

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade steady to slightly weak as expectation of new crop arrivals in coming weeks would weigh on market sentiments. However, continuous demand from domestic and global feed makers would support the market at the lower level.

New crop arrivals in small quantities have started in the Haveri districts of Karnataka and some parts of Andhra Pradesh and some early crop arrivals in Bihar. In Telangana, around 20% crop has been harvested but farmers are not bringing their produce into the market on the expectation of procurement by the Government. In A.P and Bihar, maize arrivals contain moisture up to 17% and 15% respectively.

MAIZE TRADE SCENARIO

Sources revealed that Hyderabad poultry feed makers are buying Maize at Rs.1,600 per quintal; sourced from Telangana. Tamil Nadu feed makers are buying maize at Rs. 1,720-1,730 per quintal, sourced from Karnataka. Maize is moving towards Krishnapatnam port at Rs. 1,690 per quintal; sourced from the Chitradurga region of Karnataka. Low- quality Maize is moving towards Banaras and Muzaffarnagar districts of U.P at Rs. 1,400 and Rs. 1,500 per quintal, respectively, while, good quality of maize is moving towards Kolkata at Rs. 1,500 per quintal; sourced from Bihar.

FIRST ADVANCE ESTIMATE OF RABI PRODUCTION

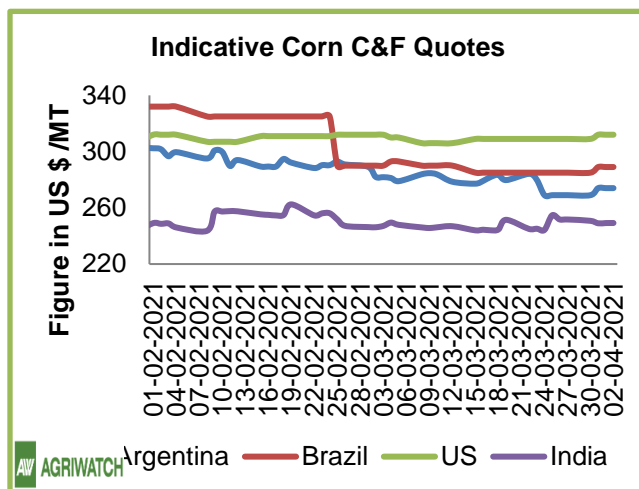
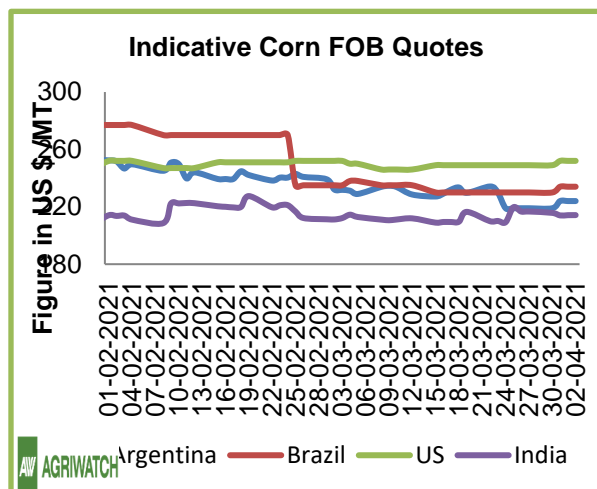
Agriwatch's first advance estimate for the Maize production in 2020-21 Rabi season is 6.41 MMT with average yield of 3.74 MT per hectare. Sources revealed that in Aurangabad and Jalgaon districts of Maharashtra, quality of around 25% crop of maize could be affected due to rains over last three weeks.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 6.89 USD/MT to 227.25 USD/MT for May'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.

At 2.05 MMT (for the period March 26- April01, 2021) U.S. Maize exports were up 4 percent from the previous week and 6 percent from the prior 4-week average; mainly for the destinations like China (5,78,500 MT), Mexico (4,73,600 MT), Japan (3,66,100 MT), South Korea (2,42,500 MT), and Colombia (1,20,400 MT).

EXPORT PARITY TREND



| Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.95) | | | | |
|------------------------------------------------------------------|-----------|--------|--------|--------|
| As on 09.04.2021 | Argentina | Brazil | US | India |
| FOB | 224.00 | 234.00 | 252.00 | 211.53 |
| C&F | 274.00 | 289.00 | 312.00 | 246.53 |

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 4,27,493 MT of Maize in the month of February 2021 at an average FoB of US\$ 222.50 per MT, out of which, 2,72,928 MT was exported to Vietnam at an average FoB of US\$ 239.41 per MT and around 51,513 MT was exported to Bangladesh at an average FoB of US\$ 201.68 per MT. Around 34,229 MT was exported to Nepal at an average FoB of US\$ 208.42 per MT. And, 20,892 MT was exported to Malaysia at an average FoB of US\$ 245.51 per MT.

As per trade sources, around 99,500 MT of maize has been loaded for exports during April till date, mainly through Vizag followed by Krishnapatnam port.

VESSEL POSITION

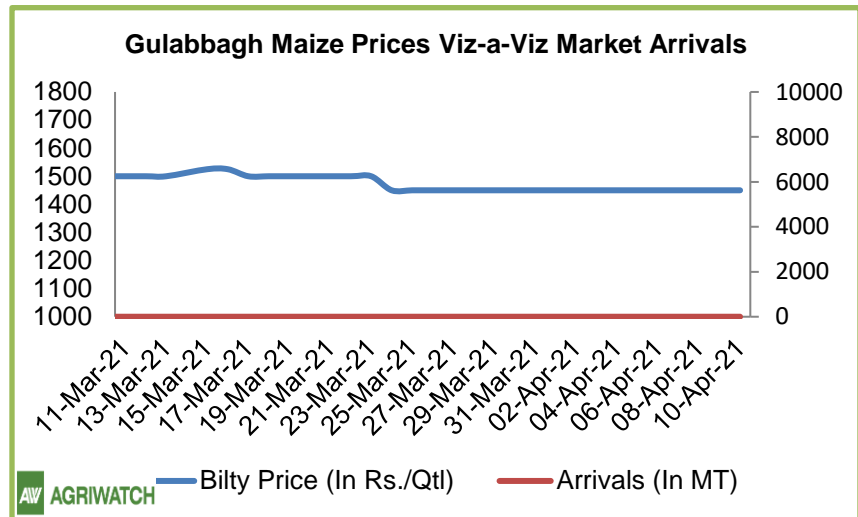
Sources revealed that 27,000 MT of Maize Vessel, KEN HOU, has complete loading at Krishnapatnam port on April 08, 2021. While, 30,980 MT of Maize Vessel, EAST BANGOK, has arrived at Chennai port on March 12, 2021, waiting for a berth. And, 32,000 MT of Maize Vessel, CETUS STAR, has arrived at VIZAG port on April 02, 2021, waiting for a berth. And, 30,000 MT of Maize Vessel, FEDERICA, has arrived at VIZAG port on April 06, 2021, waiting for a berth.

CURRENT MARKET DYNAMICS:

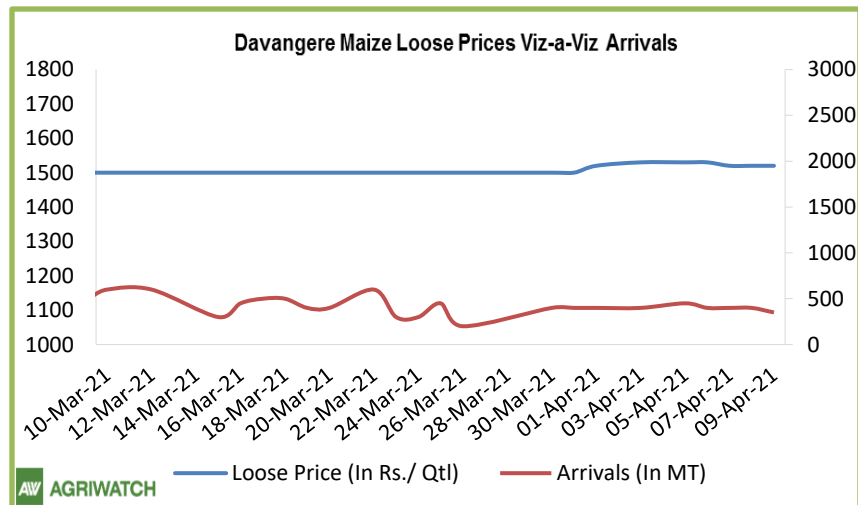
During the week under review, steady to range bound sentiments were reported in most of the major cash markets of maize. The various key spot markets dynamics are as under:

BIHAR:

- In Gulabghat region of Bihar, Maize is being traded at Rs.1,450 per quintal (Bilty Price). Maize in Gulabghat would trade steady to slightly weak in the range of Rs. 1,350-1,450 per quintal for the week. Expectation of new crop arrivals in coming weeks could weigh on market sentiments.

KARNATAKA:

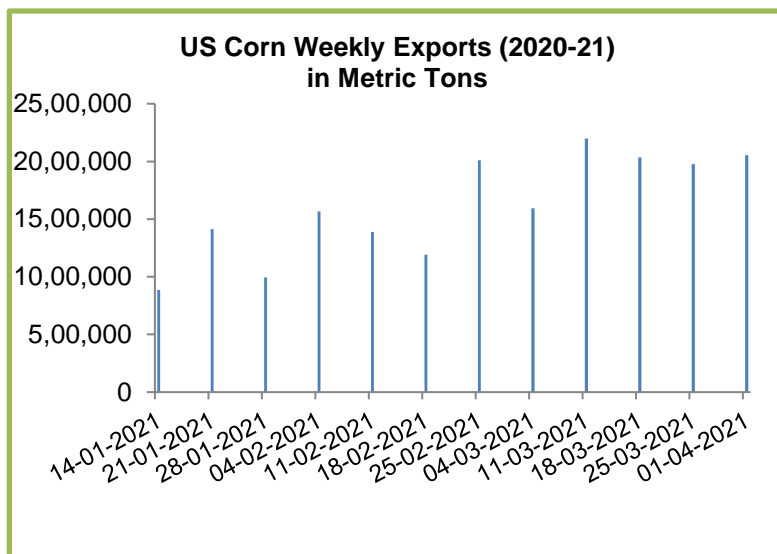
- In Karnataka, maize is likely to trade steady to range bound in near term on the expectation of new crop arrivals in coming weeks.

DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to slightly weak despite continuous demand from domestic feed markets as expectation of new crop arrivals in near term would weigh on market sentiments.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 35.97 MMT in the 2020-21 marketing year. At 2.05 MMT (for the period March 26-April 01, 2021) U.S. Maize exports were up 4 percent from the previous week and 6 percent from the prior 4-week average; mainly for the destinations like China (5,78,500 MT), Mexico (4,73,600 MT), Japan (3,66,100 MT), South Korea (2,42,500 MT), and Colombia (1,20,400 MT). Agriwatch expects that increase in export demand for U.S. Maize would support to CBOT Maize.

**PREVIOUS UPDATES**

Brazil second crop plating is over now, out of which, around 25% late planted crop, is likely to suffer from inadequate rainfall. As second half of April is estimated to be drier than the first one; likely to affect the corn yield.

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 rose by 6.89 USD/MT to 227.25 USD/MT for May'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.



ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

| Maize (Corn)Weekly Prices: | | | | | | |
|----------------------------|---------------------|-----------|-----------|-----------|-----------|-----------|
| Market | Grade | 09-Apr-21 | 02-Apr-21 | 09-Mar-21 | 09-Apr-20 | 09-Apr-19 |
| Naugachia | Bilty | 1450 | 1450 | 1350 | NA | NA |
| Delhi | Hybrid Maize (U.P.) | 1500 | 1500 | 1600 | Closed | 2300 |
| Davangere | Loose | 1520 | Closed | 1500 | 1400 | 2000 |
| Shimoga | Bilty | NA | 1525 | NA | 1760 | 2230 |
| Ranebennur | Bilty | NA | NA | 1550 | NA | 2100 |
| Bagalkot | Hybrid/Local | NA | 1445 | 1495 | 1180 | 2165 |
| Gadag | Local | 1455 | 1435 | 1330 | NA | 1900 |
| Nizamabad | Bilty | NA | Closed | 1500 | Closed | 2050 |
| Khanna | Bilty | Closed | Closed | 1380 | Closed | 2150 |
| Sangli | Feed | 1661 | 1650 | 1698 | NA | 2337 |
| Ahmedabad | Feed | Closed | 1650 | 1620 | Closed | 2350 |
| | Starch | Closed | 1660 | 1625 | Closed | 2400 |

| Maize CBOT Weekly Futures Price Listing (USD/Ton) | | | | |
|---------------------------------------------------|----------------|-----------|-----------|--------|
| | Contract Month | 09-Apr-21 | 02-Apr-21 | Change |
| Corn CBOT Prices | May-21 | 227.25 | 220.36 | 6.89 |
| | July-21 | 221.55 | 214.66 | 6.89 |
| | Sep-21 | 201.07 | 197.24 | 3.83 |
| | Dec-21 | 195.46 | 190.74 | 4.72 |
| | Mar-22 | 198.22 | 193.40 | 4.82 |

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