



Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Current Harvest Situation
- ❖ Third Advance Estimate For Rabi Season 2019-20
- ❖ International Corn Market Summary
- ❖ Export- Import Parity Trend
- ❖ Exports for the Month of February'20
- ❖ Imports for the Month of March'20
- ❖ Vessel Position
- ❖ Current Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Annexure

EXECUTIVE SUMMARY**DOMESTIC MAIZE MARKET SUMMARY**

Overall domestic maize cash markets remained steady during last week due to limited trade activities amid lockdown in India.

Across India, maize is likely to trade steady to weak in near term on sluggish demand from poultry feed industry in the wake of Covid-19. Besides, large size of Rabi crop is also weighing on market sentiments. In Karnataka, Bihar and M.P regions, maize markets have opened but still have very limited trade due to sluggish demand of bulk buyers.

In Davangere, maize is being traded at Rs. 1350 per quintal (Bilty Price) and also being delivered to Bengaluru and Nammakal at Rs. 1600 per quintal each. While, in Bihar, it is being traded at Rs. 1400 (Bilty Price) per quintal and being delivered to Punjab and Haryana at Rs. 1650 per quintal each in very limited quantity due to sluggish demand. In Chhindwara region of M.P, it is being traded at Rs. 1300 per quintal (Bilty Price).

As per trade sources, Telangana state government is actively procuring maize at Rs. 1760 per quintal. Earlier State Government announced that it will procure entire Rabi season crop of maize at MSP of Rs. 1760 per quintal, directly from farmers through village procurement centers over a period of 45 days.

CURRENT HARVEST SITUATION

As per trade sources, in Telangana, around 80-85% rabi crop of maize has been harvested while in Bihar regions, maize crop has been harvested around at 30% till date. Also, in Maharashtra and Karnataka, harvesting has barely started.

THIRD ADVANCE ESTIMATE FOR RABI SEASON 2019-20

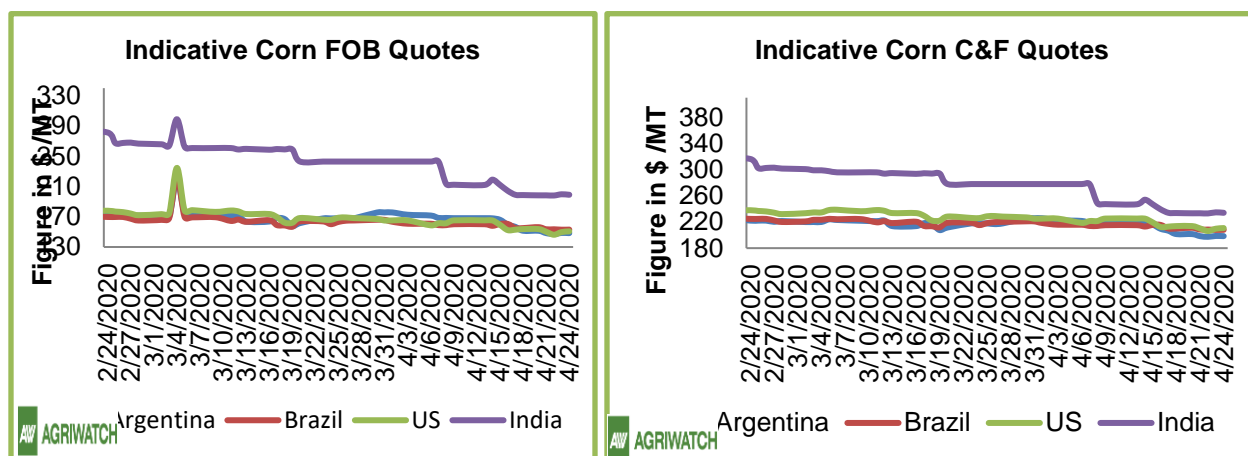
As per 3rd advanced estimates for 2019-20, Agriwatch expects maize production for this Rabi season at 7.16 MMT with the expected yield of 4.22 MT/ hectare.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fall by 2.55 USD/MT to 124.31 USD/MT for May'20 contract compared to previous week due to decrease in demand for U.S corn. It is likely to trade down in near term on the forecast for good planting weather in the U.S. Midwest amid poor demand from the ethanol sector.

At 0.83 MMT (for the period 10th- 16th April, 2020) US corn exports were down 32 percent from the previous week and 28 percent from the prior 4-week average; mainly for the destinations like Mexico (285,100 MT), Colombia (165,100 MT), South Korea (67,600 MT), Vietnam (56,300 MT), and Japan (51,600 MT). Agriwatch expects that CBOT corn market could trade down in near term.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 76.37)				
As on 24.04.2020	Argentina	Brazil	US	India
FOB	148.33	153.00	150.65	199.03
C&F	198.33	208.00	210.65	234.03

As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed. Current FOB of Ukraine is \$169 USD/ MT.

EXPORTS FOR THE MONTH OF FEBRUARY'20

As per trade sources, India exported around 24,835 MT of maize for the month of February'20 at an average FoB of \$306.63/ MT. Out of this, around 21,435 MT Indian maize was exported to Nepal at an average FoB of \$301.66/MT; through Raxaul, Sonauli ICD and Jogbani ICD ports.

IMPORTS FOR THE MONTH OF MARCH'20

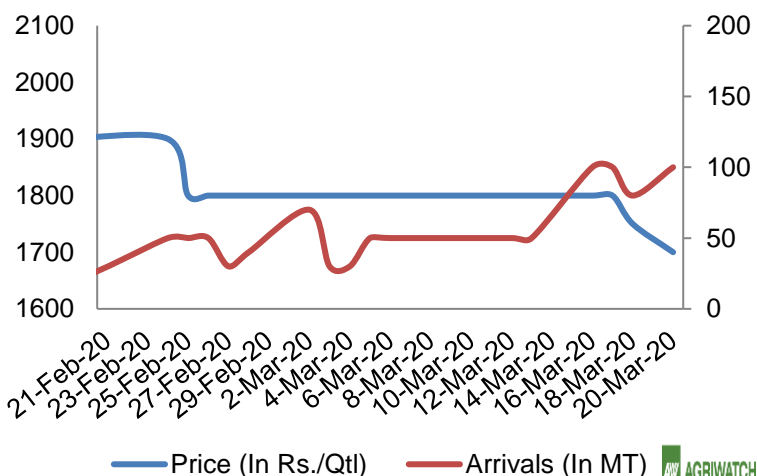
As per trade sources, India imported around 57,255 MT of maize for the month of March'20. Out of this, around 46,635 MT was imported from Myanmar at Tuticorin (22,588 MT @ \$252.30 USD/MT), Kolkata port (13,863 MT @ \$265.20 USD/MT), Vizag (6,176 MT @ 253.14 USD/MT), Mundra port (3,935 MT @ 266.67 USD/MT) and Chennai (72 MT @ 353.94 USD/MT) while around 10,620 MT was imported from Ukraine at Kandla port at an average value of \$196.51 USD/ MT.

CURRENT MARKET DYNAMICS:

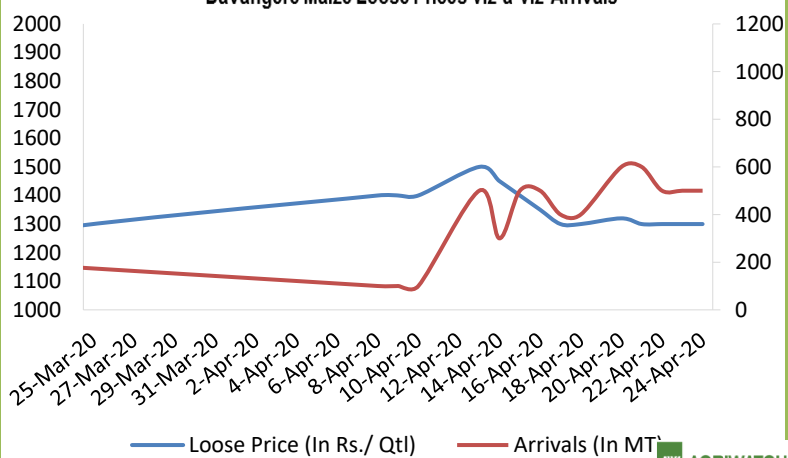
During the week under review, sentiments remained same as most of the spot markets of maize were closed. The various key spot markets dynamics are as under:

TELANGANA:

- As per trade sources, Telangana state government is actively procuring maize at Rs. 1760 per quintal. Earlier State Government announced that it will procure entire Rabi season crop of maize at MSP of Rs. 1760 per quintal, directly from farmers through village procurement centers over a period of 45 days. Sources revealed that in Telangana, around 80-85% rabi crop of maize has been harvested till date.

Nizamabad Maize Bilty Prices Viz-a-Viz ArrivalsKARNATAKA:

- In Davangere, maize is being traded at Rs. 1350 per quintal (Bilty Price) and Bengaluru and Nammakal at Rs. 1600 per quintal each. Maize is likely to trade in a range of Rs. 1300-1350 (Bilty Price) per quintal in the near term.

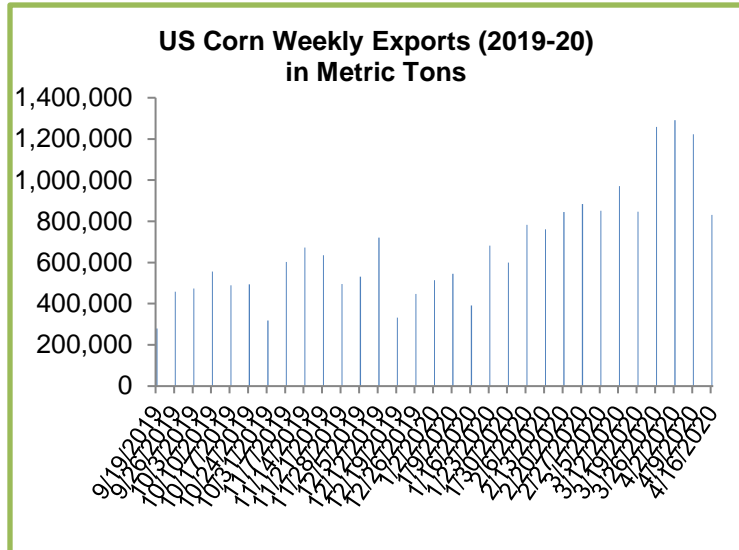
Davangere Maize Loose Prices Viz-a-Viz ArrivalsDOMESTIC MAIZE OUTLOOK:

Prices of maize are likely to be weak due to sluggish demand of poultry feed makers on the fear of corona virus amid expectation of supply pressure after lockdown.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S corn exports reached 21.65 MMT in the 2019-20 marketing year. At 0.83 MMT (for the period 10th-16th April, 2020) US corn exports were down 32 percent from the previous week and 28 percent from the prior 4-week average; mainly for the destinations like Mexico (285,100 MT), Colombia (165,100 MT), South Korea (67,600 MT), Vietnam (56,300 MT), and Japan (51,600 MT). Agriwatch expects that CBOT corn market could trade down in near term.

As per media news, Russia will suspend exports of wheat, rye, barley and corn to countries which are not members of the (Russia-led) Eurasian Economic Union until July 1.

**PREVIOUS UPDATES**

Despite a record second-corn crop area of 13.2 million hectares, Brazil's production potential likely to be down due to weather issues in coming weeks.

During the month of April, USDA increased its world corn ending stock estimates by 5.83 MMT to 303.17 MMT for 2019/20 compared to previous month due to decrease in domestic consumption and also increase in production estimates for 2019/20 which could weigh on global corn market.

During the month of April, Corn ending stock estimates for U.S increased by 5.08 MMT to 53.15 MMT for 2019/20 due to decrease in consumption estimates while for Ukraine, it increased its corn ending stock estimates by 0.04 MMT to 0.70 MMT compared to previous month estimates due to increase in production estimates for 2019/20. However, for Argentina, it decreased its corn ending stock estimates by 0.24 MMT to 3.87 MMT compared to previous month due to increase in exports while for Brazil, it kept unchanged its corn ending stock estimates at 4.39 MMT compared to previous month estimates.

USDA forecasted corn plantings at 96.990 million acres, more than above the average analyst forecast for 94.328 million acres which could weigh on market sentiments.

IGC increased its global corn production forecast for 2019/20 by 4 MMT to 1116 MMT compared to previous forecast. Forecast for global corn ending stock was also up by 5 MMT to 289 MMT due to increase in production amid lower estimates for trade and consumption for 2019/20 compared to last month forecast which could weigh on international corn market. IGC also forecast, global corn production at 1157 MMT and global corn ending stock estimates at 274 MMT for 2020/21.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fall by 2.55 USD/MT to 124.31 USD/MT for May'20 contract compared to previous week due to decrease in demand for U.S corn. It is likely to trade down in near term on the forecast for good planting weather in the U.S. Midwest amid poor demand from the ethanol sector.



ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	24-Apr-20	17-Apr-20	24-Mar-20	24-Apr-19	24-Apr-18
Naugachia	Bilty	Closed	Closed	NR	1925	1250
Delhi	Hybrid Maize (U.P.)	Closed	Closed	Closed	2150	1450
Davangere	Loose	1300	1300	Closed	NR	1150
Shimoga	Bilty	1300	1600	NR	2370	1340
Ranebennur	Bilty	NR	NR	NR	2500	1150
Bagalkot	Hybrid/Local	1280	NR	NR	2162	NR
Gadag	Local	1380	1460	NR	2141	1129
Nizamabad	Bilty	Closed	Closed	Closed	2150	1320
Khanna	Bilty	NA	Closed	Closed	2180	1500
Sangli	Feed	NR	NR	NR	2314	NR
Ahmedabad	Feed	Closed	Closed	Closed	2250	1370
	Starch	Closed	Closed	Closed	2250	1400

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24-Apr-20	17-Apr-20	Change
Corn CBOT Prices	May-20	124.31	126.86	-2.55
	July-20	127.16	129.62	-2.46
	Sep-20	128.93	131.39	-2.46
	Dec-20	132.57	135.23	-2.66
	Mar-21	137.49	139.86	-2.37

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