

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 an increase in crop arrivals containing high moisture percentage in coming week would weigh on market sentiments. On the other hand, if demand from local millers, international and domestic feed makers continues, it would support the market at the lower level.

Arrivals in Nizamabad markets are very little. In Karnataka and Telangana Maize crop arrivals are small in quantity.

MAIZE TRADE SCENARIO

Sources revealed that Maize in areas nearby Nizamabad is being traded between Rs. 1500-1550 per quintal. Maize is being supplied to Hyderabad feed makers at Rs. 1650 sourced from villages near Nizamabad. Maize in M.P, Neemuch and nearby areas is being traded at an average of Rs.1450 per quintal.

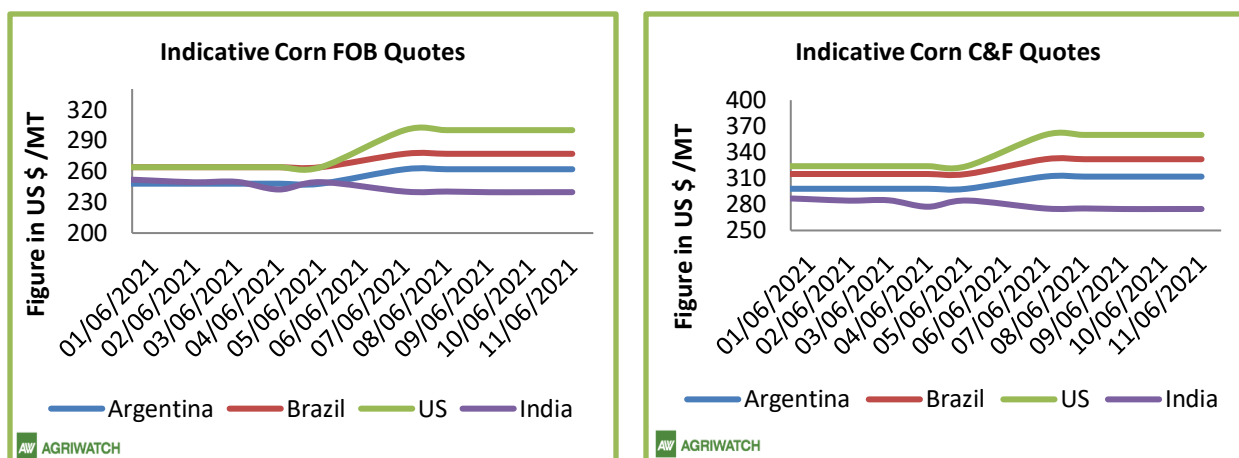
Sources revealed that Maize sourced from Gulabghat, Bihar is moving towards Punjab at Rs. 1,700 per quintal. Maize (loose) in Bihar markets is being traded at Rs. 1,425 per quintal and Maize (bilty) in Bihar markets is being traded at Rs. 1,450 per quintal. Banaras cattle feed makers are buying Maize at Rs.1,600-1,650 per quintal; sourced from Bihar.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 0.69 USD/MT 269.48 USD/MT for July'21 contract compared to previous week over the weather related concerns in U.S and Brazil. 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 52.91MMT in the 2020-21 marketing year, at 1.64 MMT (for the period May 28 – June 3, 2021). U.S. Maize exports were down by 23 percent from the previous week and 15 percent from the prior 4-week average; mainly for the China (542,500 MT), Mexico (368,000 MT), Japan (357,800 MT), Colombia (146,200 MT), and South Korea (116,200 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.73.01)				
As on 09.06.2021	Argentina	Brazil	US	India
FOB	262.00	277.00	300.00	239.69
C&F	312.00	332.00	360.00	274.69

As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed and might narrow down in coming days.

EXPORTS FOR THE MONTH OF APRIL'21

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

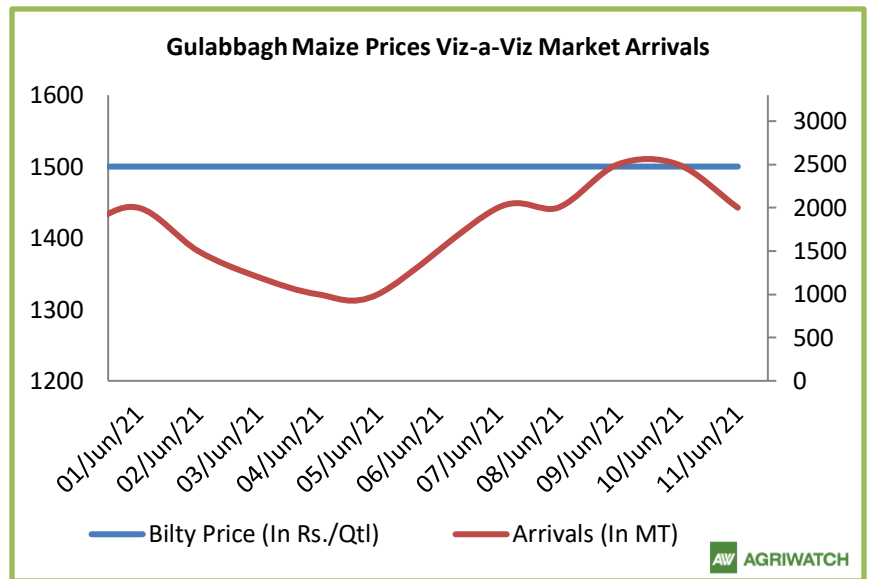
As per the sources, 52,697 MT of Maize Vessel, FLAG GANGOS, is waiting to complete loading KAKINADA port. Whereas, 30,000 MT of Maize Vessel, OSPREY BULKER is waiting for loading at Vizag port. 40,000 MT of Maize Vessel, GHOUSTA and 53,200 MT of Maize Vessel, OCEAN DESTINY is lined up, waiting for berth. 31,000 MT of Maize Vessel, GOLDEN BRIGHT has completed loading at KAKINADA port by May 30, 2021. Also, 31,000 MT of Maize Vessel, GOLDEN BRIDGE has completed loading at Tuticorin port by May 26, 2021. 11,000 MT of Maize Vessel, TAN BINH 127, has complete loading at Tuticorin port.

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:

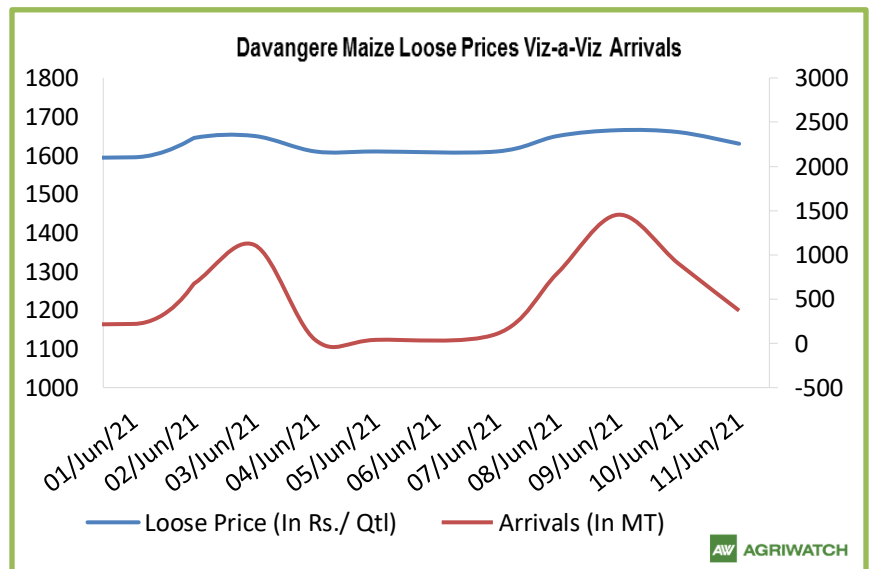
BIHAR:

In Gulabbagh region of Bihar, Maize is being traded at Rs. 1,500 per quintal (BiltyPrice). Maize in Gulabbagh would trade steady to slightly range bound in the range of Rs.1,450-1,650 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 millers, feed makers and stockiest demand comes; could lead the market.



KARNATAKA:

In Davangere region of Karnataka, Market Maize traded between in the price range of Rs. 1600-1700 per quintal. Maize in Davangere region would trade in the range of Rs.1550-1,750 per quintal. However, if fresh export, feed makers and stockiest demand comes; could lead the market.



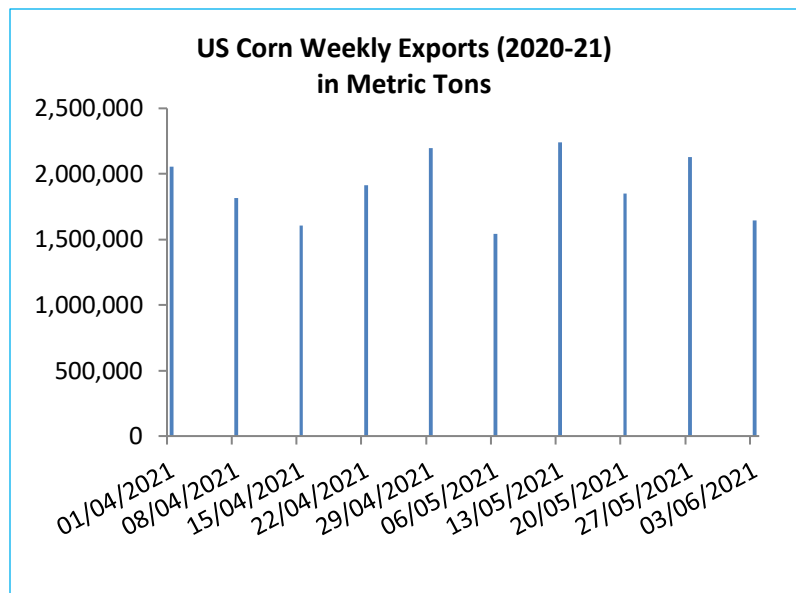
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to range bound despite continuous demand from domestic millers and good feed makers 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 52.91 MMT in the 2020-21 marketing year, at 1.64 MMT (for the period May 28 – June 3, 2021). U.S. Maize exports were down by 23 percent from the previous week and 15 percent from the prior 4-week average; mainly for the China (542,500 MT), Mexico (368,000 MT), Japan (357,800 MT), Colombia (146,200 MT), and South Korea (116,200 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 1st June 2021 stand at 95%, up by 3 percentage points from the same period last year and up by 8 percentage point compared to last 5-year average period. Crop of corn has been emerged at 81%, up by 5 percentage from the same period last year and up by 11 percentage point from 5-year average period.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 0.69 USD/MT 269.48 USD/MT for July'21 contract compared to previous week over the weather related concerns in U.S and Brazil. 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	11-Jun-21	04-Jun-21	11-May-21	11-Jun-20	11-Jun-19
Naugachia	Bilty	1450	1450	1500	1225	1700
Delhi	Hybrid Maize(U.P.)	1625	1650	Closed	1360	1950
Davangere	Loose	1630	1610	Closed	1350	NA
Shimoga	Bilty	NA	NA	NA	NA	2240
Ranebennur	Bilty	NA	NA	NA	1350	2250
Bagalkot	Hybrid/Local	NA	1600	NA	1315	2190
Gadag	Local	NA	NA	NA	NA	NA
Nizamabad	Bilty	1650	1600	Closed	1425	2150
Khanna	Bilty	1400	Closed	Closed	1100	1870
Sangli	Feed	1877	1813	1765	1420	2300
Ahmedabad	Feed	1750	1800	Closed	1400	1990

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	11-June-21	04-June-21	Change
Corn CBOT Prices	July-21	269.48	268.79	+0.69
	Sep-21	247.92	238.77	+9.15
	Dec-21	240.05	232.86	+7.19
	Mar-22	242.51	235.42	+7.09

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