

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 weak as cases of Bird flu have been reported from Kerala, Himachal Pradesh, Haryana, Rajasthan and Madhya Pradesh. This has already affected the demand for poultry products and subsequently, that of maize. Further spread of the avian disease may lead to prices falling more sharply.

Trade sources revealed that in Telangana, Government has procured around 80,000 MT of Maize till last week. In Andhra Pradesh, Government has procured around 1,79,831.1 MT of Maize till December 27, 2020.

MAIZE TRADE SCENARIO

In Gulabghat region of Bihar, Maize is being traded at Rs.1,550 per quintal (Bilty Price). Trade activities in Bihar have been lower due to low supply in to the market. Hyderabad poultry feed makers are buying Maize at Rs.1,500-1,550 per quintal; sourced from Nizamabad region. 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

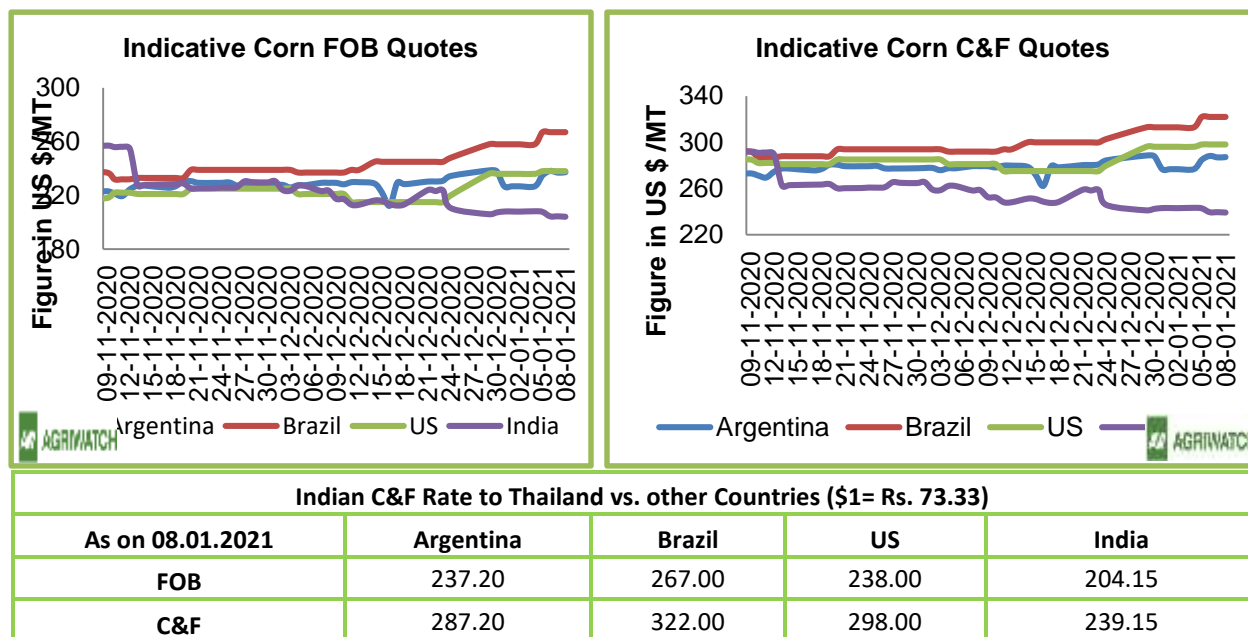
In India, Maize has been sown in 14.75 lakh hectares as of January 08, 2021, which is lower than the 15.21 lakh hectares of area during the corresponding period last year. In Karnataka, it has been sown in 0.73 lakh hectares; lower than the 0.87 lakh hectares in the corresponding period, last year. In Andhra Pradesh, it has been sown in 0.79 lakh hectares; lower than the 1.38 lakh hectares in the corresponding period, last year and in Telangana, it has been sown in 0.50 lakh hectares; lower than the 1.07 lakh hectares in the corresponding period, last year. In Tamil Nadu, it has been sown in 1.57 lakh hectares; lower than the 1.60 lakh hectares in the corresponding period, last year. However, in Bihar, it has been sown in 4.65 lakh hectares; almost equal than the 4.64 lakh hectares in the corresponding period, last year and in Maharashtra, it has been sown in 2.86 lakh hectares; higher than 1.79 lakh hectares in the corresponding period, last year.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 4.83 USD/MT to 195.37 USD/MT for March'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize and decrease in Global Maize Ending Stock, would continue to support CBOT Maize.

At 1.03 MMT (for the period December 25 - 31, 2020) U.S. Maize exports were down 23 percent from the previous week but up 7 percent from the prior 4-week average; mainly for the destinations like China (421,400 MT), Mexico (307,500 MT), Japan (112,600 MT), Colombia (102,300 MT), and Guatemala (28,200 MT).

EXPORT PARITY TREND



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 waiting for berth at VIZAG/ Visakhapatnam port on January 03, 2021. While, 25,000 MT of Maize Vessel, DMC NEPTUNE, was expected to complete at Krishnapatnam port, on January 09, 2021. Besides, 36,000 MT of Maize Vessel, GANT MUSE, was expected to arrive at Krishnapatnam port, on January 07, 2021. And, 24,600 MT of Maize Vessel, PIONEER FORTUNE, was expected to complete at Krishnapatnam port, on January 11, 2021.

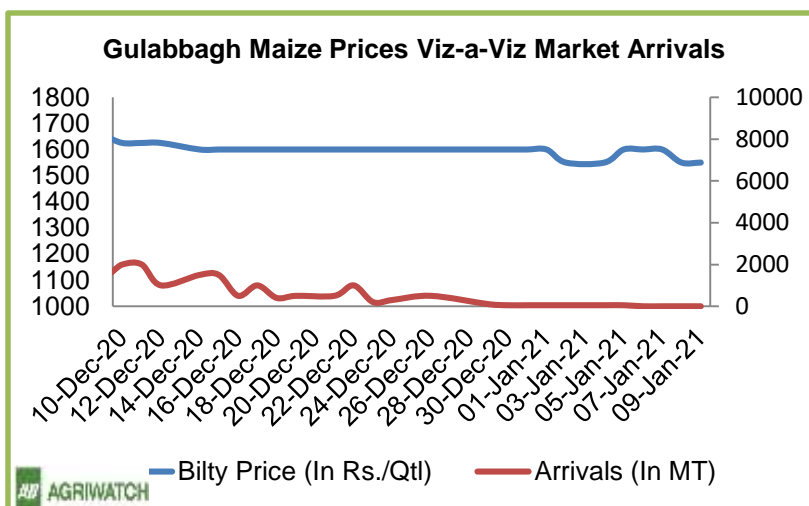
Earlier, 17,500 MT of Maize Vessel, J K GALAXY, and around 27,500 MT of Maize Vessel, ATROMITOS L, at VIZAG/ Visakhapatnam port has been loaded during the month of December 2020.

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:

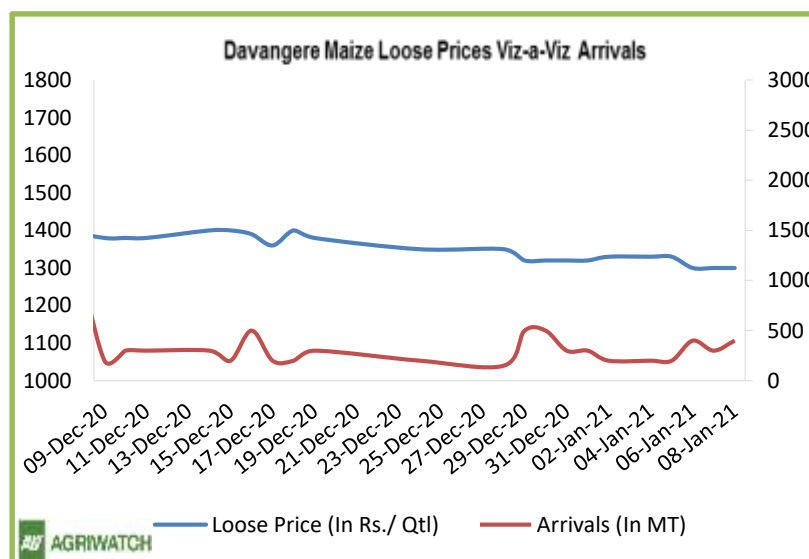
BIHAR:

- In Gulabgh region of Bihar, Maize is being traded at Rs.1,550 per quintal (Bilty Price). Trade activities in Bihar has been lower due to low supply in to the market. Maize in Gulabgh would trade steady to slightly weak and stay in the range of Rs. 1,500-1,550 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.

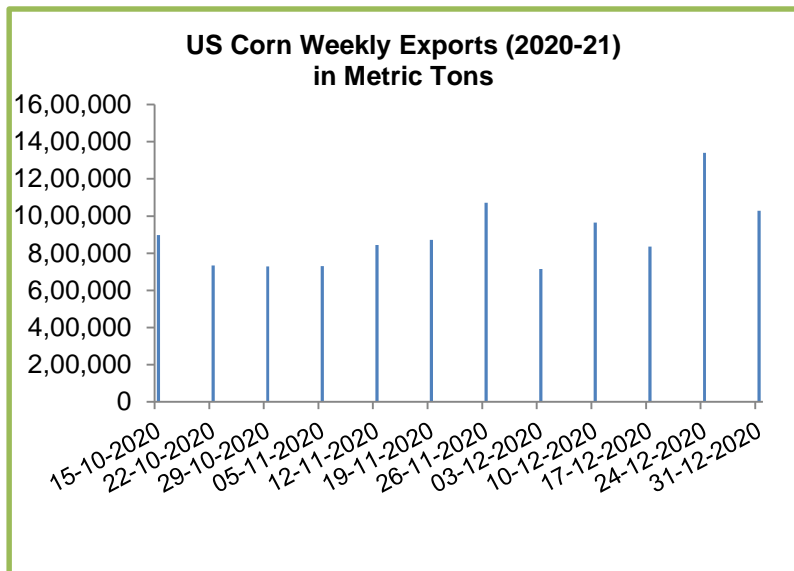


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady to slightly weak as domestic demand from poultry industry takes a hit because of several widespread cases of bird flu but export demand remains strong.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 15.26 MMT in the 2020-21 marketing year. At 1.03 MMT (for the period December 25 - 31, 2020) U.S. Maize exports were down 23 percent from the previous week but up 7 percent from the prior 4-week average; mainly for the destinations like China (421,400 MT), Mexico (307,500 MT), Japan (112,600 MT), Colombia (102,300 MT), and Guatemala (28,200 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 4.83 USD/MT to 195.37 USD/MT for March'21 contract compared to previous week on the concern over dry weather in South America. Agriwatch expects that increase in export demand for U.S. Maize and decrease in Global Maize Ending Stock, would continue to support CBOT Maize.



11th January, 2021

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	08-Jan-21	01-Jan-21	08-Dec-20	08-Jan-20	08-Jan-19
Naugachia	Bilty	1450	1550	Closed	NA	1825
Delhi	Hybrid Maize (U.P.)	1500	1475	1550	2200	1750
Davangere	Loose	1300	1320	Closed	1950	1700
Shimoga	Bilty	NA	NA	1350	1900	1680
Ranebennur	Bilty	NA	1370	NA	1950	1850
Bagalkot	Hybrid/Local	1375	1400	1450	1960	1760
Gadag	Local	NA	NA	1369	1890	1679
Nizamabad	Bilty	1450	1450	Closed	2025	1800
Khanna	Bilty	1380	1500	Closed	2140	1840
Sangli	Feed	1514	1541	1556	2079	1918
Ahmedabad	Feed	1500	1470	1500	2100	1920
	Starch	1525	1525	1550	2100	1950

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	08-Jan-21	31-Dec-20	Change
Corn CBOT Prices	Mar-21	195.37	190.54	4.83
	May-21	195.86	190.25	5.61
	July-21	194.77	189.07	5.70
	Sep-21	179.72	175.78	3.94
	Dec-21	173.42	171.15	2.27

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