



Maize Weekly Research Report

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EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Across India, maize is likely to trade steady to weak in near term too on the expectation of sluggish poultry feed makers' demand as there is fear of coronavirus and bird flu in the market. Also, expectation of new crop arrival in coming weeks could also weigh on market sentiments.

In Davangere region of Karnataka, maize market being traded down due to supply pressure of low quality material of kharif season as new crop arrivals are expected in coming weeks. Also, sluggish demand of Tamilnadu' feed makers due to recent imported arrival amid fear of coronavirus and bird flu also weighing on market sentiments.

SECOND ADVANCE ESTIMATE FOR RABI SEASON 2019-20

As per 2nd advanced estimates for 2019-20, Agriwatch expects maize production for this Rabi season at 6.81 MMT with the expected yield of 4.01 MT/ hectare.

TRADE SCENARIO

From the trade point of view, Maize is moving towards Hyderabad at Rs. 2,000 per quintal while it is being bought by local starch feed makers at Rs. 1675 per quintal.

TENDER

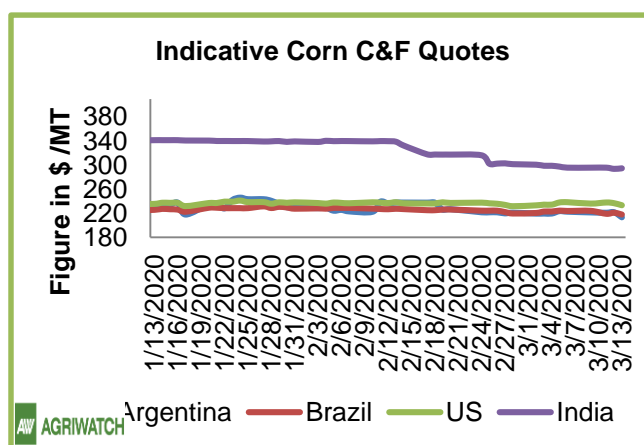
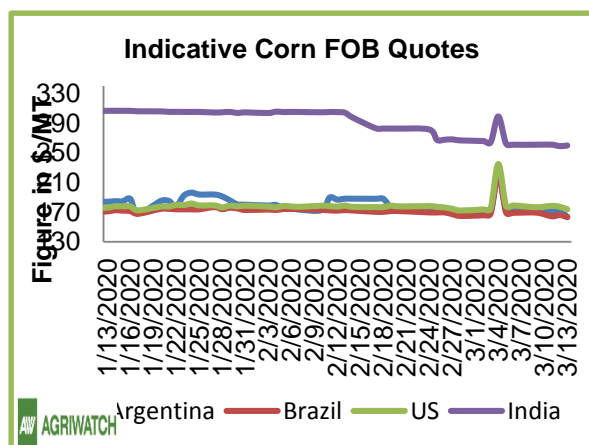
As per trade sources, NAFED had issued an international tender to import up to 100,000 MT of Non-GMO corn; to be sourced from Ukraine for the shipment between 1st Feb'20 to 10th Feb'20. Around 50,000 MT was sought for shipment to the Mangalore port and rest to the Tuticorin port at around \$227/ MT. These shipments are expected to arrive during the month of March. Also, MMTC had issued an international tender for Non- GMO yellow corn for 1,75,000 MT for shipment by 10th Feb 2020, but did not accept any bids towards that tender.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fall by 4.03 USD/MT to 143.99 USD/MT for May'20 contract compared to previous week due to uncertainty over economic fallout from the coronavirus. Further, price direction depends on the demand for U.S corn.

At 0.85 MMT (for the period 28th February- 5th March, 2020) US corn exports were down 4 percent from the previous week but up 4 percent from the prior 4-week average; mainly for the destinations like Mexico (368,200 MT), Japan (192,300 MT), Chile (84,600 MT), South Korea (66,800 MT), and Costa Rica (66,600 MT).

During the month of March, USDA increased its world corn ending stock estimates by 0.51 MMT to 297.34 MMT for 2019/20 compared to previous month due to increase in production estimates for 2019/20 which could weigh on global corn market

EXPORT PARITY TREND


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 73.92)				
As on 13.03.2020	Argentina	Brazil	US	India
FOB	163.68	163.30	173.61	259.74
C&F	213.68	218.30	233.61	294.74

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. Current FOB of Ukraine is \$174 USD/ MT.

EXPORTS FOR THE MONTH OF JANUARY'20

As per trade sources, India exported around 47,080 MT of maize for the month of January'20 at an average FoB of \$333.71/ MT. Out of which, around 42,335 MT Indian maize was exported mainly to Nepal at an average FoB of \$331.08/MT; mainly through Raxaul followed by Sonauli ICD port.

IMPORTS FOR THE MONTH OF JANUARY'20

As per trade sources, India imported around 53,962 MT of maize for the month of January'20. Out of which, around 23,500 MT was imported from Ukraine for the Kandla port at an average value of \$199.31 USD/ MT while around 30,462 MT was imported from Myanmar for the Tuticorin, Kolkata, Chennai, Vizag and Mundra port at an average value of \$245.53 USD/ MT.

VESSEL POSITION

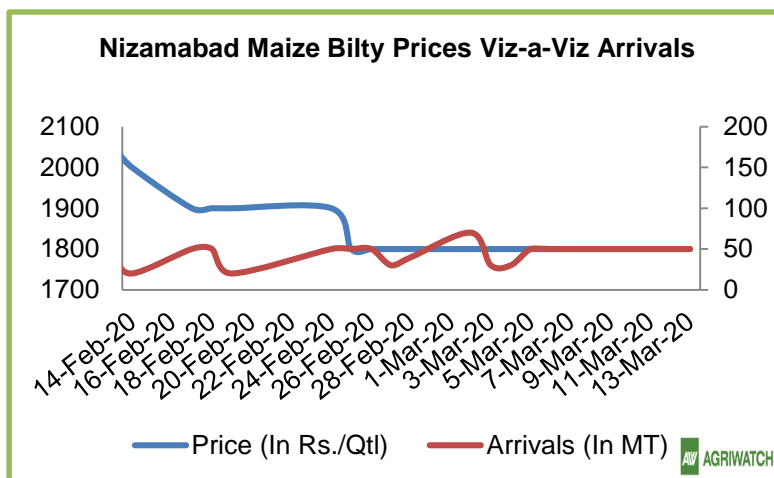
As per trade sources, Vessel (TAN BINH) with 19,700 tonnes of corn, has arrived at Tuticorin port on 1st March, 2020.

CURRENT MARKET DYNAMICS:

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

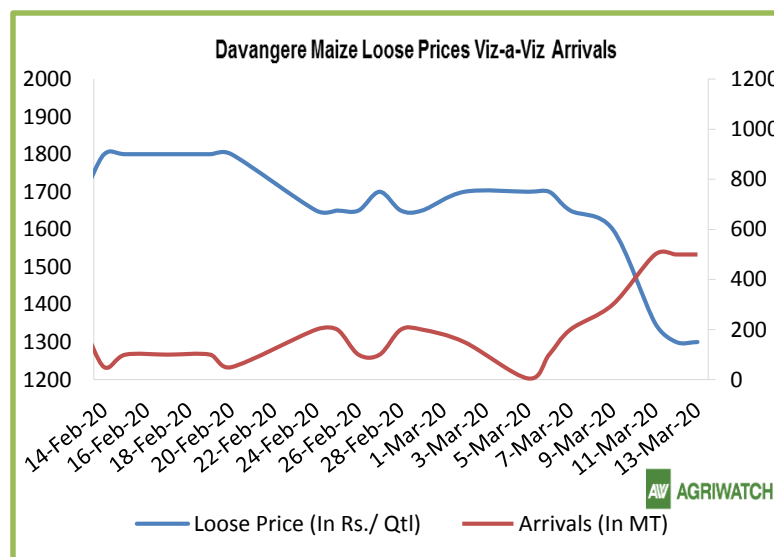
TELANGANA:

- In Nizamabad, maize is also likely to trade steady to weak in near term due to sluggish poultry feed makers' demand on the fear of corona virus. Also, expectation of new crop arrival during end of March keeping weigh on market sentiments. Local starch feed makers are buying maize at Rs. 1675 per quintal while sluggish demand of Hyderabad feed makers reported at Rs. 2000 per quintal.



KARNATAKA:

- In Davangere region of Karnataka, maize market being traded down due to supply pressure of low quality material of kharif season as new crop arrivals are expected in coming weeks. Also, sluggish demand of Tamilnadu' feed makers due to recent imported arrival amid fear of coronavirus and bird flu also weighing on market sentiments.



DOMESTIC MAIZE OUTLOOK:

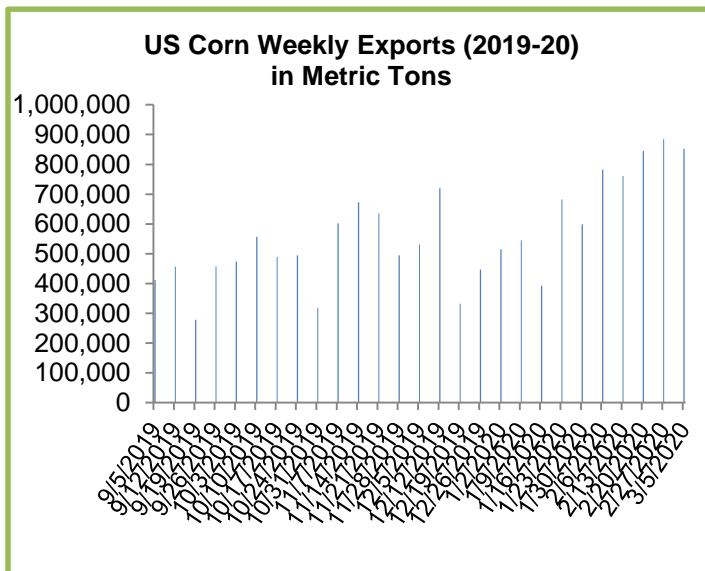
Prices of maize are likely to be steady to weak due to sluggish demand of poultry feed makers on the expectation of new crop arrival in the coming weeks.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S corn exports reached 15.23 MMT in the 2019-20 marketing year. At 0.85 MMT (for the period 28th February-5th March, 2020) US corn exports were down 4 percent from the previous week but up 4 percent from the prior 4-week average; mainly for the destinations like Mexico (368,200 MT), Japan (192,300 MT), Chile (84,600 MT), South Korea (66,800 MT), and Costa Rica (66,600 MT).

During the month of March, USDA increased its world corn ending stock estimates by 0.51 MMT to 297.34 MMT for 2019/20 compared to previous month due to increase in production estimates for 2019/20 which could weigh on global corn market.

During the month of March, Corn ending stock estimates for U.S kept unchanged at 48.07 MMT for 2019/20 while for Ukraine, it decreased its corn ending stock estimates by 0.10 MMT to 0.66 MMT compared to previous month estimates due to increase in exports estimates for 2019/20. For Argentina, it decreased its corn ending stock estimates by 1 MMT to 4.12 MMT compared to previous month while for Brazil, it increased its corn ending stock estimates by 0.11 MMT to 4.39 MMT due to decrease in export estimates compared to previous month estimates.



INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fall by 4.03 USD/MT to 143.99 USD/MT for May'20 contract compared to previous week due to uncertainty over economic fallout from the coronavirus. Further, price direction depends on the demand for U.S corn.

ANNEXUREMAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	13-Mar-20	6-Mar-20	13-Feb-20	13-Mar-19	13-Mar-18
Naugachia	Bilty	NA	NA	NA	1925	NA
Delhi	Hybrid Maize (U.P.)	1650	1825	1950	2200	1340
Davangere	Bilty	1350	1700	NA	2000	NA
Shimoga	Bilty	1420	1620	1750	2000	1300
Ranebennur	Bilty	NR	1650	1775	2100	1150
Bagalkot	Hybrid/Local	1700	1525	1690	1955	1101
Gadag	Local	NR	1570	1650	1785	1073
Nizamabad	Bilty	1800	1800	2050	2020	1340
Khanna	Bilty	1720	1750	1875	2010	1300
Sangli	Feed	1489	1686	1803	2150	NA
Ahmedabad	Feed	1600	1800	1800	2200	1350
	Starch	1500	1700	1700	2000	1350

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	13-Mar-20	06-Mar-20	Change
Corn CBOT Prices	May-20	143.99	148.02	-4.03
	July-20	145.07	149.3	-4.23
	Sep-20	144.78	148.62	-3.84
	Dec-20	146.84	150.19	-3.35
	Mar-21	150.68	-	-

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