



Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Maize Trade Scenario
- ❖ State Wise Rabi Sowing Coverage
- ❖ International Corn Market Summary
- ❖ Export- Import Parity Trend
- ❖ Exports for the Month of October'20
- ❖ Current Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Annexure

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Demand for good quality material is supporting to the market. Agriwatch expects that maize would trade steady to slightly firm ahead, due to Government procurement and fresh Vietnamese feed makers demand. However, expectation of arrival pressure in coming weeks could limit the gain.

In Karnataka, crop arrivals contains moisture of upto 17%. In Maharashtra, it contain moisture of upto 15%.

Trade sources revealed that in Telangana, due to active government buying support, arrivals in open markets are negligible in quantity. In Telangana, Government has procured around 12-13 lakh quintal of maize till 14th November, 2020.

MAIZE TRADE SCENARIO

In Gulabghat, it is being traded at Rs. 1,650-1,700 per quintal (Bilty Price). Hyderabad poultry feed makers are buying Maize at Rs.1,600 per quintal; sourced from Nizamabad region. It is also moving towards Bengaluru and Nammakal at Rs.1,500 and Rs.1,550 per quintal, respectively; all sourced from Davangere region of Karnataka. Trade sources revealed that maize is being delivered towards Tamil Nadu and Visakhapatnam; sourced from M.P and Khammam. It is being loaded from M.P at Rs. 1475 per quintal.

STATE WISE RABI SOWING COVERAGE

In India, maize has been sown in 2.31 lakh hectares as of 13th Nov'20, lower than corresponding period last year area of 2.61 lakh hectares. In Bihar, it has been sown in 0.10 lakh hectares; lower than 0.30 lakh hectares compared to corresponding period last year. In Tamil Nadu, it has been sown in 0.99 lakh hectares; lower than 1.24 lakh hectares compared to corresponding period last year. In Karnataka, it has been sown in 0.23 lakh hectares; lower than 0.24 lakh hectares compared to corresponding period last year. However, in Maharashtra, it has been sown in 0.47 lakh hectares; higher than 0.24 lakh hectares compared to corresponding period last year.

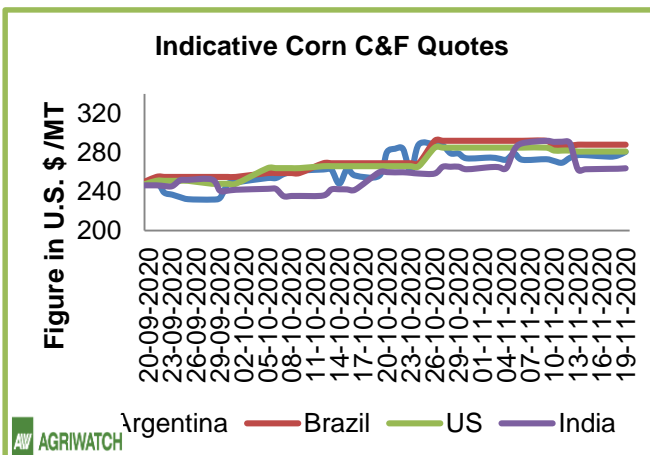
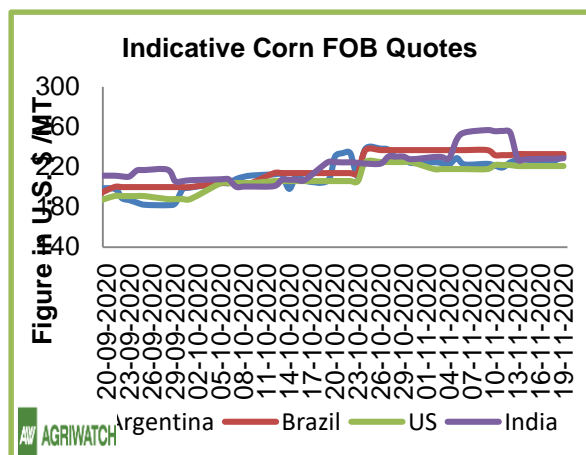
INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 5.02 USD/MT to 166.63 USD/MT for December'20 contract compared to previous week. Agriwatch expects that increase in export demand for U.S corn in near term would support to CBOT corn. However, new crop arrivals could limit the gain.

In U.S, 95% of crop has been harvested as of 15th November'20, up 22 percentage points from corresponding period last year.

At 0.84 MMT (for the period November 06 -November 12, 2020) U.S. Maize exports were up 16 percent from the previous week and 9 percent from the prior 4-week average; mainly for the destinations like China (278,700 MT), Mexico (205,200 MT), Japan (159,400 MT), Venezuela (67,500 MT), and Peru (52,100 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.14)				
As on 19.11.2020	Argentina	Brazil	US	India
FOB	230.61	233.00	221.00	228.86
C&F	280.61	288.00	281.00	263.86

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

EXPORTS

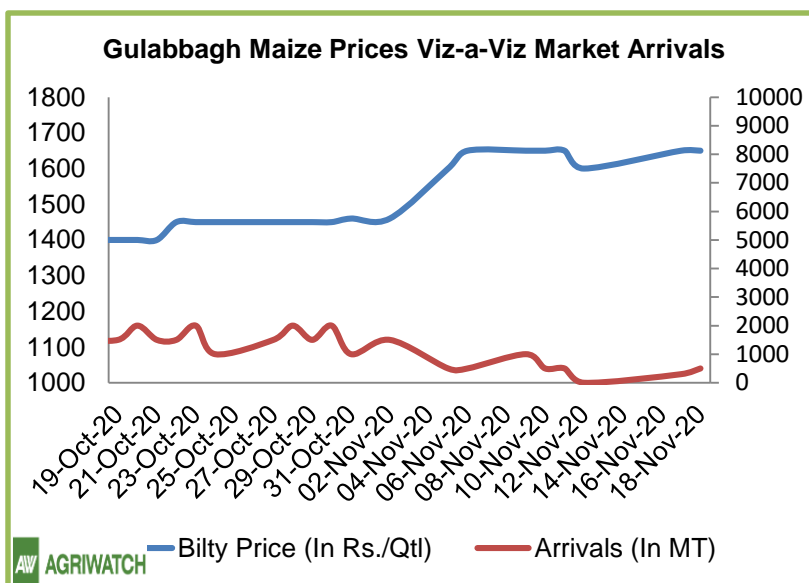
As per trade sources, India exported around 2,23,050 MT of maize in the month of October'20 at an average FoB of \$189.01/ MT, out of which, 1,63,851 MT was exported to Bangladesh at an average FoB of \$193.30/MT and around 55,776 MT was exported to Nepal at an average FoB of \$185.16/MT.

CURRENT MARKET DYNAMICS:

During the week under review, firm sentiments were reported in most of the major cash markets of maize. The various key spot markets dynamics are as under:

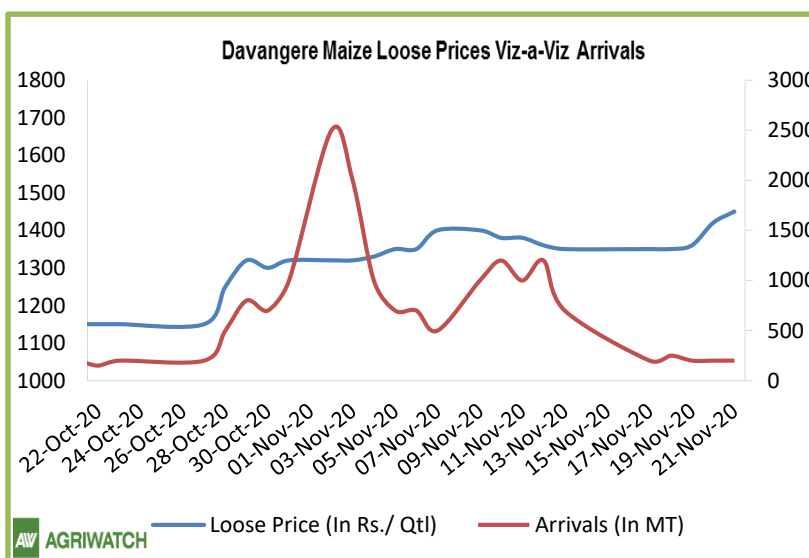
BIHAR:

- During the week, Bihar market was closed most of the days due to chhath festival. In Naugachia region of Bihar, Maize was being traded at Rs.1,450-1,550 per quintal (Bilty Price). It is being delivered to Uttar Pradesh at Rs. 1,500-1,700 per quintal and Kolkata at Rs.1,650-1,700 per quintal; sourced from Naugachia region of Bihar. In Gulabghat, it is being traded at Rs. 1,650-1,700 per quintal (Bilty Price). It is expected that maize in Gulabghat would trade steady to firm and stay in the range of Rs. 1670-1750 per quintal for the week amid steady demand and low arrival.



KARNATAKA:

- In Davangere, maize is likely to trade steady to slightly firm as increase in arrivals in coming weeks would weigh on market sentiments.

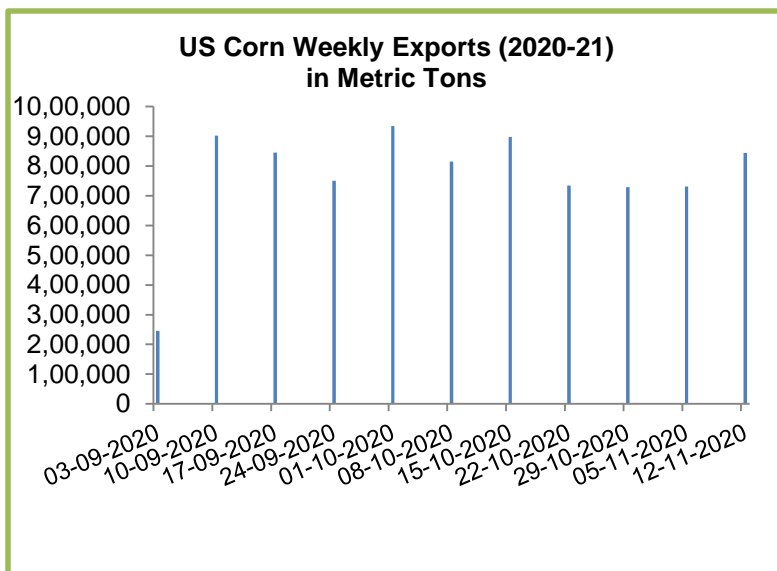


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady to slightly firm ahead as demand for good quality material has increased. However, crop arrival pressure in coming weeks could limit the gain.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 8.43 MMT in the 2020-21 marketing year. At 0.84 MMT (for the period November 06 -November 12, 2020) U.S. Maize exports were up 16 percent from the previous week and 9 percent from the prior 4-week average; mainly for the destinations like China (278,700 MT), Mexico (205,200 MT), Japan (159,400 MT), Venezuela (67,500 MT), and Peru (52,100 MT). Agriwatch expects that increase in export demand for U.S Maize in near term would support to CBOT Maize. However, crop arrivals pressure could limit the gain.



In U.S, 95% of crop has been harvested as of 15th November'20, up 22 percentage points from corresponding period last year.

PREVIOUS UPDATES:

USDA decreased its world Maize ending stock estimates by 9.03 MMT to 291.43 MMT for 2020-21 along with a decrease in production estimates which would support to global Maize market. Agriwatch expects that increase in export demand for U.S Maize in near term would also support to CBOT Maize. However, crop arrivals pressure could limit the gain.

USDA also revised the ending stock estimates for U.S., down by 11.81 MMT for 2020-21 compared to last month estimates due to decrease in production estimates while for Argentina, Brazil and Ukraine, it kept unchanged at 2.88 MMT, 7.99 MMT and 1.16 MMT, respectively compared to previous month estimates.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 5.02 USD/MT to 166.63 USD/MT for December'20 contract compared to previous week. Agriwatch expects that increase in export demand for U.S corn in near term would support to CBOT corn. However, new crop arrivals could limit the gain.



ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	21-Nov-20	14-Nov-20	21-Oct-20	21-Nov-19	21-Nov-18
Naugachia	Bilty	Closed	Closed	1450	2075	1550
Delhi	Hybrid Maize (U.P.)	1550	Closed	1350	2025	1550
Davangere	Loose	1450	Closed	1150	1700	1500
Shimoga	Bilty	1350	NA	1350	1700	NA
Ranebennur	Bilty	1435	NA	1300	1780	1500
Bagalkot	Hybrid/Local	NA	NA	1260	1860	1518
Gadag	Local	NA	NA	1120	1620	1472
Nizamabad	Bilty	Closed	Closed	1350	2050	1510
Khanna	Bilty	1360	Closed	1100	NA	NA
Sangli	Feed	1562	1511	1434	1831	1554
Ahmedabad	Feed	1650	Closed	1400	2080	1650
	Starch	1650	Closed	1400	1850	1700

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	20-Nov-20	13-Nov-20	Change
Corn CBOT Prices	Dec-20	166.63	161.61	5.02
	Mar-21	168.59	165.15	3.44
	May-21	169.58	166.92	2.66
	July-21	169.58	167.81	1.77
	Sep-21	161.71	159.74	1.97

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