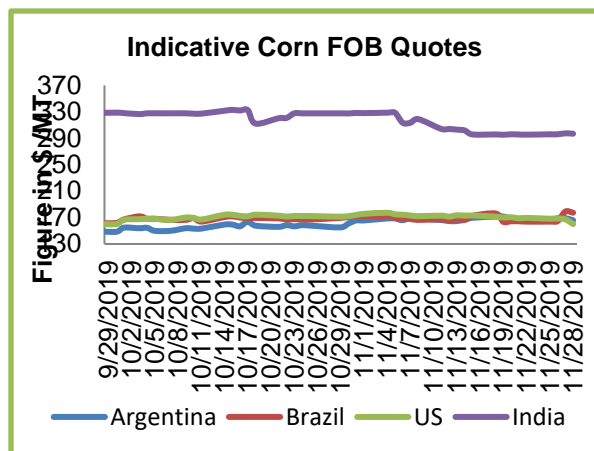
RABI CROP SOWING COVERAGE:

In India, maize has been sown in around 6.30 lakh hectares as of 29th Nov'19 for Rabi season 2019-20 which is lower than 7.15 lakh hectare covered during corresponding period last year. In Bihar, it has been sown in around 1.87 lakh hectare which is lower than 2.47 lakh hectare while in Tamilnadu, it has been sown in around 1.23 lakh hectare which is lower than 1.38 lakh hectare during corresponding period last year.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fall by 2.26 USD/MT to 142.81 USD/MT for December'19 contract compared to previous week. However, it could trade firm on the expectation of increase in demand for U.S corn. At 0.64 MMT (for the period 15th November- 21st November, 2019) US corn exports were down 6 percent from the previous week but up 22 percent from the prior 4-week average; mainly for the destinations like Mexico (322,300 MT), Colombia (155,200 MT), Japan (76,700 MT), Guatemala (44,200 MT), and Jamaica (15,000 MT). In U.S, Corn has harvested 84% as of 24th November, 2019 which is lower by 9% compared to last year.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$s1= Rs. 71.49)				
As on 28.11.2019	Argentina	Brazil	US	India
FOB	165.85	177.30	160.14	296.82
C&F	215.85	232.30	220.14	331.82

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 OCTOBER'19

As per trade sources, India exported around 11,782 MT of maize for the month of October'19 at an average FoB of \$326.06/ MT. Out of which, around 9,820 MT Indian maize was exported mainly to Nepal mainly through Jogbani ICD followed by Nepalgunj road port.

IMPORTS FOR THE MONTH OF OCTOBER'19

As per trade sources, India imported around 36,982 MT of maize for the month of October'19. Out of which, around 27,200 MT was imported from Ukraine for the Kandla port at an average value of \$197.50 USD/ MT. Meanwhile, around 9,782 MT was imported from Myanmar for the Chennai and Tuticorin port at an average value of \$263.18/ MT.

SECOND ADVANCE ESTIMATE OF KHARIF PRODUCTION

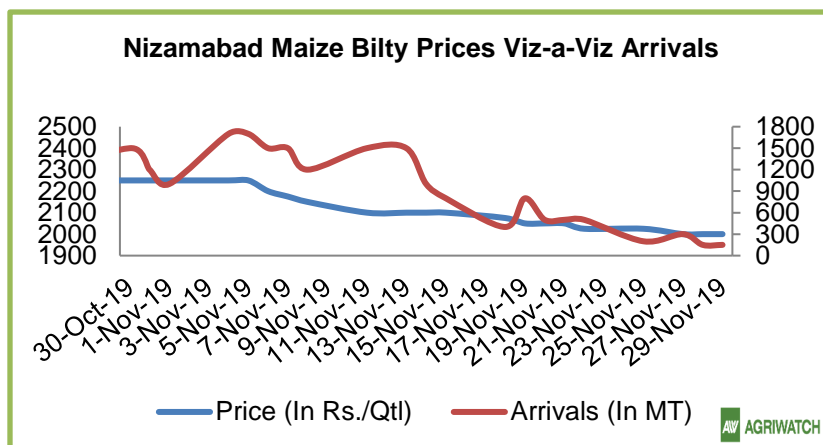
As per 2nd advanced estimates for 2019-20, Agriwatch expects maize production for this Kharif season at 18.34 MMT with the expected yield of 2209.37 kg/ hectare.

CURRENT MARKET DYNAMICS:

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

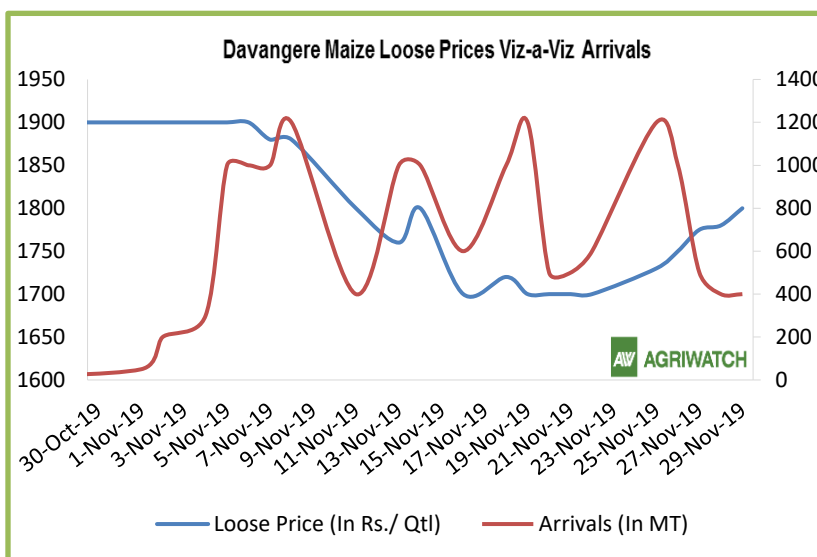
TELANGANA:

- In Nizamabad, maize is trading weak due to arrival pressure. However, feed makers demand could support the market at lower level. Maize arrivals are containing moisture up to 16%, fungus 5% and damaged grains around 5-7%. Maize is moving towards Hyderabad at Rs. 2200 per quintal while it is being bought by local starch feed makers at Rs. 1800 per quintal.



KARNATAKA:

- In Davangere region of Karnataka, maize arrivals are still containing moisture up to 19. It is moving towards Namakkal at Rs. 1950 per quintal while Bangalore at Rs. 1900 per quintal; sourced from Davangere. Sources revealed that maize which is small in size and fungus affected, being delivered to Tamilnadu at Rs. 1900 per quintal for cattle feed; sourced from Hassan and Mysore.



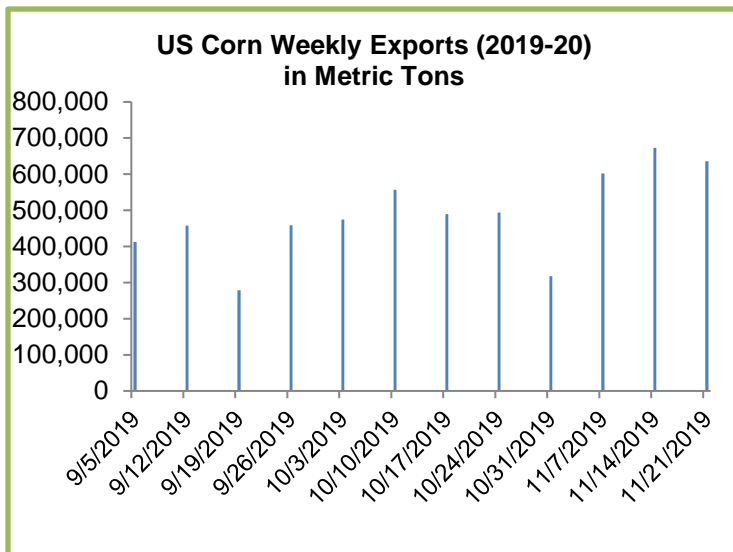
DOMESTIC MAIZE OUTLOOK:

Prices of maize are likely to be steady to slightly weak ahead due to new crop arrival pressure.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S corn exports reached 5.85 MMT in the 2019-20 marketing year. At 0.64 MMT (for the period 15th November- 21st November, 2019) US corn exports were down 6 percent from the previous week but up 22 percent from the prior 4-week average; mainly for the destinations like Mexico (322,300 MT), Colombia (155,200 MT), Japan (76,700 MT), Guatemala (44,200 MT), and Jamaica (15,000 MT).

In U.S, Corn has harvested 84% as of 24th November, 2019 which is lower by 9% compared to last year.



INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fall by 2.26 USD/MT to 142.81 USD/MT for December'19 contract compared to previous week. However, it could trade firm on the expectation of increase in demand for U.S corn.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	28-Nov-19	21-Nov-19	29-Oct-19	28-Nov-18	28-Nov-17
Naugachia	Bilty	2075	2075	Closed	1625	1200
Delhi	Hybrid Maize (U.P.)	2100	2025	Closed	1700	NR
Davangere	Loose	1780	1700	Closed	1500	1300
Shimoga	Bilty	NA	1700	NA	1510	1200
Ranebennur	Bilty	NA	1780	NA	1600	1250
Bagalkot	Hybrid/Local	1750	1860	2165	1610	NA
Gadag	Local	1720	1620	NA	1566	1176
Nizamabad	Bilty	2000	2050	Closed	1510	1400
Khanna	Bilty	NA	NA	NA	NA	1360
Sangli	Feed	1871	1831	NA	1686	1255
Ahmedabad	Feed	2060	2080	Closed	1760	1300
	Starch	2100	1850	Closed	1775	1320



Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	28-Nov-19	21-Nov-19	Change
Corn CBOT Prices	Dec-19	142.81	145.07	-2.26
	Mar-20	146.94	149.21	-2.27
	May-20	149.21	151.27	-2.06
	July-20	151.27	153.54	-2.27
	Sep-20	151.17	153.44	-2.27

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.