

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Maize cash markets traded mixed 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 70,000 MT of maize 22nd December, 2020. In Andhra Pradesh, Government has procured around 1,42,390.4 MT of maize till 13th 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. 1,600-1,615 per quintal each. In Gulabghat, 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. Tamil Nadu feed makers demand has been lower due to start of local crop arrivals. However, some fresh export enquiry is being reported from Haveri and Koppal districts of Karnataka.

STATE WISE RABI SOWING COVERAGE

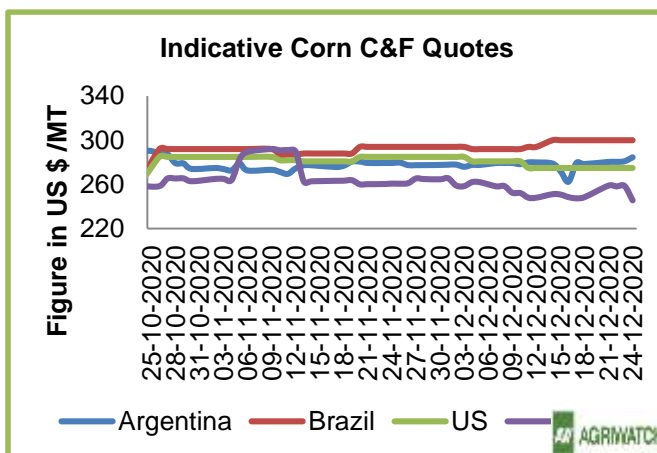
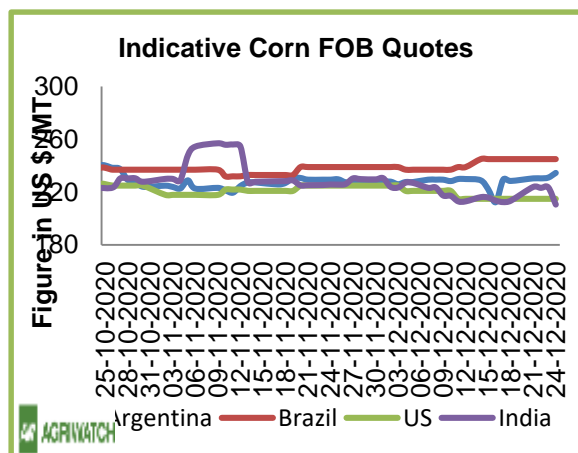
In India, Rabi Maize has been sown in 11.59 lakh hectares as of 24th December 2020, lower than corresponding period last year area of 12.52 lakh hectares. In Bihar, it has been sown in 4.07 lakh hectares; lower than the 4.15 lakh hectares in the corresponding period, last year. In Tamil Nadu, it has 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 0.60 lakh hectares; lower than the 0.76 lakh hectares in the corresponding period, last year. However, in Maharashtra, it has been sown in 1.87 lakh hectares; higher than 1.33 lakh hectares last year.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 5.31 USD/MT to 177.55 USD/MT for March'21 contract compared to previous week. 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 0.84 MMT (for the period December 11 -December 17, 2020) U.S. Maize exports were down 13 percent from the previous week and 8 percent from the prior 4-week average; mainly for the destinations like China (271,900 MT), Japan (260,800 MT), Mexico (178,500 MT), Panama (30,700 MT), and Taiwan (26,500 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 73.60)				
As on 24.12.2020	Argentina	Brazil	US	India
FOB	234.45	245.00	215.00	210.60
C&F	284.45	300.00	275.00	245.60

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

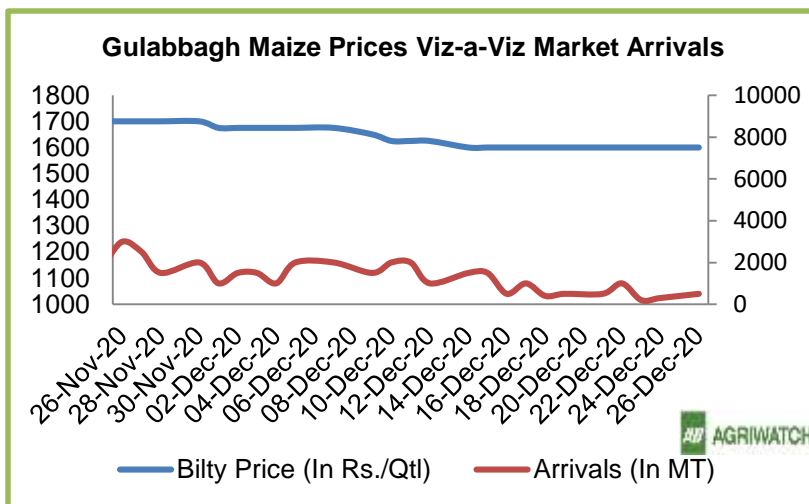
Sources revealed that 27,500 MT of maize Vessel, EAST AYUTTHAYA, was expected to arrive at VIZAG/ Visakhapatnam port on 28th December, 2020. While, 17,500 MT of maize Vessel, J K GALAXY, is at berth for loading and expected to complete on 28th December'20. Earlier, around 27,500 MT of maize has been loaded onto Vessel, ATROMITOS L, at VIZAG/ Visakhapatnam port during the month of December'20.

CURRENT MARKET DYNAMICS:

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

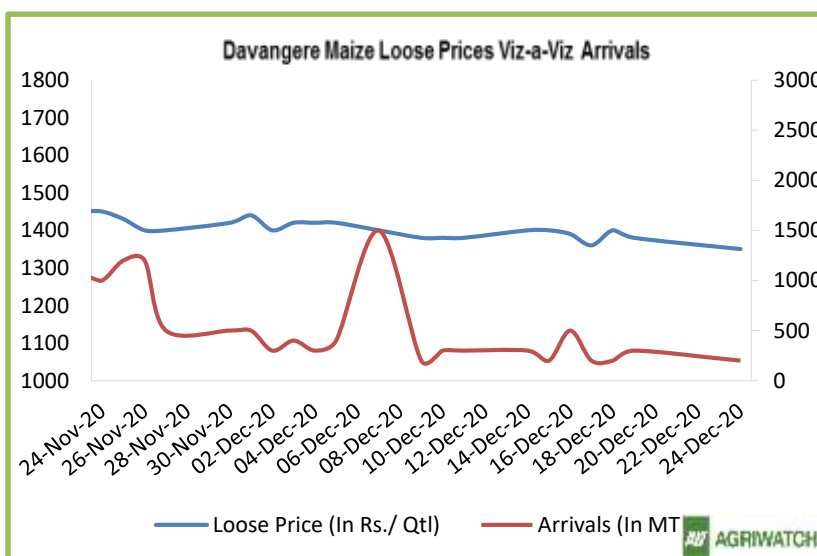
BIHAR:

- 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.1,600-1,615 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 as Tamil Nadu feed makers demand has been lower due to start of local crop arrivals which is weighing on Karnataka maize prices.

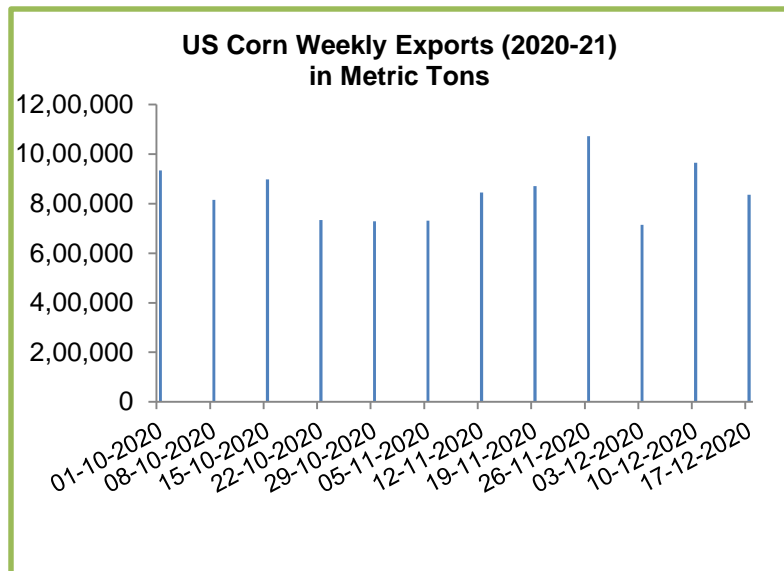


DOMESTIC MAIZE OUTLOOK:

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 12.89 MMT in the 2020-21 marketing year. At 0.84 MMT (for the period December 11 -December 17, 2020) U.S. Maize exports were down 13 percent from the previous week and 8 percent from the prior 4-week average; mainly for the destinations like China (271,900 MT), Japan (260,800 MT), Mexico (178,500 MT), Panama (30,700 MT), and Taiwan (26,500 MT). However, 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 5.31 USD/MT to 177.55 USD/MT for March'21 contract compared to previous week. 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	24-Dec-20	17-Dec-20	24-Nov-20	24-Dec-19	24-Dec-18
Naugachia	Bilty	1550	1550	1650	NA	1850
Delhi	Hybrid Maize (U.P.)	1520	1550	1600	2225	1850
Davangere	Loose	1350	1360	1450	1950	1700
Shimoga	Bilty	NA	1360	1350	1950	NA
Ranebennur	Bilty	NA	NA	1400	2100	1750
Bagalkot	Hybrid/Local	1370	1445	1490	2080	1706
Gadag	Local	1350	1270	1420	1945	1700
Nizamabad	Bilty	NA	NA	1500	2050	1575
Khanna	Bilty	Closed	1500	1350	2150	1780
Sangli	Feed	1537	1523	1573	2118	1853
Ahmedabad	Feed	1500	1550	1625	NA	1870
	Starch	1550	1550	1625	NA	1900

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24-Dec-20	18-Dec-20	Change
Corn CBOT Prices	Mar-21	177.55	172.24	5.31
	May-21	177.85	172.93	4.92
	July-21	177.26	173.12	4.14
	Sep-21	169.28	166.53	2.75
	Dec-21	167.12	164.76	2.36

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