

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 Andhra Pradesh government has procured around 1,99,736 MT of Maize till January 22, 2021. While, Uttar Pradesh government has procured around 1,06,412 MT of Maize till January 16, 2021.

MAIZE TRADE SCENARIO

Sources revealed that maize is being loaded for Krishnapatnam port at Rs. 1,580 per quintal; sourced from Koppal district of Karnataka. While, it is being loaded for Vizag port at Rs. 1,580-1,600 per quintal, sourced from Kodagu district of Karnataka. It is also being loaded for Erode at Rs. 1,500-1,520 per quintal; sourced from Davangere region of Karnataka. Hyderabad poultry feed makers are also buying Maize at Rs.1,550-1,600 per quintal; sourced from Nizamabad region.

STATE WISE RABI SOWING COVERAGE

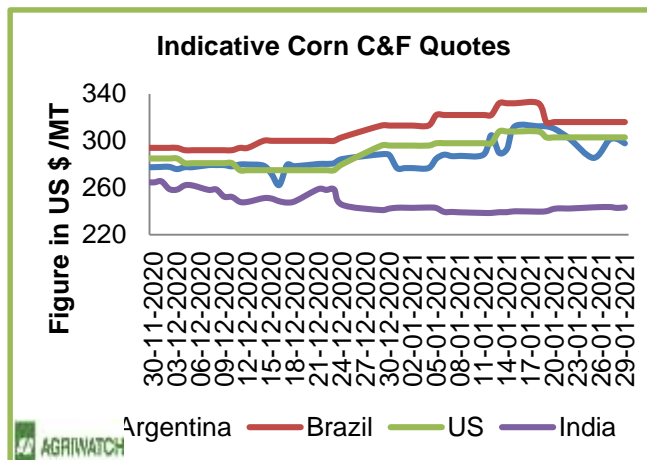
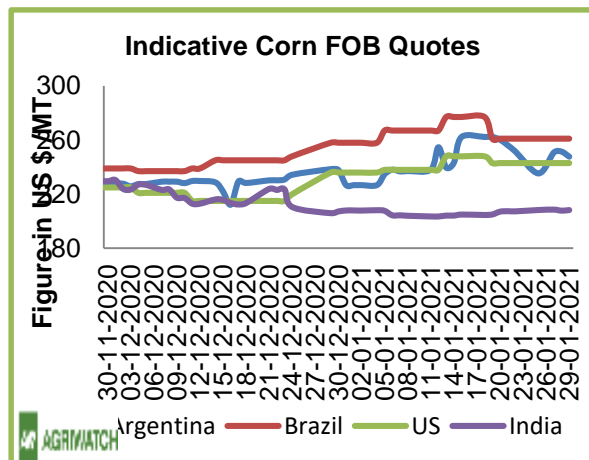
In India, Maize has been sown in 16.94 lakh hectares as of January 29, 2021, which is lower than the 17.49 lakh hectares of area during the corresponding period last year. In Andhra Pradesh, it has been sown in 1.28 lakh hectares; lower than the 1.67 lakh hectares in the corresponding period, last year. In Karnataka, it has been sown in 0.76 lakh hectares; lower than the 0.87 lakh hectares in the corresponding period, last year and in Telangana, it has been sown in 1.08 lakh hectares; lower than the 1.39 lakh hectares in the corresponding period, last year. In Tamil Nadu, it has been sown in 1.58 lakh hectares; lower than the 1.65 lakh hectares in the corresponding period, last year. However, in Bihar, it has been sown in 5.27 lakh hectares; higher than the 5.05 lakh hectares in the corresponding period, last year and in Maharashtra, it has been sown in 2.73 lakh hectares; higher than 2.28 lakh hectares in the corresponding period, last year.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 18.30 USD/MT to 215.34 USD/MT for March'21 contract compared to previous week due to increase in demand for U.S corn by China. Agriwatch expects that continuous increase in export demand for U.S. Maize and decrease in Global Maize Ending Stock, would support CBOT Maize.

At 1.41 MMT (for the period January 15 - 21, 2021) U.S. Maize exports were up 60 percent from the previous week and 20 percent from the prior 4-week average; mainly for the destinations like Japan (518,000 MT), Mexico (233,700 MT), China (141,900 MT), Colombia (90,600 MT), and South Korea (71,500 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 72.96)				
As on 29.01.2021	Argentina	Brazil	US	India
FOB	247.83	NA	NA	208.33
C&F	297.83	NA	NA	243.33

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

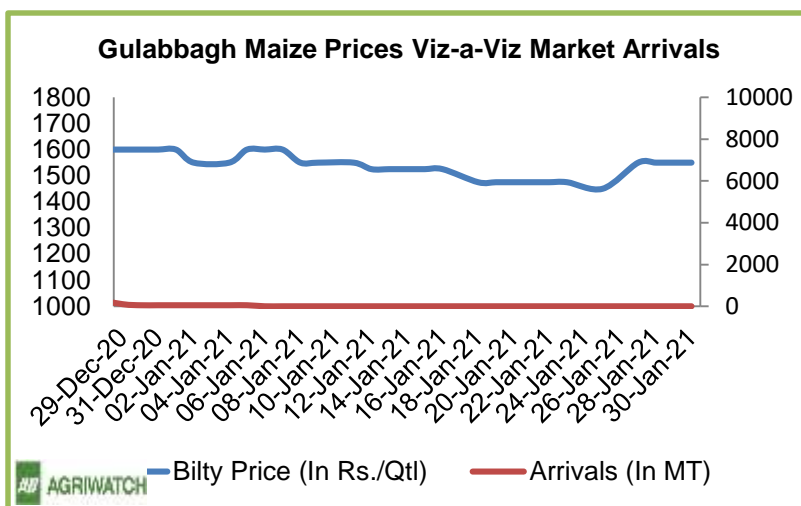
Sources revealed that 22,000 MT of Maize Vessel, DMC NEPTUNE, was expected to complete loading at VIZAG/ Visakhapatnam port on February 03, 2021. Besides, 1,000 MT of Maize Vessel, LILA II was expected to arrive at Kandla port on January 16, 2021. Earlier, 27,500 MT of Maize Vessel, EAST AYUTTHAYA, has been loaded at Visakhapatnam port on January 16, 2021. Besides, 36,000 MT of Maize Vessel, GANT MUSE, has been loaded at Krishnapatnam port, on January 17, 2021. And, 24,600 MT of Maize Vessel, PIONEER FORTUNE, has been loaded at Krishnapatnam port, on January 16, 2021. While, 25,000 MT of Maize Vessel, DMC NEPTUNE, has been loaded at Krishnapatnam port, on January 12, 2021.

CURRENT MARKET DYNAMICS:

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

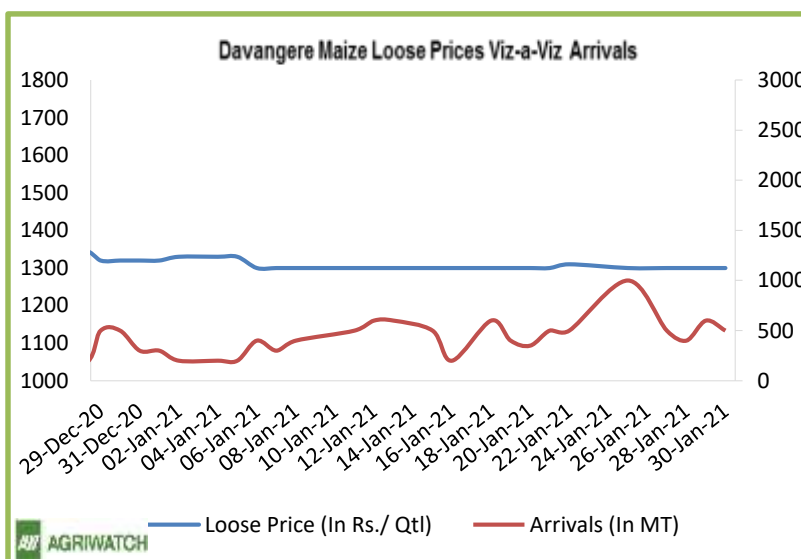
BIHAR:

- In Gulabghat region of Bihar, Maize is being traded at Rs.1,500-1,550 per quintal (Bilty Price). Maize in Gulabghat would trade steady to range bound 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 slightly firm in near term due to fresh feed makers demand. However, low quality arrivals could still trade lower.

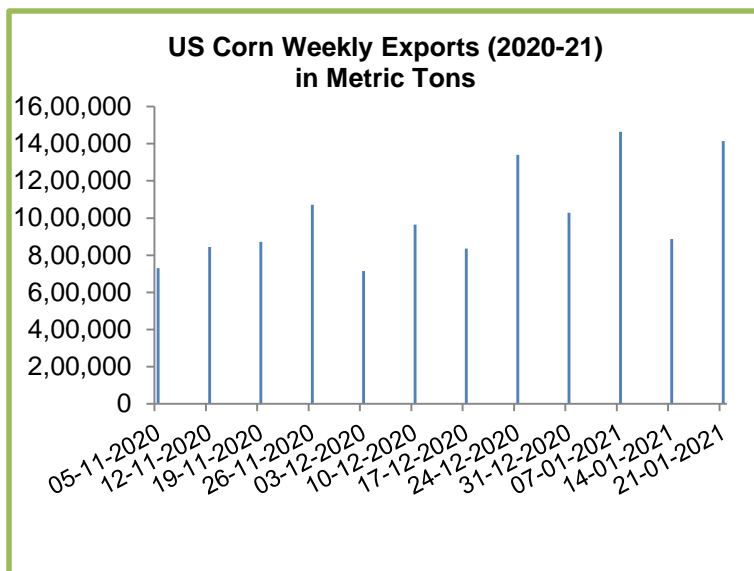


DOMESTIC MAIZE OUTLOOK:

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.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 19.02 MMT in the 2020-21 marketing year. At 1.41 MMT (for the period January 15 - 21, 2021) U.S. Maize exports were up 60 percent from the previous week and 20 percent from the prior 4-week average; mainly for the destinations like Japan (518,000 MT), Mexico (233,700 MT), China (141,900 MT), Colombia (90,600 MT), and South Korea (71,500 MT). Agriwatch expects that increase in export demand for U.S. Maize and decrease in global maize ending stock, would support CBOT Maize.



PREVIOUS UPDATES

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 18.30 USD/MT to 215.34 USD/MT for March'21 contract compared to previous week due to increase in demand for U.S corn by China. Agriwatch expects that continuous increase in export demand for U.S. Maize and decrease in Global Maize Ending Stock, would support CBOT Maize.



ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	29-Jan-21	22-Jan-21	29-Dec-20	29-Jan-20	29-Jan-19
Naugachia	Bilty	1400	1400	1550	NA	2125
Delhi	Hybrid Maize (U.P.)	1470	1450	1475	2000	2100
Davangere	Loose	1300	1310	1320	1900	1950
Shimoga	Bilty	1330	1320	1350	1890	1950
Ranebennur	Bilty	NA	NA	NA	1830	1970
Bagalkot	Hybrid/Local	1445	1470	1400	1805	1909
Gadag	Local	1410	1380	NA	1785	1856
Nizamabad	Bilty	1550	1500	NA	2050	1975
Khanna	Bilty	1370	1410	1410	1925	1960
Sangli	Feed	1525	1530	1538	1942	2023
Ahmedabad	Feed	1450	1500	1450	1900	2050
	Starch	1530	1525	1510	1900	2000

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	29-Jan-21	22-Jan-21	Change
Corn CBOT Prices	Mar-21	215.34	197.04	18.30
	May-21	215.54	198.02	17.52
	July-21	211.21	196.35	14.86
	Sep-21	185.13	177.75	7.38
	Dec-21	175.29	169.38	5.91

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