

# Maize Weekly Research Report

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### EXECUTIVE SUMMARY

#### DOMESTIC MAIZE MARKET SUMMARY

Overall Maize cash markets except Naugachia market of Bihar 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 too due to regular demand from domestic and global feed markets. However, expectation of new crop arrivals during the month of April could limit the gain.

#### MAIZE TRADE SCENARIO

Sources revealed that Hyderabad poultry feed makers are buying Maize at Rs.1,550 per quintal; sourced from Telangana while, Kolkata feed makers are buying Maize at Rs. 1,600 per quintal, sourced from Gulabghat region of Bihar. In Karnataka, maize export has been slow from past 2- 3 days due to insufficient quality arrivals; which contains 8-10% water fungus.

#### FIRST ADVANCE ESTIMATE OF RABI PRODUCTION

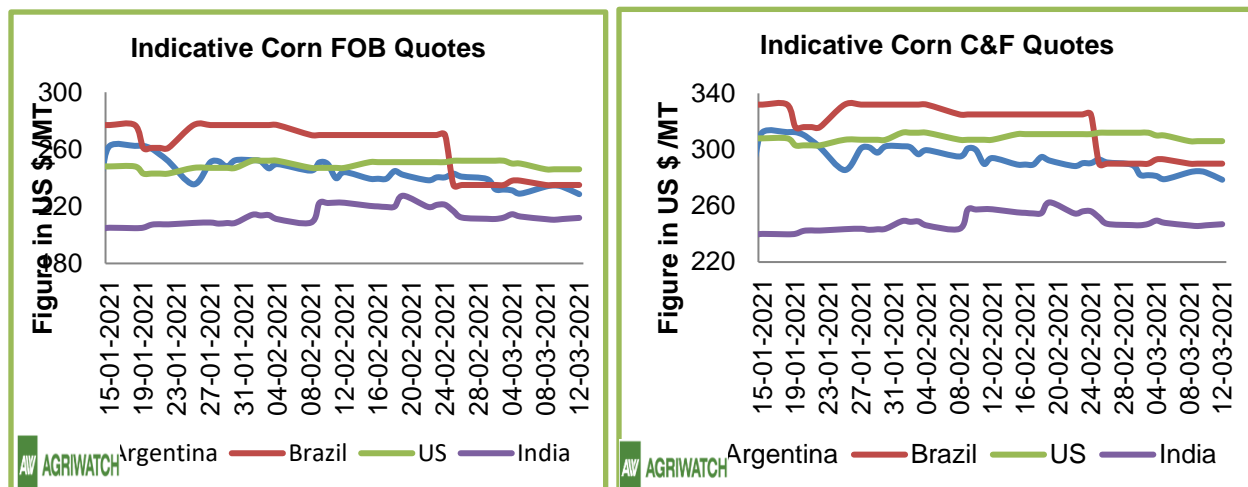
Agriwatch's first advance estimate for the Maize production in 2020-21 Rabi season is 6.41 MMT with average yield of 3.74 MT per hectare.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 5.02 USD/MT to 216.23 USD/MT for March'21 contract compared to previous week due to decrease in export demand for U.S Maize. Agriwatch expects that increase in export demand for U.S. Maize and concern over unfavorable weather condition in crop growing regions of South America would support CBOT Maize. However, increase in Global Maize Production Estimates would limit the gain.

At 1.59 MMT (for the period February 26- March 04, 2021) U.S. Maize exports were down 21 percent from the previous week but up 4 percent from the prior 4-week average; mainly for the destinations like China (3,48,400 MT), Japan (2,76,300 MT), Mexico (2,02,100 MT), Egypt (1,40,800 MT), and South Korea (1,27,900 MT).

## EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 72.67)				
As on 12.03.2021	Argentina	Brazil	US	India
FOB	228.54	235.00	246.00	211.92
C&F	278.54	290.00	306.00	246.92

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 4,18,098 MT of Maize in the month of January 2021 at an average FoB of US\$ 222.79 per MT, out of which, 1,75,644 MT was exported to Bangladesh at an average FoB of US\$ 213.44 per MT and around 1,31,015 MT was exported to Vietnam at an average FoB of US\$ 238.20 per MT.

## VESSEL POSITION

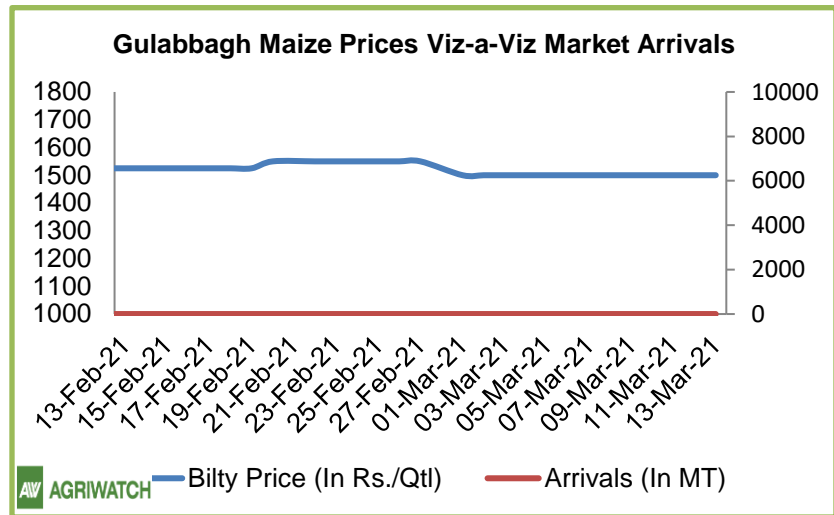
Sources revealed that 7,000 MT of Maize Vessel, PHC DYNAMIC, was expected to complete loading at Vizag port on March 13, 2021 while, 33,000 MT of Maize Vessel, DENSA PUMA, is expected to complete loading at Krishnapatnam port on March 14, 2021. Besides, 8,000 MT of Maize Vessel, J PEACE, was expected to arrive Vizag port on March 06, 2021. And, 30,980 MT of Maize Vessel, EAST BANGOK, was expected to arrive Chennai port on March 12, 2021. And, 21,800 MT of Maize Vessel, VTC PALNET, was expected to arrive Krishnapatnam port on March 15, 2021.

CURRENT MARKET DYNAMICS:

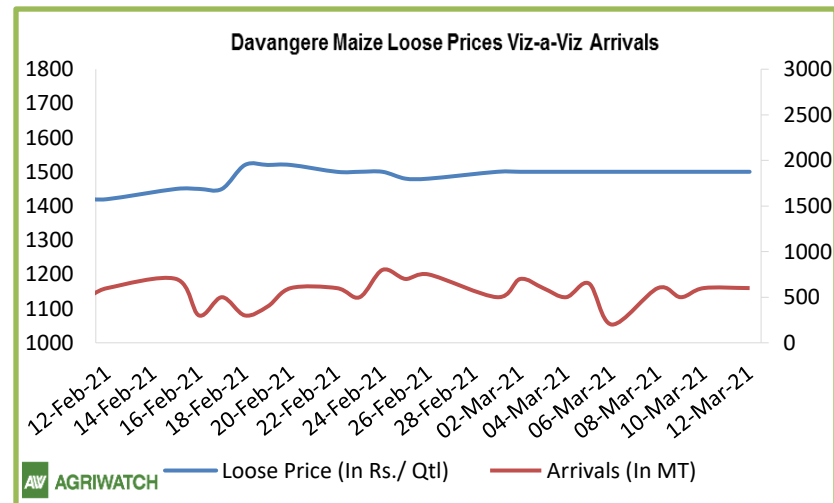
During the week under review, steady to slightly firm sentiments were reported in most of the major cash markets of maize. The various key spot markets dynamics are as under:

BIHAR:

- In Gulabghat region of Bihar, Maize is being traded at Rs.1,500 per quintal (Bilty Price). Maize in Gulabghat would trade steady to range bound and stay in the range of Rs. 1,480-1,520 per quintal for the week. Expectation of new crop arrivals during the month of April could weigh on market sentiments.

KARNATAKA:

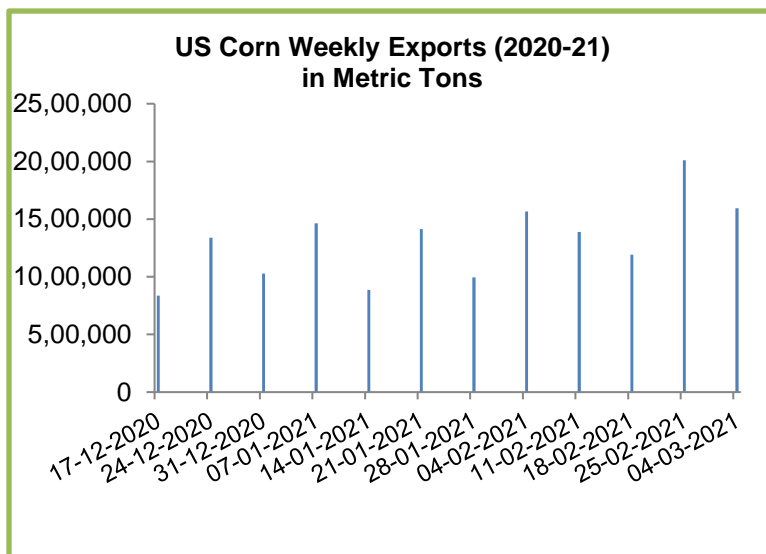
- In Karnataka, maize is likely to trade steady to range bound in near term as maize export has been slow from last 2- 3 days due to insufficient quality arrivals; which contains 8-10% water fungus.

DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to slightly firm in near term due to regular feed makers' demand.

**INTERNATIONAL MARKET HIGHLIGHT:**

As per USDA, U.S. Maize exports have reached 27.76 MMT in the 2020-21 marketing year. At 1.59 MMT (for the period February 26- March 04, 2021) U.S. Maize exports were down 21 percent from the previous week but up 4 percent from the prior 4-week average; mainly for the destinations like China (3,48,400 MT), Japan (2,76,300 MT), Mexico (2,02,100 MT), Egypt (1,40,800 MT), and South Korea (1,27,900 MT). However, Agriwatch expects that increase in export demand in near term would support to CBOT maize.



USDA increased its World Maize Ending Stock Estimate by 1.14 MMT to 287.67 MMT for 2020-21, along with an increase in Production Estimates, which would weigh the global Maize market.

**INTERNATIONAL CORN OUTLOOK:**

Corn on CBOT fell by 5.02 USD/MT to 216.23 USD/MT for March'21 contract compared to previous week due to decrease in export demand for U.S Maize. Agriwatch expects that increase in export demand for U.S. Maize and concern over unfavorable weather condition in crop growing regions of South America would support CBOT Maize. However, increase in Global Maize Production Estimates would limit the gain.



### ANNEXURE

#### MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize (Corn)Weekly Prices:						
Market	Grade	12-Mar-21	05-Mar-21	12-Feb-21	12-Mar-20	12-Mar-19
Naugachia	Bilty	1350	1450	1425	NA	1825
Delhi	Hybrid Maize (U.P.)	1575	1550	1450	1650	2200
Davangere	Loose	1500	1500	1420	1300	1950
Shimoga	Bilty	NA	1530	NA	1400	2000
Ranebennur	Bilty	NA	NA	NA	1600	2040
Bagalkot	Hybrid/Local	1500	1490	1475	1700	1962
Gadag	Local	NA	1525	1385	1421	1740
Nizamabad	Bilty	1500	1500	1500	1800	2020
Khanna	Bilty	1400	1400	1410	1720	2070
Sangli	Feed	1687	1695	1546	1505	2150
Ahmedabad	Feed	1600	1470	1500	1600	2200
	Starch	1650	1525	1500	1500	2000

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	12-Mar-21	05-Mar-21	Change
Corn CBOT Prices	Mar-21	216.23	221.25	-5.02
	May-21	212.2	214.75	-2.55
	July-21	208.06	210.23	-2.17
	Sep-21	195.27	196.45	-1.18
	Dec-21	188.48	189.56	-1.08

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