

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade steady to slightly range-bound as expectation of an increase in crop arrivals in coming weeks would weigh on market sentiments. On the other hand, if markets re-open soon, continuous demand from domestic and global feed makers would support the market at the lower level.

Sources revealed that around 75% 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 uncertainty regarding the chances of market opening and closing uncertainties contain moisture up to 22%.

Karnataka, Davangere market is closed at present and chances are that it might re-open on 14th May 2021. Telangana, Nizamabad market is also closed at present and chances are that it might re-open on Monday, 10th May 2021.

MAIZE TRADE SCENARIO

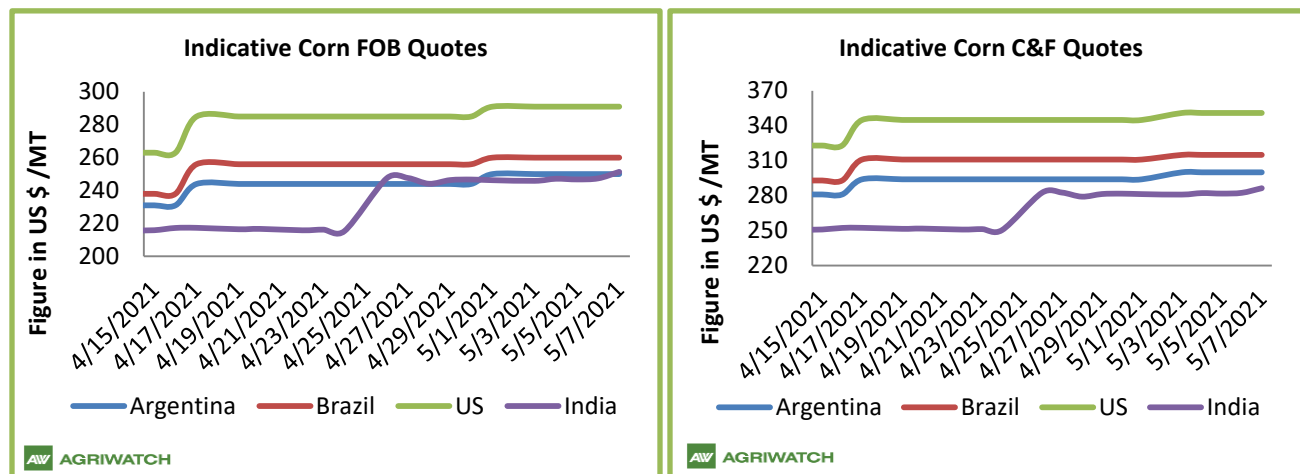
Sources revealed that Maize in Gulabghat is being traded at Rs. 1,530 per quintal. Maize is moving towards Punjab, Haryana and M.P at Rs. 1,750-1,800 per quintal each, while Kolkata and South at Rs. 1,550 per quintal and Rs. 1,650-1,700 per quintal, respectively; sourced from Bihar. It is also moving towards Vizag at Rs. 1,700 per quintal, sourced from Bihar.

INTERNATIONAL CORN MARKET SUMMARY

Maize on CBOT rose by US\$ 27.85 per MT to US\$ 304.22 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 along with drought conditions prevailing in U.S, would continue to support CBOT Maize.

U.S. Maize exports have reached 43.50 MMT in the 2020-21 marketing year, at 2.19 MMT (for the period April 23-29, 2021). U.S. Maize exports were up by 15 percent from the previous week and 19 percent from the prior 4-week average; mainly for the destinations like China (6,98,100 MT), Mexico (2,93,100 MT), South Korea (2,55,900 MT), Japan (4, 48,600 MT), and Colombia (1,36,600 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.73.60)				
As on 07.05.2021	Argentina	Brazil	US	India
FOB	250.00	260.00	291.00	251.36
C&F	300.00	315.00	351.00	286.36

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 2,79,500 MT of maize has been loaded till April and May last week , mainly through Vizag port followed by Tuticorin and Krishnapatnam port.

VESSEL POSITION

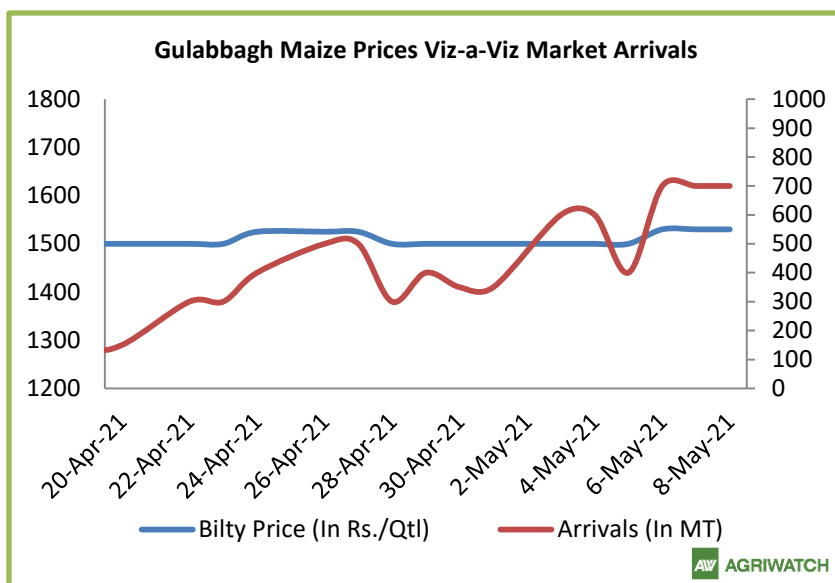
Sources revealed that 10,000MT of Maize Vessel, HAI DOUNG 36 and 20,000MT of Maize Vessel, INFINITY K is waiting for loading on VIZAG port since May 7, 2021. While, 30,000 MT of Maize Vessel, INDIGO SW, has completed loading at Krishnapatnam port on since May 7, 2021. And 25,000MT of Maize Vessel, HTK LUCKY is waiting for berth at VIZAG port since May 7, 2021.

CURRENT MARKET DYNAMICS:

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

BIHAR:

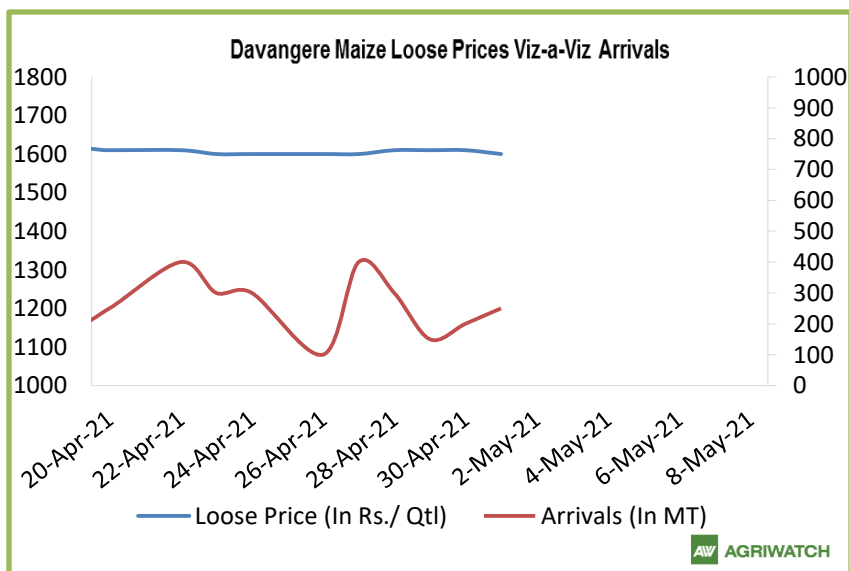
In Gulabghat region of Bihar, Maize is being traded between Rs.1,500-Rs.1,530 per quintal (Bilty Price). Maize in Gulabghat would trade steady to slightly range bound in the range of Rs.1,500-1,600 per quintal for the week. As expectation of the increase in new crop arrivals in coming week could weigh on market sentiments. However, if fresh export and stockiest demand comes; could lead the market.



KARNATAKA:

In Davangere region of Karnataka, Market was closed last week due to lockdown.

Market is expected to re-open on 14th May. Maize in Davangere region would trade between the range of Rs.1450-1,650 per quintal. However, if fresh export and stockiest demand comes; could lead the market.



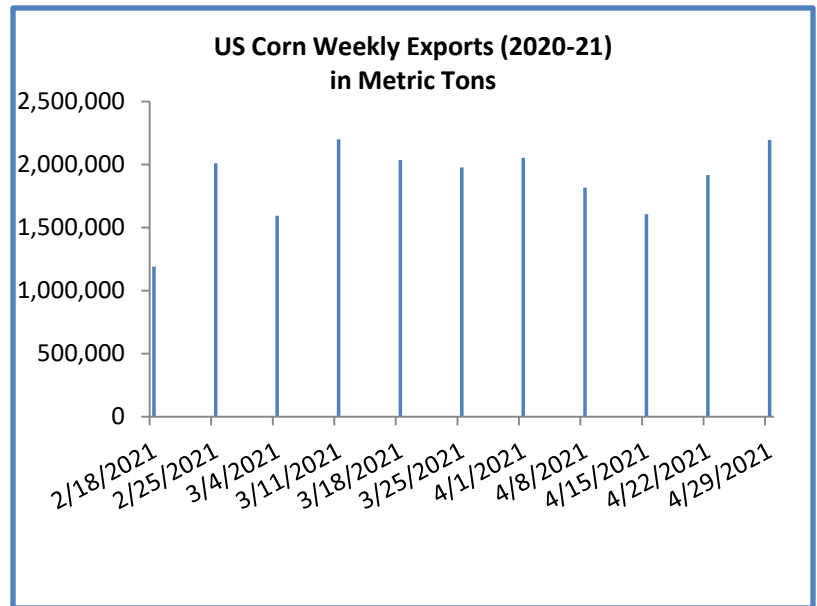
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to slightly 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:

U.S. Maize exports have reached 43.50 MMT in the 2020-21 marketing year, at 2.19 MMT (for the period April 23-29, 2021). U.S. Maize exports were up by 15 percent from the previous week and 19 percent from the prior 4-week average; mainly for the destinations like China (6,98,100 MT), Mexico (2,93,100 MT), South Korea (2,55,900 MT), Japan (4, 48,600 MT), and Colombia (1.36,600 MT). Agriwatch expects that increase in export demand for U.S. Maize in the near term would support 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 3rd May 2021 stand at 46%, down to 2 percentage points from the same period last year and but up by 10 percentage point compared to last 5-year average period. Crop of corn has been emerged at 8%, up by 1 percentage 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 27.85 USD/MT to 304.22 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	7-May-21	30-Apr-21	6-Apr-21	6-May-20	7-May-19
Naugachia	Bilty	1500	1450	1450	Closed	1750
Delhi	Hybrid Maize(U.P.)	Closed	Closed	1500	1400	1950
Davangere	Loose	Closed	1610	1530	Closed	NA
Shimoga	Bilty	1630	NA	NA	1600	NA
Ranebennur	Bilty	NA	NA	NA	1420	2150
Bagalkot	Hybrid/Local	1530	1500	1475	1320	NA
Gadag	Local	1435	NA	1300	1370	NA
Nizamabad	Bilty	Closed	Closed	1500	Closed	2150
Khanna	Bilty	Closed	1610	Closed	1400	1980
Sangli	Feed	1737	1744	1662	NA	2187
Ahmedabad	Feed	Closed	Closed	1650	1500	2050

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	7-May-21	30-Apr-21	Change
Corn CBOT Prices	May-21	304.22	276.37	+27.85
	July-21	288.27	255.21	+33.06
	Sep-21	257.76	224.6	+33.16
	Dec-21	250.58	215.05	+35.53
	Mar-22	251.96	217.31	+34.65

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