

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Overall Maize cash markets traded steady to slightly firm during the week compared to last week. Agriwatch expects that Maize would trade steady to slightly firm in near term due to continuous demand from global and domestic feed markets. However, higher stock availability would limit the gain.

MAIZE TRADE SCENARIO

Sources revealed that maize is being loaded for Vizag port at Rs. 1,600 per quintal; sourced from Madhya Pradesh. Tamil Nadu feed makers are buying Maize at Rs. 1,720 – 1,730 per quintal; sourced from Davangere region of Karnataka. Hyderabad poultry feed makers are buying Maize at Rs.1,550-1,600 per quintal; sourced from Nizamabad region Of Telangana. While, Kolkata feed makers are buying maize at Rs. 1,600 per quintal, sourced from Gulabghat region of Bihar.

STATE WISE RABI SOWING COVERAGE

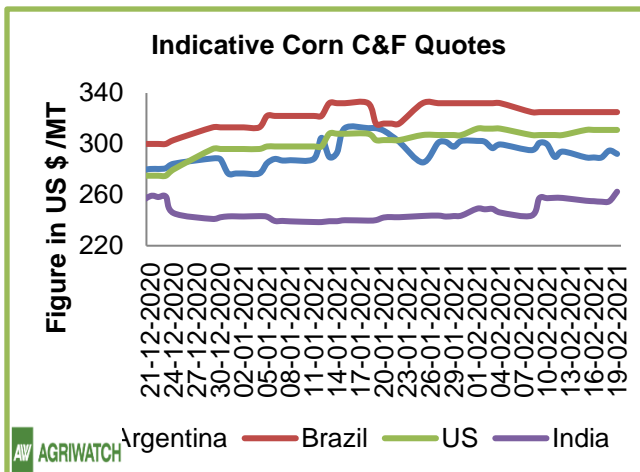
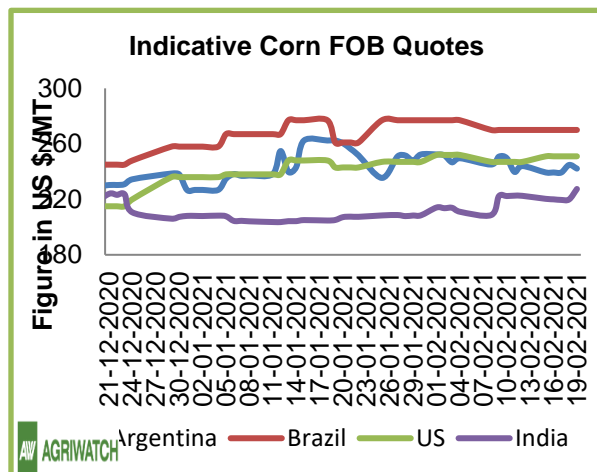
In India, Maize has been sown in 16.94 lakh hectares as of January 29, 2021, which is lower than the 17.49 lakh hectares of area during the corresponding period last year. In Andhra Pradesh, it has been sown in 1.28 lakh hectares; lower than the 1.67 lakh hectares in the corresponding period, last year. 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 1.57 USD/MT to 213.67 USD/MT for March'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize in near term would support CBOT Maize.

At 1.39 MMT (for the period February 05- February 11, 2021) U.S. Maize exports were down 11 percent from the previous week but up 14 percent from the prior 4-week average; mainly for the destinations like Mexico (247,100 MT), Japan (236,200 MT), South Korea (182,800 MT), Colombia (114,800 MT), and Peru (83,500 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 72.54)				
As on 19.02.2021	Argentina	Brazil	US	India
FOB	242.13	270.00	251.00	227.46
C&F	292.13	325.00	311.00	262.46

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

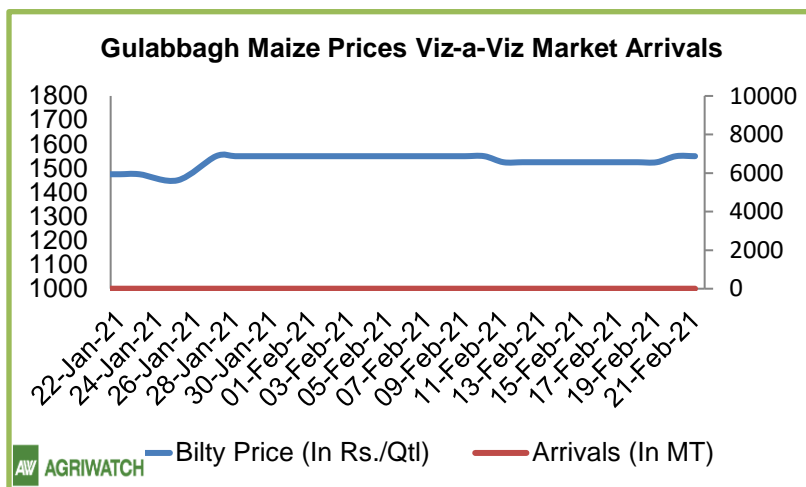
Sources revealed that 32,000 MT of Maize Vessel, MAGPIE SW, is expected to arrive at Krishnapatnam port on February 19, 2021. Around 6,800 MT of Maize Vessel, VSG DREAM, is expected to arrive at Krishnapatnam port on February 20, 2021. And, 9,500 MT of Maize Vessel, POCHARD S, is waiting for berth at Kandla port from February 15, 2021. Besides, 45,000 MT of Maize Vessel, OBE QUEEN, is expected to complete loading at Vizag port on February 19, 2021. And, 22,000 MT of Maize Vessel, VTC GLORY, is expected to arrive port at Vizag port on February 20, 2021 while, 6,600 MT of Maize Vessel, PHC MARITIME, is waiting for berth at Vizag port from February 14, 2021. Earlier, 22,000 MT of Maize Vessel, DMC NEPTUNE, has complete loading at VIZAG/ Visakhapatnam port on February 08, 2021. Around 18,000 MT of Maize Vessel, EVOLUTION, has complete loading at Krishnapatnam port on February 10, 2021. And, 31,500 MT of Maize Vessel, LADY C, has complete loading at Chennai port on February 11, 2021. And, 7,805 MT of Maize Vessel, LILA II, has complete loading at Kandla port on February 4, 2021.

CURRENT MARKET DYNAMICS:

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

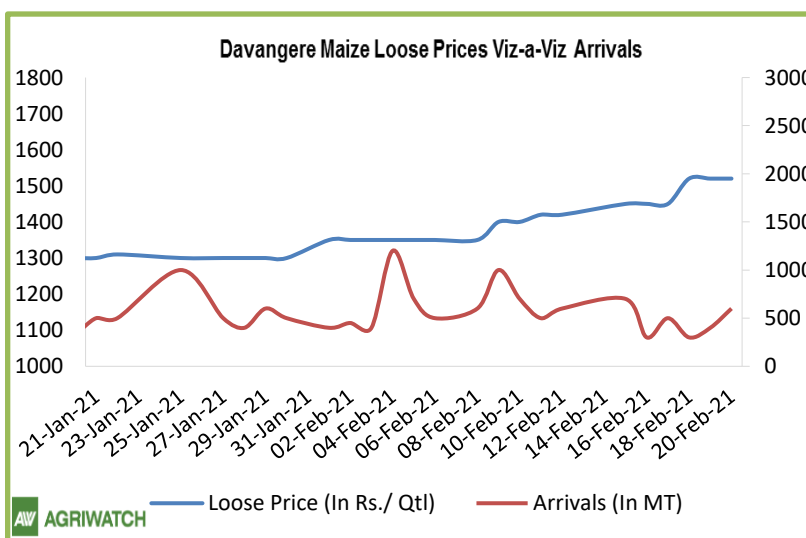
BIHAR:

- In Gulabgh region of Bihar, Maize is being traded at Rs.1,550 per quintal (Bilty Price). Maize in Gulabgh would trade steady to range bound and stay in the range of Rs. 1,520-1,570 per quintal for the week.



KARNATAKA:

- In Karnataka, maize is likely to trade steady to range bound in near term. Tamil Nadu feed makers are buying Maize at Rs. 1,720 – 1,730 per quintal; sourced from Davangere region of Karnataka.

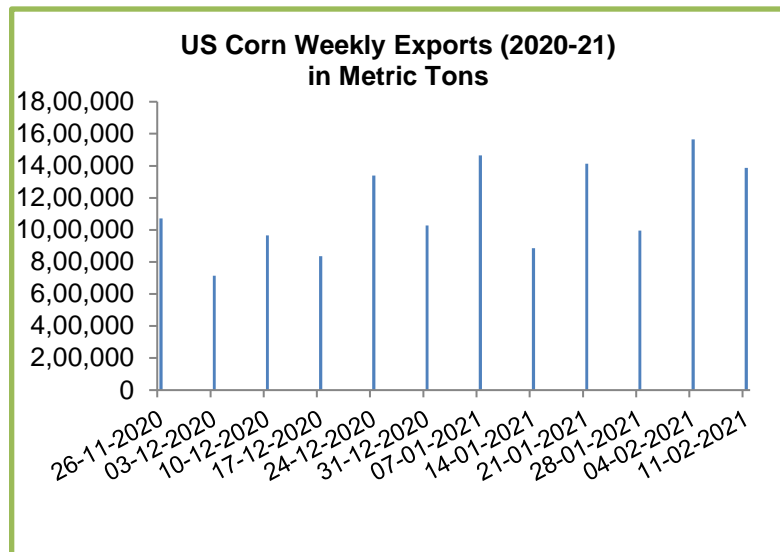


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to slightly firm due to continuous demand from global feed markets. However, higher stock availability would limit the gain.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 22.97 MMT in the 2020-21 marketing year. At 1.39 MMT (for the period February 05- February 11, 2021) U.S. Maize exports were down 11 percent from the previous week but up 14 percent from the prior 4-week average; mainly for the destinations like Mexico (247,100 MT), Japan (236,200 MT), South Korea (182,800 MT), Colombia (114,800 MT), and Peru (83,500 MT). However, Agriwatch expects that increase in export demand for U.S. Maize in near term would support CBOT Maize.



USDA's initial report suggests corn area to be up 1 million acres to 92 million acres in 2021.

Brazil crop sowing is delayed, which would lead to late maturity.

PREVIOUS UPDATES:

USDA increased its World Maize Ending Stock Estimate by 2.70 MMT to 286.53 MMT for 2020-21, along with a decrease in Consumption Estimates, which would weigh the global Maize market.

However, USDA decreased its Ending stock estimates for U.S. by 1.27 MMT to 38.15 MMT for 2020-21, along with an increase in Export Estimates, which would support the CBOT Maize. China remains the factor for price changes in future as the imports are projected at 24 MMT for 2020-21, up 6.5 MMT compared to previous month's estimates. It also shows that China's appetite continues to increase, as its feed demand increases for rising swine and poultry populations.

Argentina started its corn harvest, which is pegged at 47.50 MMT for 2020-21, unchanged compared to previous month's estimates.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 1.57 USD/MT to 213.67 USD/MT for March'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize in near term would support CBOT Maize.

ANNEXURE
MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	19-Feb-21	12-Feb-21	19-Jan-21	19-Feb-20	19-Feb-19
Naugachia	Bilty	1425	1425	1400	NA	2030
Delhi	Hybrid Maize (U.P.)	1480	1450	1425	1800	2150
Davangere	Loose	1520	1420	1300	1800	2050
Shimoga	Bilty	NA	NA	1320	1700	2000
Ranebennur	Bilty	NA	NA	NA	1760	2000
Bagalkot	Hybrid/Local	1505	1475	1440	1700	1911
Gadag	Local	NA	1385	1370	1630	2110
Nizamabad	Bilty	1500	1500	1425	1900	2025
Khanna	Bilty	1380	1410	1360	1850	2100
Sangli	Feed	1644	1546	1531	1746	2158
Ahmedabad	Feed	1500	1500	1500	1650	2200
	Starch	1525	1500	1500	1590	2200

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	19-Feb-21	12-Feb-21	Change
Corn CBOT Prices	Mar-21	213.67	212.1	1.57
	May-21	213.28	211.21	2.07
	July-21	209.83	206.68	3.15
	Sep-21	189.66	185.92	3.74
	Dec-21	181.09	176.67	4.42

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