

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects Maize cash markets are likely to trade steady to range-bound as new crop arrivals continue 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 Telangana, maize crop arrivals are small in quantity and contain moisture up to 22%. Sources revealed that around 60%-70% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government and also due to uncertainty about market opening hours

In the Davangere region of Karnataka, maize market is closed at present and chances are to re-open from 14th May 2021. Nizamabad market is also closed at present and chances are that it might re-open on Tuesday.

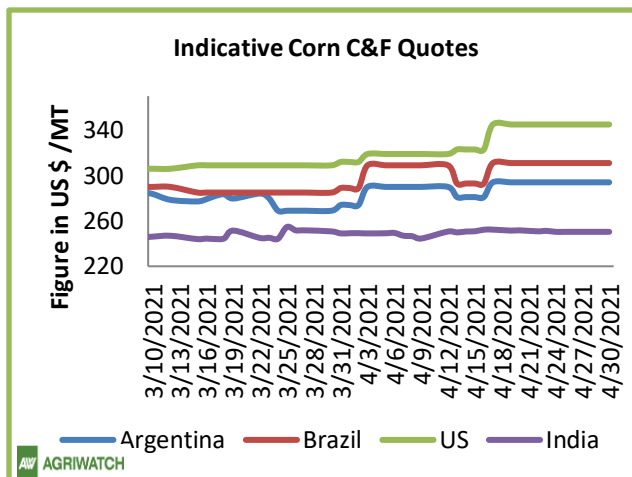
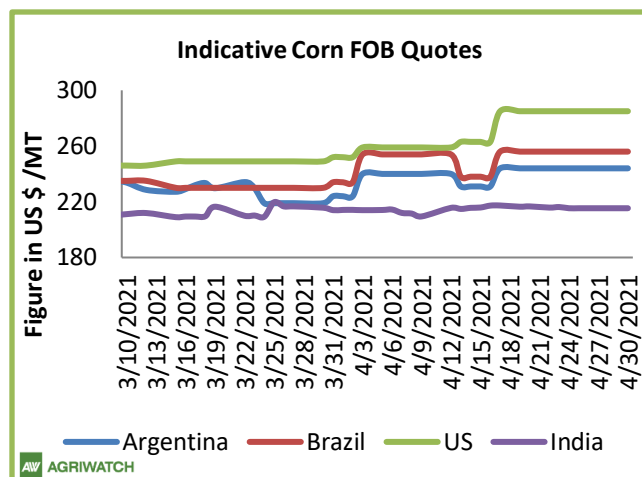
MAIZE TRADE SCENARIO

Sources revealed that Maize in Gulabghat is being traded at Rs. 1,500 per quintal. Maize is moving towards Punjab, Haryana and M.P at Rs. 1,750-1,800 per quintal each, while Kolkata and South at Rs. 1,550 per quintal and Rs. 1,650-1,700 per quintal, respectively; sourced from Bihar. It is also moving towards Vizag at Rs. 1,700 per quintal, sourced from Bihar. Hyderabad poultry feed makers are buying Maize at Rs.1,650 per quintal; sourced from Telangana.

INTERNATIONAL CORN MARKET SUMMARY

Maize on CBOT rose by US\$ 54.23 per MT to US\$ 276.37 per MT for May 2021 contract compared to the previous month due to increase in demand for U.S Maize. Agriwatch expects that increase in export demand for U.S. Maize, would continue to support CBOT Maize.

U.S. Maize exports have reached 41.31 MMT in the 2020-21 marketing year. At 1.92 MMT (for the period April 16-22, 2021) U.S. Maize exports were up by 19 percent from the previous week and 3 percent from the prior 4-week average; mainly for the destinations like China (5,61,600 MT), Mexico (2,87,400 MT), South Korea (1,83,800 MT), Japan (3,99,500 MT), and Colombia (94,600 MT). Agriwatch expects that increase in export demand for U.S. Maize in the near term would support CBOT Maize.

EXPORT PARITY TREND


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.07)				
As on 30.04.2021	Argentina	Brazil	US	India
FOB	244.00	256.00	285.00	246.39
C&F	294.00	311.00	345.00	281.39

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 2, 82,919 MT of Maize in March 2021 at an average FoB of US\$ 223.76 per MT, out of which, 1, 56,102 MT was exported to Vietnam at an average FoB of US\$ 243.33 per MT and around 61,808 MT was exported to Malaysia at an average FoB of US\$ 248.69 per MT. Around 31,592 MT was exported to Bangladesh at an average FoB of US\$ 210.99 per MT. And, 22,181 MT was exported to Nepal at an average FoB of US\$ 203.26 per MT.

As per trade sources, around 1,58,500 MT of Maize has been loaded during the month of April, mainly through Vizag port, followed by Krishnapatnam port and Tuticorin port.

VESSEL POSITION

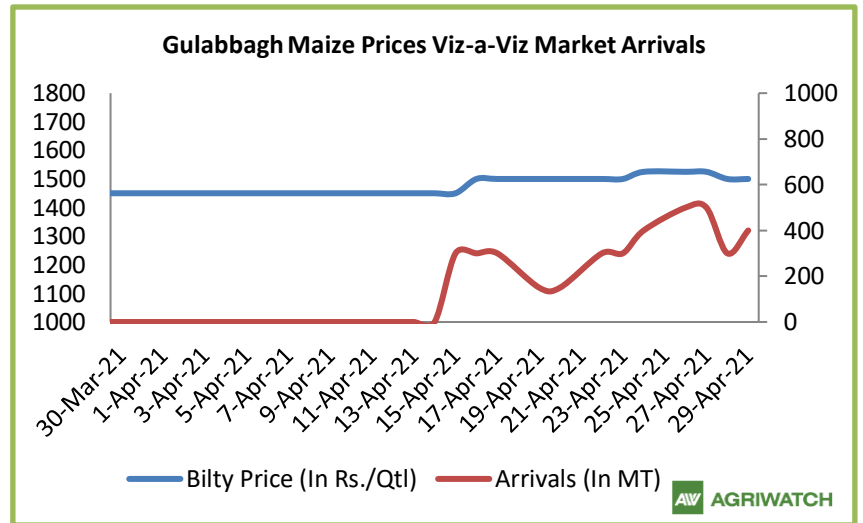
Sources revealed that 30,000 MT of Maize Vessel, INDIGO SW, is waiting for a berth at Krishnapatnam port since April 27, 2021. While, 32,000 MT of Maize Vessel, CETUS STAR and, 30,000 MT of Maize Vessel, FEDERICA, was expected to complete loading at VIZAG port on April 22, 2021. And, 29,000 MT of Maize Vessel, BC VANESSA, has completed loading at Tuticorin port on April 30, 2021

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:

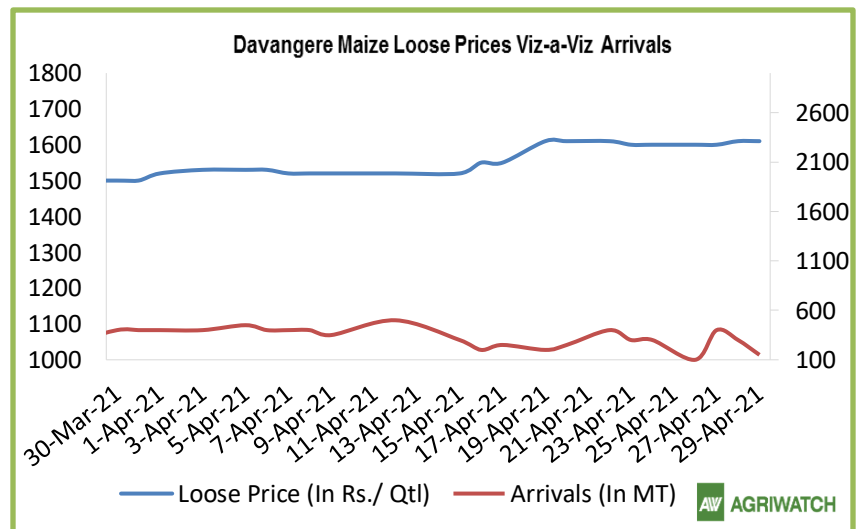
BIHAR:

- In Gulabbagh region of Bihar, Maize is being traded between Rs.1,500-Rs.1,525 per quintal (BiltyPrice). Maize in Gulabbagh would trade steady to range bound in the range of Rs.1,450-1,600 per quintal for the week. As expectation of the increase in new crop arrivals in coming week could weigh on market sentiments. However, if fresh export and stockists demand comes; could lead the market.



KARNATAKA:

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



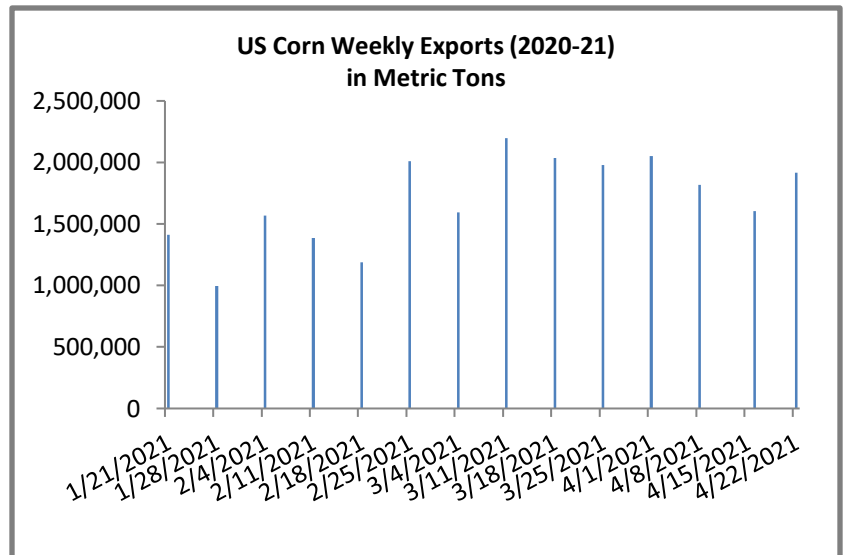
DOMESTIC MAIZE OUTLOOK:

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



INTERNATIONAL MARKET HIGHLIGHT:

In U.S Maize exports have reached 41.31 MMT in the 2020-21 marketing year. At 1.92 MMT (for the period April 16-22, 2021) U.S. Maize exports were up by 19 percent from the previous week and 3 percent from the prior 4-week average; mainly for the destinations like Japan (3,99,500 MT), Mexico (2,87,400 MT), China (5,61,600 MT), and Colombia (94,600 MT). Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.



PREVIOUS UPDATES

USDA decreased its World Maize Ending Stock Estimate by 3.82 MMT to 283.85 MMT for 2020-21, although it projected an increase in Production Estimates, which would weigh the global Maize market. USDA also revised the Ending stock estimates for Argentina, at 2.12 MMT for 2020-21, Brazil at 6.23 MMT for 2020-21 and for U.S at 34.34 MMT for 2020-21.

In the U.S, corn plantings as of 25 April 2021 stand at 17%, down to 7 percentage points from the same period last year and down by 3 percentage point compared to last 5-year average period. Crop of corn has been emerged at 3%, unchanged from the same period last year but down to 1 percentage point from 5-year average period.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 56.01 USD/MT to 276.37 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 CBOT Maize.



ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize(Corn)Weekly Prices:						
Market	Grade	30-Apr-21	23-Apr-21	30-Mar-21	30-Apr-20	30-Apr-19
Naugachia	Bilty	1450	1500	Closed	Closed	1830
Delhi	Hybrid Maize (U.P.)	Closed	Closed	1550	Closed	2150
Davangere	Loose	1610	1600	1500	1300	NA
Shimoga	Bilty	NA	1450	NA	1400	2150
Ranebennur	Bilty	NA	NA	NA	NA	2200
Bagalkot	Hybrid/Local	1500	1530	NA	1300	NA
Gadag	Local	NA	1010	1450	NA	2156
Nizamabad	Bilty	Closed	NA	Closed	Closed	NA
Khanna	Bilty	1610	1600	Closed	NA	2070
Sangli	Feed	1744	1763	1665	NA	2300
Ahmedabad	Feed	Closed	Closed	Closed	Closed	2150

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	30-Apr-21	23-Apr-21	Change
Corn CBOT Prices	May-21	276.37	220.36	56.01
	July-21	255.21	214.66	40.55
	Sep-21	224.6	197.24	27.36
	Dec-21	215.05	190.74	24.31
	Mar-22	217.31	193.40	23.91

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