

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 new crop arrivals containing high moisture percentage in coming week would weigh on market sentiments. On the other hand, if demand from local millers continues, and export demand is strong it would support the market at the lower level.

Sources revealed that 50% crop has been harvested in Bihar and West Bengal. Arrivals in market are in small quantity and contain high moisture percentage due to frequent rainfalls. According to sources 2, 22, 063 MT Maize has been procured in Andhra Pradesh valued Rs. 410.82 Crore.

MAIZE TRADE SCENARIO

Sources revealed that Maize in villages nearby Nizamabad is being traded at 1550 Rs. per quintal, Nizamabad market re-opened on Monday but trade is not taking place in Nizamabad market. Maize is being supplied to Hyderabad at 1650 Rs. per quintal sourced from Nizamabad.

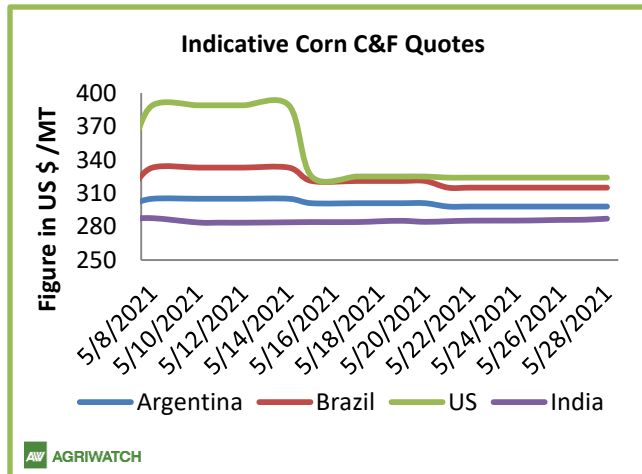
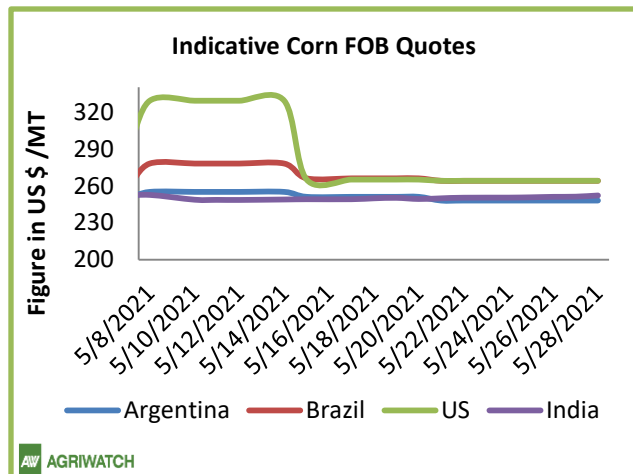
Sources revealed that Maize in Bihar, markets is being traded at Rs. 1,500 per quintal, Maize is being exported to Bangladesh at 1525 Rs. per quintal sourced from W.B. Maize in M.P, Mandsaur and nearby areas, is being traded at an average of Rs.1449 per quintal.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 3.05 USD/MT to 258.55 USD/MT for July'21 contract compared to previous week, this can be attributed to the reason that, there have been evidences of slight drop in Corn demand in Chinese market. Agriwatch expects that Corn on CBOT would consolidate in the range of 240.89 USD/MT to 290.26 USD/MT for coming week.

U.S. Maize exports have reached 49.13 MMT in the 2020-21 marketing year, at 1.84 MMT (for the period May14 – May20, 2021). U.S. Maize exports were down by 17 percent from the previous week and 6 percent from the prior 4-week average; mainly for the destinations like China (847,000MT), Mexico (379,000MT, Japan (200,000MT), Colombia (200,700 MT), and South Korea (61,500 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.72.71)				
As on 25.05.2021	Argentina	Brazil	US	India
FOB	248.00	264.00	264.00	251.00
C&F	298.00	315.00	324.00	286.25

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 3,00,287 MT of Maize in April 2021 at an average FoB of US\$ 228.66 per MT, out of which, 2,03,921 MT was exported to Vietnam at an average FoB of US\$ 243.67 per MT and around 31,452 MT was exported to Malaysia at an average FoB of US\$ 254.28 per MT. Around 36,518 MT was exported to Bangladesh at an average FoB of US\$ 215.59 per MT. And, 19,996 MT was exported to Nepal at an average FoB of US\$ 212.47 per MT.

As per trade sources, around 3,39,500 MT of maize has been loaded till May last week , mainly through Vizag port followed by Krishnapatnam port and Tuticorin port.

VESSEL POSITION

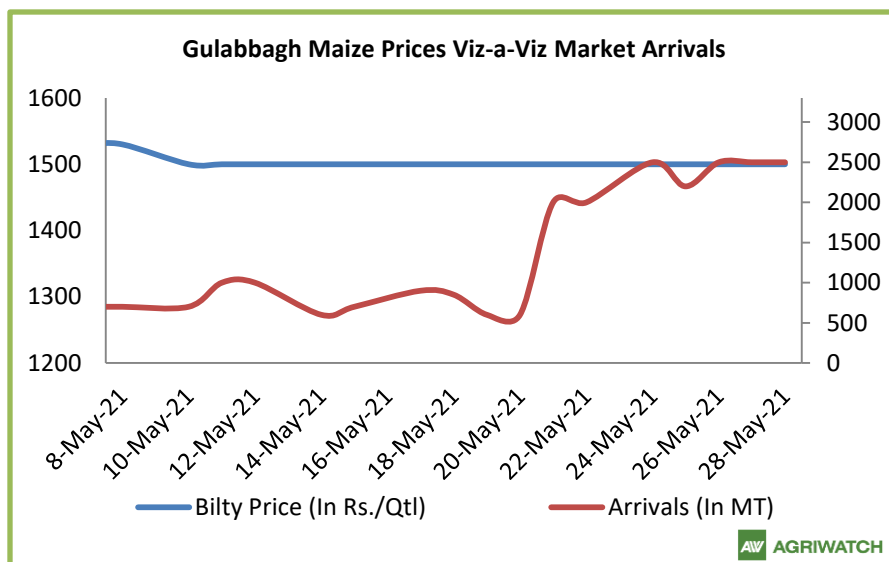
As per the sources 22,860MT of Maize Vessel, INLACO ACCORD is waiting for berth at KRISHNAPATNAM port since May 25, 2021. Also 31,000MT of Maize Vessel, GOLDEN BRIDGE was expected to complete loading at Tuticorin port by May 26, 2021 and 31,000MT of Maize Vessel, GOLDEN BRIGHT is waiting for loading at KAKINADA port since May 11, 2021. Also 11,000 MT of Maize Vessel, TAN BINH 127, was expected to arrive at Tuticorin port by May 27. Whereas, 30,000MT of Maize Vessel, OSPREY BULKER has been lined up for May 29, 2021.

CURRENT MARKET DYNAMICS:

During the week under review, almost 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:

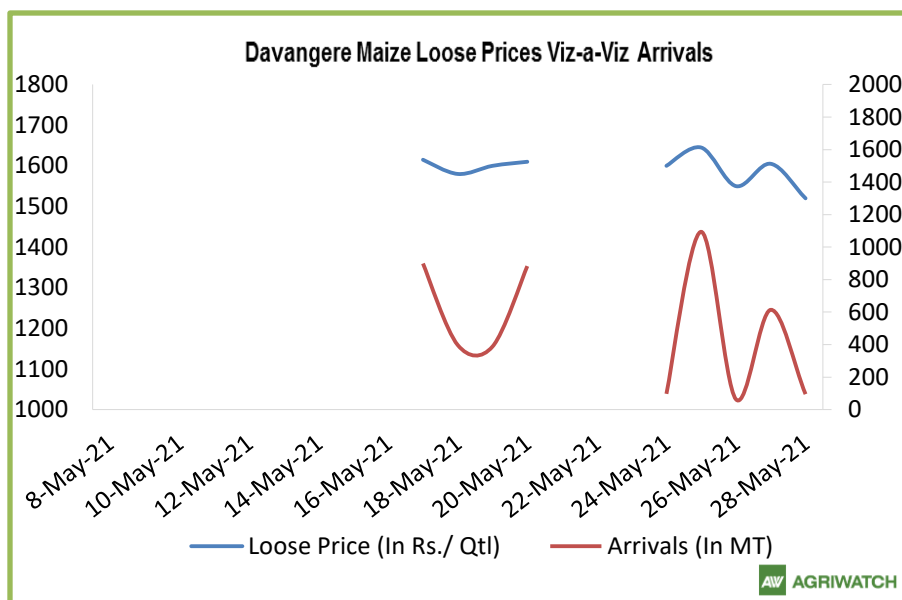
In Gulabghat region of Bihar, Maize is being traded at Rs.1, 500 per quintal (Bilty Price). Maize in Gulabghat would trade steady to slightly range bound in the range of Rs.1, 500-1,650 per quintal for the week. As expectation of the increase in new crop arrivals high in moisture content, in coming week could weigh on the market sentiments. However, if fresh export and stockiest demand comes; could lead the market.



KARNATAKA:

In Davangere region of Karnataka, Market Maize traded between in the price range of Rs. 1500-1650 per quintal.

Maize in Davangere region would trade in the range of Rs.1450-1,650 per quintal. However, if fresh export and stockiest demand comes; could lead the market.



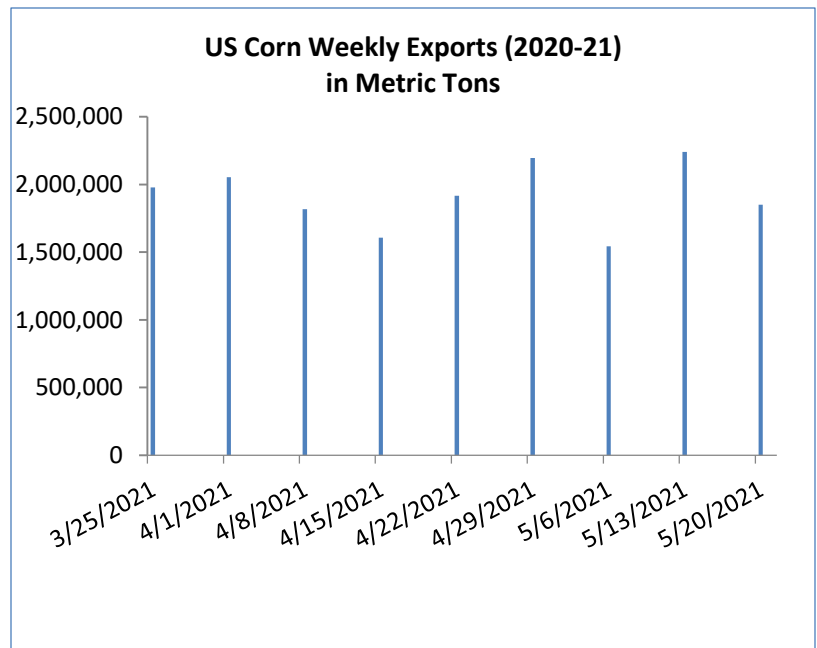
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to slightly range bound despite continuous demand from domestic millers as expectation of crop arrivals containing higher moisture percentage in near term would weigh on market sentiments.



INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 49.13 MMT in the 2020-21 marketing year, at 1.84 MMT (for the period May14 – May20, 2021). U.S. Maize exports were down by 17 percent from the previous week and 6 percent from the prior 4-week average; mainly for the destinations like China (847,000MT), Mexico (379,000MT, Japan (200,000MT), Colombia (200,700 MT), and South Korea (61,500 MT). Agriwatch expects that Corn on CBOT would consolidate in the price range of 240.89 USD/MT to 290.26 USD/MT for coming few days.



PREVIOUS UPDATES

USDA increased its World Maize Ending Stock Estimate by 8.87 MMT to 292.301 MMT for May'21/ 2021-22, It also projected an increase in Production Estimates, which would weigh the global Maize market. USDA also revised the Ending stock estimates for Argentina, at 2.62 MMT for May'21/ 2021-22 , Brazil at 8.93 MMT for May'21/ 2021-22 and for U.S at 38.27 MMT for May'21/ 2021-22.

In the U.S, corn plantings as of 24th May 2021 stand at 90%, up by 3 percentage points from the same period last year and up by 10 percentage point compared to last 5-year average period. Crop of corn has been emerged at 64%, up by 3 percentage from the same period last year and up by 10 percentage point from 5-year average period.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 3.05 USD/MT to 258.55USD/MT for July'21 contract compared to previous week. Agriwatch expects that Corn on CBOT would consolidate in the range of 240.89 USD/MT to 290.26 USD/MT for coming week.



ANNEXURE

MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	28-May-21	21-May-21	27-Apr-21	28-May-20	28-May-19
Naugachia	Bilty	1450	1450	1500	1200	1825
Delhi	Hybrid Maize(U.P.)	1630	1650	Closed	1375	2000
Davangere	Loose	1520	1625	1600	1300	NA
Shimoga	Bilty	NA	NA	1650	1300	NA
Ranebennur	Bilty	NA	NA	NA	NA	2350
Bagalkot	Hybrid/Local	NA	1555	NA	1300	2201
Gadag	Local	NA	NA	NA	NA	2190
Nizamabad	Bilty	1600	1600	Closed	NA	2150
Khanna	Bilty	Closed	Closed	1600	1350	1890
Sangli	Feed	1807	1799	1758	NA	2340
Ahmedabad	Feed	1800	1725	Closed	1390	2150

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	29-May-21	22-May-21	Change
Corn CBOT Prices	July-21	258.55	261.60	-3.05
	Sep-21	225.68	227.94	-2.26
	Dec-21	214.75	217.31	-2.56
	Mar-22	217.41	219.77	-2.36

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