

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade steady to range bound 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.

In the Haveri districts of Karnataka, crop arrivals are small in quantity and contain moisture up to 20%. In Bihar, maize arrivals contain moisture up to 16%. In Telangana, around 40% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government.

MAIZE TRADE SCENARIO

Sources revealed that Maize in Gulabghat being traded at Rs. 1,500 per quintal. Maize is moving towards Banaras, Haryana, and Kolkata at Rs. 1,600-1,650 and Rs. 1,700 per quintal and Rs. 1,600-1,650, respectively; sourced from Bihar. Sources revealed that the forward contract for May, for Vizag port, is being made at Rs. 1,700 per quintal. Hyderabad poultry feed makers are buying Maize at Rs. 1,600-1,650 per quintal; sourced from Telangana. Tamil Nadu feed makers are buying maize at Rs. 1,800 per quintal, sourced from Karnataka.

FIRST ADVANCE ESTIMATE OF RABI PRODUCTION

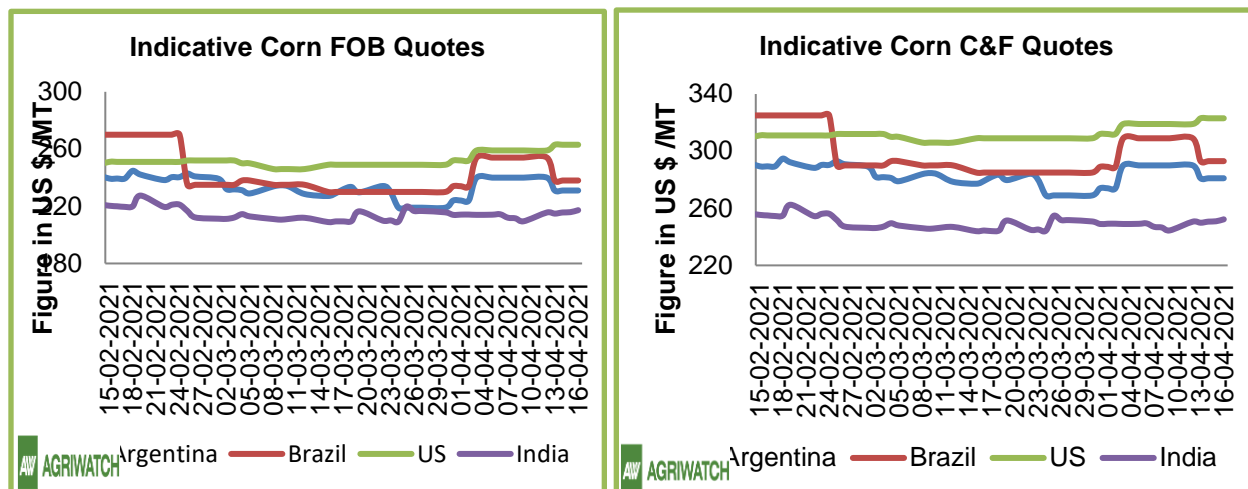
Agriwatch's first advance estimate for the Maize production in 2020-21 Rabi season is 6.41 MMT with average yield of 3.74 MT per hectare.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 3.25 USD/MT to 230.50 USD/MT for May'21 contract compared to previous week due to decrease in Global Maize ending stock estimates. Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.

At 1.82 MMT (for the period April 02-08, 2021) U.S. Maize exports were down 12 percent from the previous week and prior 4-week average; mainly for the destinations like China (5,20,300 MT), Mexico (4,50,100 MT, including 34,100 MT - late), Japan (2,30,800 MT), South Korea (1,91,400 MT), and Taiwan (1,23,800 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.57)

As on 16.04.2021	Argentina	Brazil	US	India
FOB	231.00	238.00	263.00	217.25
C&F	281.00	293.00	323.00	252.25

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 1,28,500 MT of maize has been loaded during April till date, mainly through Vizag followed by Tuticorin and Krishnapatnam port.

VESSEL POSITION

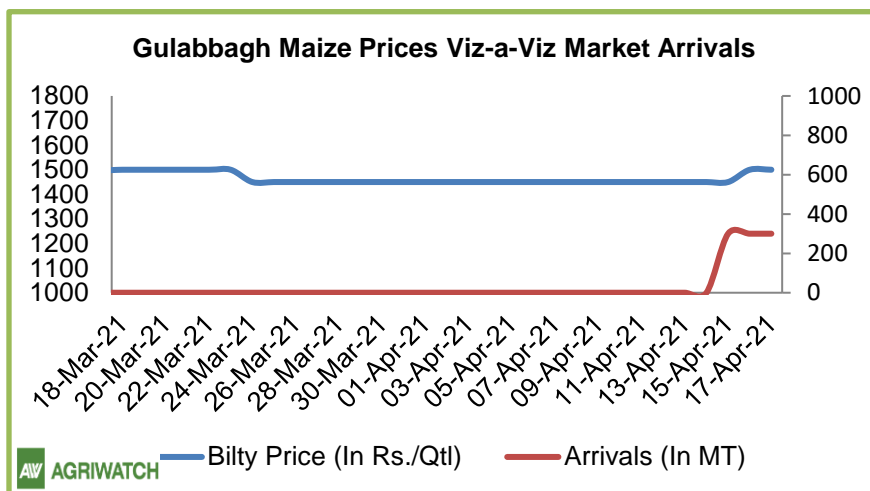
Sources revealed that 29,000 MT of Maize Vessel, BC VANESSA, is expected to arrive at Tuticorin port on April 17, 2021. While, 32,000 MT of Maize Vessel, CETUS STAR, has arrived at VIZAG port on April 02, 2021, waiting for a berth. And, 30,000 MT of Maize Vessel, FEDERICA, has arrived at VIZAG port on April 06, 2021, waiting for a berth.

CURRENT MARKET DYNAMICS:

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

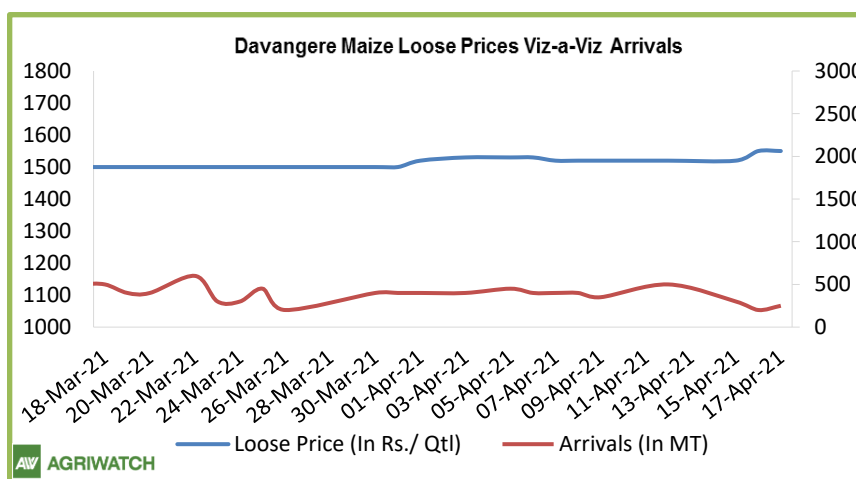
BIHAR:

- In Gulabgh region of Bihar, Maize is being traded at Rs.1,500 per quintal (Bilty Price). Maize in Gulabgh would trade steady to range bound in the range of Rs. 1,450-1,500 per quintal for the week. Expectation of new crop arrivals in coming weeks could slightly weigh on market sentiments.



KARNATAKA:

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

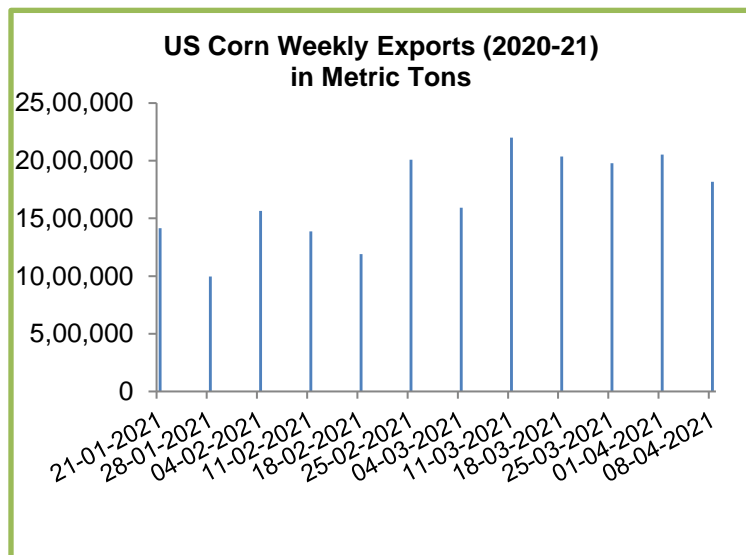


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to range bound despite the start of new crop arrivals as continuous demand from domestic feed markets would support the market sentiments.

INTERNATIONAL MARKET HIGHLIGHT:

As per USDA, U.S. Maize exports have reached 37.79 MMT in the 2020-21 marketing year. At 1.82 MMT (for the period April 02-08, 2021) U.S. Maize exports were down 12 percent from the previous week and prior 4-week average; mainly for the destinations like China (5,20,300 MT), Mexico (4,50,100 MT, including 34,100 MT - late), Japan (2,30,800 MT), South Korea (1,91,400 MT), and Taiwan (1,23,800 MT). However, Agriwatch expects that increase in export demand for U.S. Maize would support to CBOT Maize.



USDA decreased its World Maize Ending Stock Estimate by 3.82 MMT to 283.85 MMT for 2020-21, along with an increase in Consumption Estimates, which would support the global Maize market. USDA also decreased the Ending stock estimates for the U.S, by 3.81 MMT to 34.34 MMT compared to the previous month's estimates, along with an increase in Consumption and Exports Estimates, which would support the CBOT Maize market.

PREVIOUS UPDATES

In the U.S, corn plantings as of 11 April 2021 stand at 4%, up 1 percentage point from the same period last year and last 5-year average period.

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.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 3.25 USD/MT to 230.50 USD/MT for May'21 contract compared to previous week due to decrease in Global Maize ending stock estimates and concern over dry weather in Brazil. Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.



19th April, 2021

ANNEXURE

MAIZE SPOT MARKET PRICES (Rs. /QUINTAL)

Maize (Corn)Weekly Prices:						
Market	Grade	16-Apr-21	09-Apr-21	16-Mar-21	16-Apr-20	16-Apr-19
Naugachia	Bilty	1500	1450	1350	Closed	2025
Delhi	Hybrid Maize (U.P.)	1600	1500	1550	Closed	2300
Davangere	Loose	1550	1520	1500	1350	NA
Shimoga	Bilty	1630	NA	1510	1600	2300
Ranebennur	Bilty	NA	NA	NA	NA	2300
Bagalkot	Hybrid/Local	1525	1450	1450	NA	NA
Gadag	Local	1380	1455	1525	1460	2095
Nizamabad	Bilty	NA	NA	1500	Closed	2100
Khanna	Bilty	1525	Closed	1400	Closed	2200
Sangli	Feed	1666	1661	1690	NA	2442
Ahmedabad	Feed	1630	Closed	1600	Closed	2400
	Starch	1650	Closed	1640	Closed	2450

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	16-Apr-21	09-Apr-21	Change
Corn CBOT Prices	May-21	230.50	227.25	3.25
	July-21	225.88	221.55	4.33
	Sep-21	208.46	201.07	7.39
	Dec-21	201.66	195.46	6.20
	Mar-22	204.32	198.22	6.10

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