



# **Maize Weekly Research Report**

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## EXECUTIVE SUMMARY

### DOMESTIC MAIZE MARKET SUMMARY

Maize cash markets traded steady to range bound during the week compared to last week. Agriwatch expects that maize would trade steady to slightly firm in near term, due to Government procurement and improvement in demand from the feed industry and export markets.

Trade sources revealed that in Telangana, Government has procured around 60,000 MT of maize till 16<sup>th</sup> December, 2020. In Andhra Pradesh, Government has procured around 1,42,390.4 MT of maize till 13<sup>th</sup> December, 2020.

### MAIZE TRADE SCENARIO

In Naugachia region of Bihar, Maize is being traded at Rs.1,550 per quintal (Bilty Price) and is being delivered to Uttar Pradesh and Kolkata at Rs. 1,600-1,625 per quintal each. In Gulabbagh, it is being traded at Rs. 1,600 per quintal (Bilty Price). Hyderabad poultry feed makers are buying Maize at Rs.1,550-1,600 per quintal; sourced from Nizamabad region. In Karnataka, maize arrivals still contains moisture upto 16% and damage upto 5% and is moving towards Bengaluru and Nammakal but in very limited quantity, at Rs.1,520-1,530 and Rs.1,550-1,560 per quintal, respectively; all sourced from Davangere region of Karnataka. Tamil Nadu feed makers demand has been lower due to start of local crop arrivals which is weighing on Karnataka maize prices.

### STATE WISE RABI SOWING COVERAGE

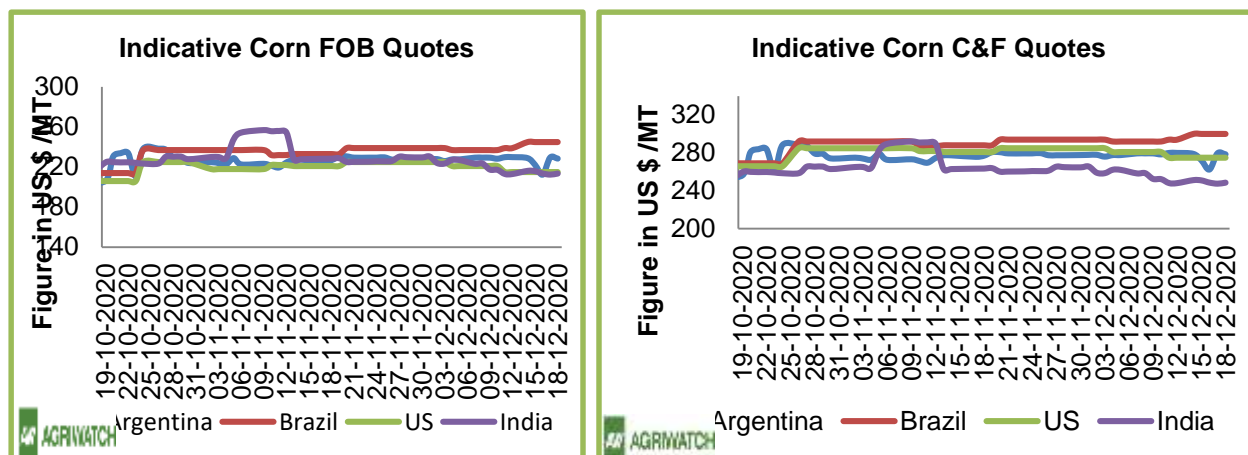
In India, Maize has been sown in 10.44 lakh hectares as of 18<sup>th</sup> December 2020, lower than corresponding period last year area of 11.09 lakh hectares. In Tamil Nadu, it has been sown in 1.46 lakh hectares; lower than the 1.58 lakh hectares in the corresponding period, last year. In Karnataka, it has been sown in 0.55 lakh hectares; lower than the 0.70 lakh hectares in the corresponding period, last year. However, in Bihar, it has been sown in 3.61 lakh hectares; higher than the 3.53 lakh hectares in the corresponding period, last year and in Maharashtra, it has been sown in 1.67 lakh hectares; higher than 1.08 lakh hectares last year.

### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 5.52 USD/MT to 172.24 USD/MT for March'21 contract compared to previous week on the concern over South American crop. Agriwatch expects that increase in export demand for U.S. Maize in near term and decrease in global maize ending stock, would continue to support CBOT Maize.

At 0.97 MMT (for the period December 04 -December 10, 2020) U.S. Maize exports were up 35 percent from the previous week and 10 percent from the prior 4-week average; mainly for the destinations like China (352,800 MT), Mexico (297,300 MT), Colombia (64,100 MT), Japan (59,200 MT), and Guatemala (56,300 MT).

### EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 73.53)				
As on 18.12.2020	Argentina	Brazil	US	India
FOB	228.35	245.00	215.00	213.52
C&F	278.35	300.00	275.00	248.52

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 2,67,069 MT of Maize in the month of November 2020 at an average FoB of US\$ 212.75 per MT.

### VESSEL POSITION

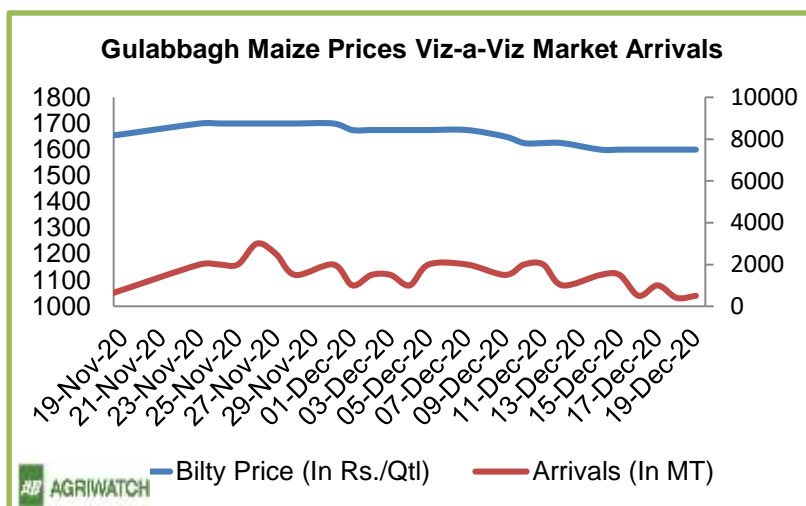
Sources revealed that another 27,500 MT of maize Vessel, EAST AYUTTHAYA, expected to arrive at VIZAG/ Visakhapatnam port on 22<sup>nd</sup> December, 2020. Earlier, around 27,500 MT of maize has been loaded onto Vessel, ATROMITOS L, at VIZAG/ Visakhapatnam port during the month of December'20.

### CURRENT MARKET DYNAMICS:

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

#### BIHAR:

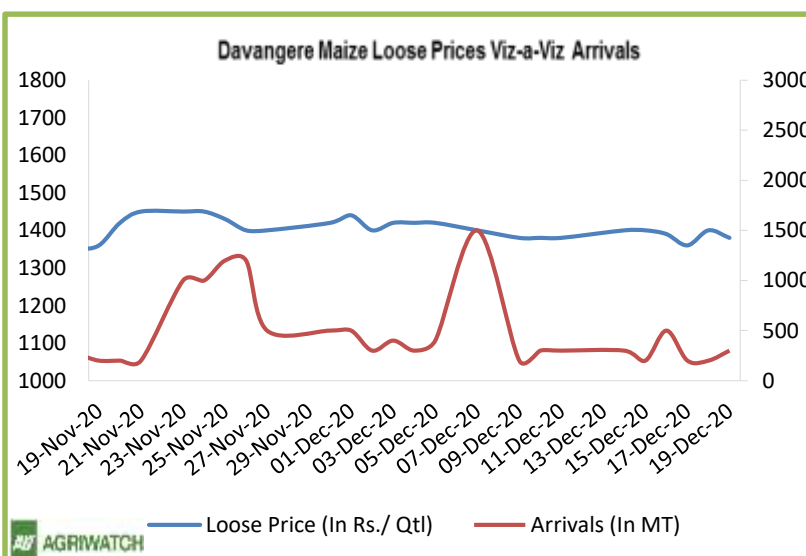
- In Naugachia region of Bihar, Maize is being traded at Rs.1,550 per quintal (Bilty Price). It is being delivered to Uttar Pradesh and Kolkata at Rs.1,600-1,625 per quintal each; sourced from Naugachia region of Bihar. In Gulabbagh, it is being traded at Rs. 1,600 per quintal (Bilty Price). Maize in Gulabbagh would trade



steady to range bound and stay in the range of Rs. 1,600-1,650 per quintal for the week.

#### KARNATAKA:

- In Davangere, maize is likely to trade steady to range bound in near term amid sluggish demand and low quality arrivals. Maize arrivals still contains moisture upto 16% and damage upto 5%.
- It is moving towards Bengaluru and Nammakal but in very limited quantities, at Rs.1,520-1,530 and Rs.1,550-1,560 per quintal, respectively;



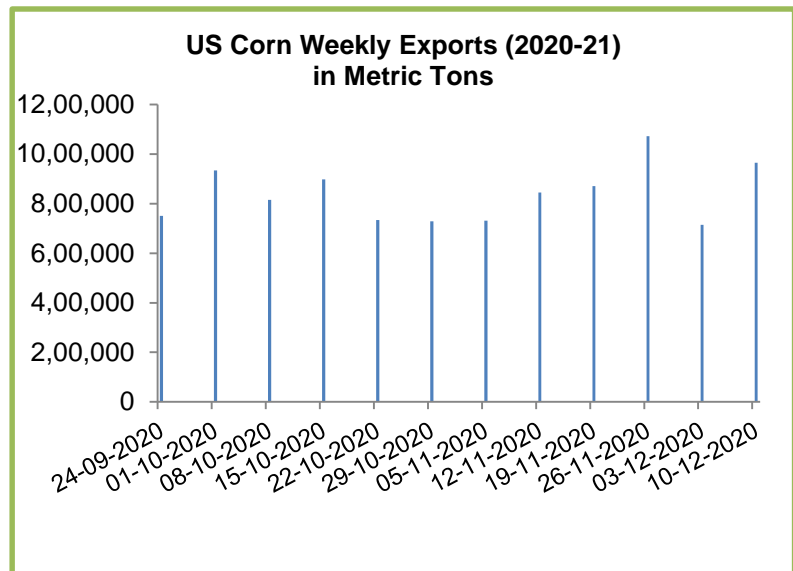
all sourced from Davangere region of Karnataka. Tamil Nadu feed makers demand has been lower due to start of local crop arrivals which is weighing on Karnataka maize prices.

### DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady to slightly firm ahead due to Government procurement and domestic and export feed makers demand.

### INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 12.05 MMT in the 2020-21 marketing year. At 0.97 MMT (for the period December 04 -December 10, 2020) U.S. Maize exports were up 35 percent from the previous week and 10 percent from the prior 4-week average; mainly for the destinations like China (352,800 MT), Mexico (297,300 MT), Colombia (64,100 MT), Japan (59,200 MT), and Guatemala (56,300 MT). Agriwatch expects that increase in export demand for U.S. Maize in near term and decrease in global maize ending stock, would continue to support CBOT Maize.



### PREVIOUS UPDATES:

USDA decreased its world Maize ending stock estimates by 2.47 MMT to 288.96 MMT for 2020-21 along with a decrease in production estimates which would support to global Maize market.

USDA also decreased its Maize ending stock estimates for Brazil and Ukraine, at 7.49 MMT and 0.89 MMT for 2020-21, respectively compared to previous month estimates. While for U.S. and Argentina, it kept unchanged at 43.23 MMT and 2.88 MMT, respectively compared to last month estimates.

### INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 5.52 USD/MT to 172.24 USD/MT for March'21 contract compared to previous week on the concern over South American crop. Agriwatch expects that increase in export demand for U.S. Maize in near term and decrease in global maize ending stock, would continue to support CBOT Maize.



### ANNEXURE

#### MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	18-Dec-20	11-Dec-20	18-Nov-20	18-Dec-19	18-Dec-18
Naugachia	Bilty	1550	1550	1550	2300	1825
Delhi	Hybrid Maize (U.P.)	1550	1550	1650	2250	1850
Davangere	Loose	1400	1380	1350	1950	1725
Shimoga	Bilty	1360	1350	1350	1860	1650
Ranebennur	Bilty	NA	NA	NA	1900	1710
Bagalkot	Hybrid/Local	1445	1441	1450	2045	1720
Gadag	Local	NA	1411	1370	1900	1706
Nizamabad	Bilty	NA	1500	1500	2050	1570
Khanna	Bilty	1500	1500	1350	2020	1650
Sangli	Feed	1536	1545	1515	2081	1824
Ahmedabad	Feed	1550	1550	Closed	NA	1800
	Starch	1560	1580	Closed	NA	1900

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	18-Dec-20	11-Dec-20	Change
Corn CBOT Prices	Mar-21	172.24	166.72	5.52
	May-21	172.93	167.91	5.02
	July-21	173.12	168.59	4.53
	Sep-21	166.53	162.98	3.55
	Dec-21	164.76	NA	-

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