

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 despite continuous export demand, Maize would trade range bound as domestic trade of maize is being impacted due to several widespread cases of bird flu in India.

Trade sources revealed that in Andhra Pradesh, Government has procured around 1,97,481 MT of Maize till January 10, 2021.

MAIZE TRADE SCENARIO

In Gulabghat region of Bihar, Maize is being traded at Rs.1,525 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

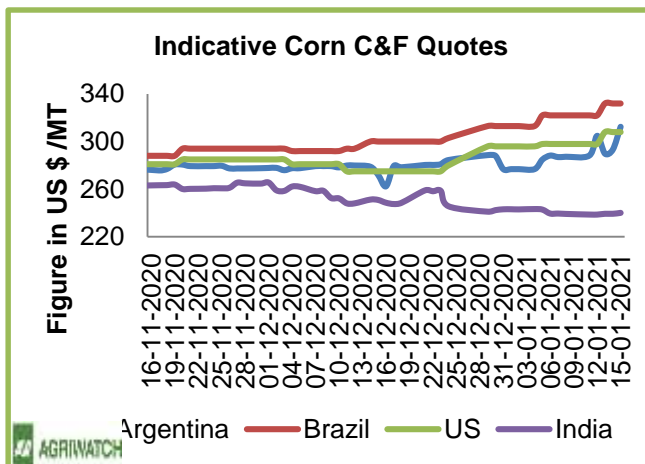
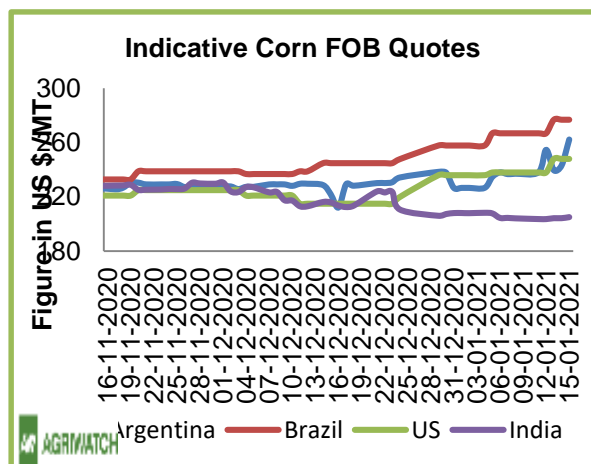
In India, Maize has been sown in 15.13 lakh hectares as of January 15, 2021, which is lower than the 15.91 lakh hectares of area during the corresponding period last year. In Bihar, it has been sown in 4.78 lakh hectares; lower than the 4.82 lakh hectares in the corresponding period, last year. In Karnataka, it has been sown in 0.76 lakh hectares; lower than the 0.87 lakh hectares in the corresponding period, last year. In Andhra Pradesh, it has been sown in 0.92 lakh hectares; lower than the 1.51 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 1.58 lakh hectares; lower than the 1.64 lakh hectares in the corresponding period, last year. However, in Maharashtra, it has been sown in 2.86 lakh hectares; higher than 1.98 lakh hectares in the corresponding period, last year.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 13.88 USD/MT to 209.24 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.

At 1.46 MMT (for the period January 01 - 07, 2021) U.S. Maize exports were up 43 percent from the previous week and 41 percent from the prior 4-week average; mainly for the destinations like China (555,500 MT), Mexico (300,300 MT), Japan (168,400 MT), Colombia (89,700 MT), and Peru (75,400 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 73.03)				
As on 15.01.2021	Argentina	Brazil	US	India
FOB	262.40	277.00	248.00	205.03
C&F	312.40	332.00	308.00	240.03

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

EXPORTS

As per trade sources, India exported around 3,59,265 MT of Maize in the month of December 2020 at an average FoB of US\$ 221.05 per MT.

VESSEL POSITION

Sources revealed that 27,500 MT of Maize Vessel, EAST AYUTTHAYA, was expected to complete loading at VIZAG/ Visakhapatnam port on January 16, 2021. Besides, 36,000 MT of Maize Vessel, GANT MUSE, was expected to complete at Krishnapatnam port, on January 17, 2021. And, 24,600 MT of Maize Vessel, PIONEER FORTUNE, was expected to complete at Krishnapatnam port, on January 16, 2021.

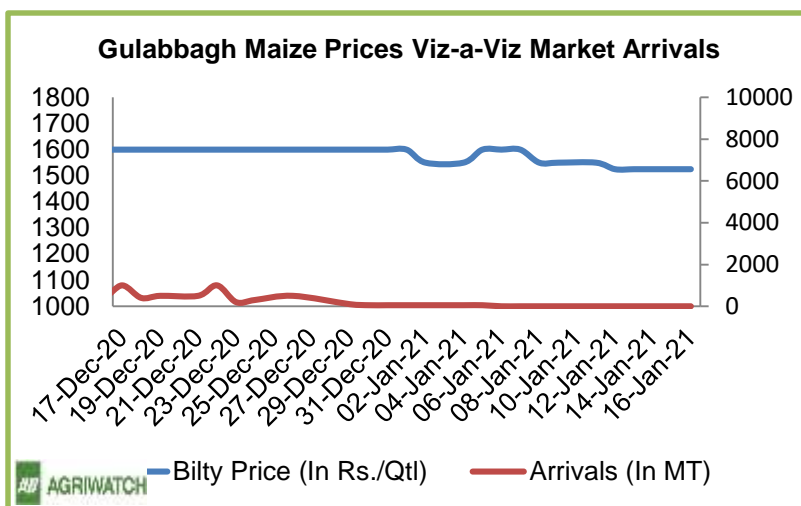
Earlier, 17,500 MT of Maize Vessel, J K GALAXY, and around 27,500 MT of Maize Vessel, ATROMITOS L, at VIZAG/ Visakhapatnam port has been loaded during the month of December 2020. While, 25,000 MT of Maize Vessel, DMC NEPTUNE, has completed at Krishnapatnam port, on January 12, 2021.

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:

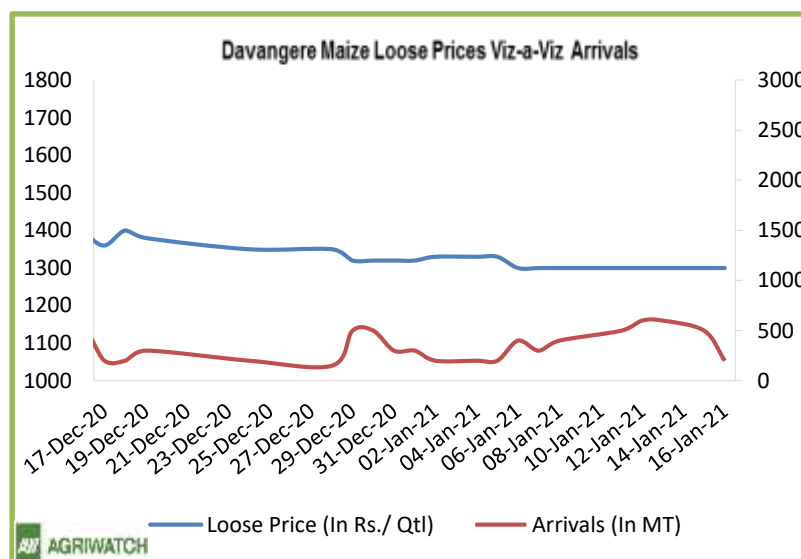
BIHAR:

- In Gulabgh region of Bihar, Maize is being traded at Rs.1,525 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.

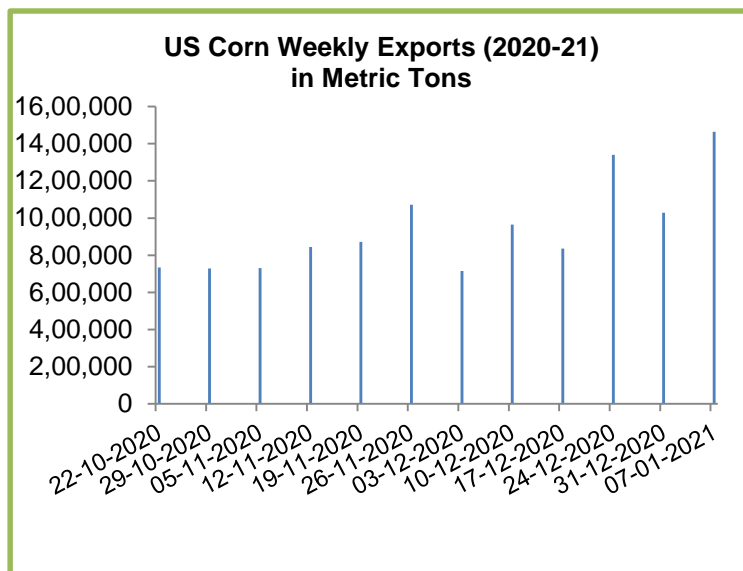


DOMESTIC MAIZE OUTLOOK:

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 16.72 MMT in the 2020-21 marketing year. At 1.46 MMT (for the period January 01 - 07, 2021) U.S. Maize exports were up 43 percent from the previous week and 41 percent from the prior 4-week average; mainly for the destinations like China (555,500 MT), Mexico (300,300 MT), Japan (168,400 MT), Colombia (89,700 MT), and Peru (75,400 MT). Agriwatch expects that increase in export demand for U.S. Maize and decrease in global maize ending stock, would continue to support CBOT Maize.



Argentina has fixed export limit of 30,000 MT per day to safeguard domestic supply which is another reason to increase.

USDA decreased its world Maize ending stock estimates by 5.13 MMT to 283.83 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 U.S and Brazil, at 39.42 MMT and 6.49 MMT for 2020-21, respectively compared to previous month estimates. While for Argentina and Ukraine, it kept unchanged at 2.88 MMT and 0.89 MMT, respectively compared to last month estimates.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 13.88 USD/MT to 209.24 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.



18th January, 2021

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	16-Jan-21	09-Jan-21	16-Dec-20	16-Jan-20	16-Jan-19
Naugachia	Bilty	1440	1450	1550	NA	1875
Delhi	Hybrid Maize (U.P.)	1450	1500	1560	2200	2000
Davangere	Loose	1300	Closed	1390	1920	1850
Shimoga	Bilty	NA	NA	NA	1900	1800
Ranebennur	Bilty	NA	1300	NA	1900	1850
Bagalkot	Hybrid/Local	1405	1375	1445	1915	1811
Gadag	Local	1365	1359	1370	1850	1796
Nizamabad	Bilty	1480	Closed	1500	NA	NA
Khanna	Bilty	1350	1380	1500	2050	1910
Sangli	Feed	1528	1514	1519	2026	1935
Ahmedabad	Feed	1380	1480	1550	2000	2000
	Starch	1380	1500	1550	2040	1980

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	15-Jan-21	08-Jan-21	Change
Corn CBOT Prices	Mar-21	209.24	195.37	13.88
	May-21	210.52	195.86	14.66
	July-21	209.44	194.77	14.66
	Sep-21	191.13	179.72	11.42
	Dec-21	181.09	173.42	7.68

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