

# Maize Weekly Research Report

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### EXECUTIVE SUMMARY

#### DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade steady to strong, on the expectation that crop arrivals in coming weeks would remain slow and there are chances of Maize shortage in Markets in coming weeks. Also, demand from local and international feed makers continue, that would support the Market at the lower level.

Kharif (2021-22) Maize sowing has started in Jharkhand, Rajasthan, Madhya Pradesh and Gujarat.

#### MAIZE TRADE SCENARIO

Sources revealed that Maize in areas nearby Nizamabad is being traded between Rs. 1600- Rs. 1700 per quintal. Domestic trade in Davangere markets is still very sluggish due to Covid restrictions and arrivals in markets are little in quantity. Maize in M.P, Ratlam is being traded at an average of Rs. 1600 per quintal.

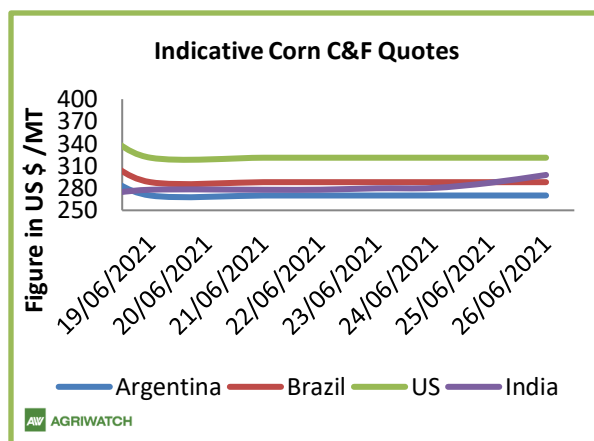
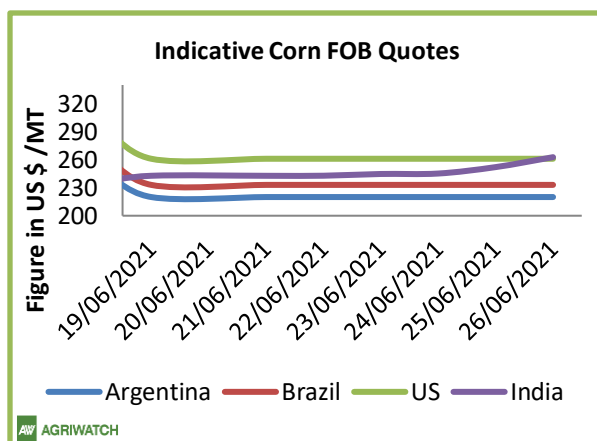
Sources revealed that millers in Uttar Pradesh are buying Maize between Rs. 1,650-Rs.1750 per quintal sourced from Gulabghat, Bihar. Maize in Bihar markets is being traded between Rs. 1400-Rs. 1700 per quintal, depending on the quality of Maize.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 7.38 USD/MT to 250.58 USD/MT for July'21 contract compared to previous week over the improved weather in U.S. 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 56.26 MMT in the 2020-21 marketing year, at 1.68 MMT (for the period June 10 – June 17, 2021). U.S. Maize exports were up 2 percent from the previous week, but down 7 percent from the prior 4-week average. The destinations were primarily to China (1,068,100 MT), Mexico (332,500 MT), Japan (139,800 MT), Guatemala (45,300 MT), and El Salvador (29,200 MT).

## EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.23)				
As on 24.06.2021	Argentina	Brazil	US	India
FOB	220.00	233.00	261.00	245.18
C&F	270.00	288.00	321.00	280.18

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 FOR THE MONTH OF May'21

As per the trade sources, India exported around 3,42,517 MT of Maize in May 2021 at an average FoB of US\$ 232.61 per MT, out of which, 1,85,467 MT was exported to Vietnam at an average FoB of US\$ 263.97 per MT and around 29,685 MT was exported to Malaysia at an average FoB of US\$ 271.81 per MT. Around 65,748 MT was exported to Bangladesh at an average FoB of US\$ 219.71 per MT. And, 52,794 MT was exported to Nepal at an average FoB of US\$ 220.34 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

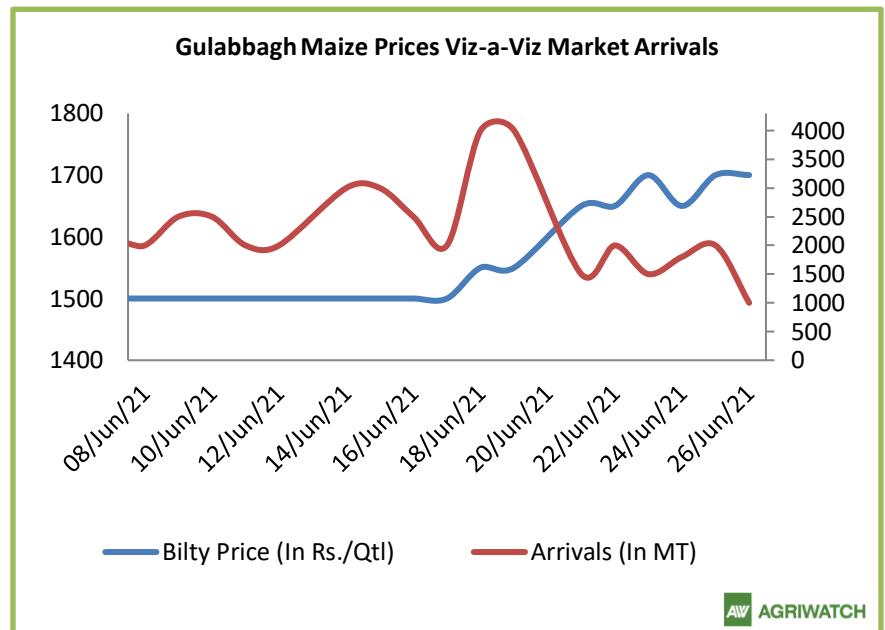
As per the sources 53,200 MT of Maize Vessel, OCEAN DESTINY and, 40,000MT of Maize Vessel, GHOUSTA are waiting for loading at Vizag port. Also, 40,000MT of Maize Vessel TAN BINH 245 was expected to arrive on Gangavaram port by 27 June 2021. Whereas, 18,000 MT Maize Vessel OCEAN CROWN, is waiting at berth for loading at Krishnapatnam port since 17 June 2021 and 50,000MT of Maize Vessel FORTUNE WING was expected to arrive at Vizag port by 21 June 2021.

CURRENT MARKET DYNAMICS:

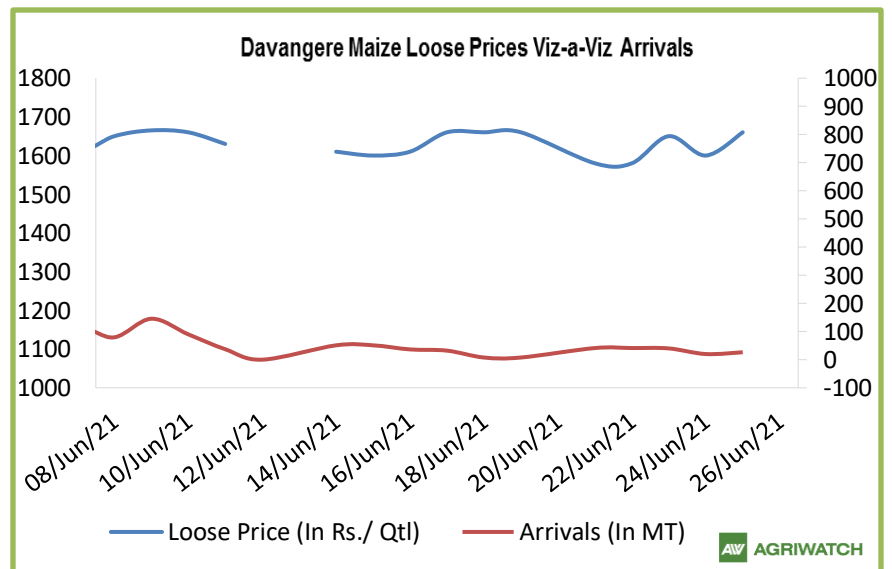
During the week under review, almost steady to strong price sentiments were reported in most of the major cash markets of Maize. The various key spot markets dynamics areas under:

BIHAR:

In Gulabghat region of Bihar, Maize is being traded between Rs. 1,500 – Rs. 1,750 per quintal (Bilty Price). Maize in Gulabghat would trade steady with a strong bias in the range of Rs.1,500 - 1,800 per quintal for the week. As the expectation of decreased crop arrivals with crops high in moisture content and possible shortage of Maize, in coming week will weigh on the market sentiments. Also, millers feed makers and stockiest demand; in this situation will maintain the high prices of Maize in Gulabghat Market.

KARNATAKA:

In Davangere region of Karnataka Market, Maize is being traded between the price range of Rs. 1550-1700 per quintal. Maize in Davangere region would trade in the range of Rs. 1,550-1,800 per quintal. Also, millers and feed makers demand; in this situation will maintain the high prices of Maize in Davangere Market.

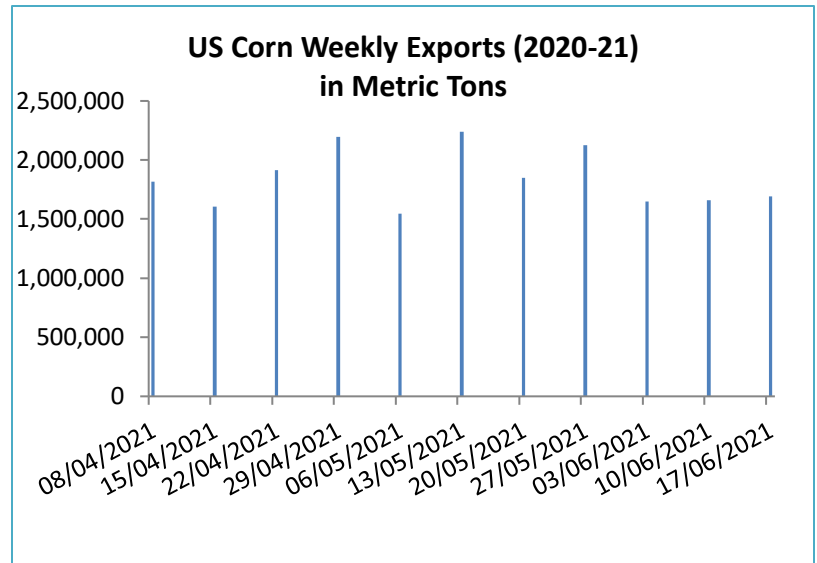
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade steady to strong, on the expectation that crop arrivals in coming weeks would remain slow. Also, demand from local and international feed makers continue, that would support the market at the lower level.



### INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 56.26 MMT in the 2020-21 marketing year, at 1.68 MMT (for the period June 10 – June 17, 2021). U.S. Maize exports were up 2 percent from the previous week, but down 7 percent from the prior 4-week average. The destinations were primarily to China (1,068,100 MT), Mexico (332,500 MT), Japan (139,800 MT), Guatemala (45,300 MT), and El Salvador (29,200 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 decreased its World Maize Ending Stock Estimate by 2.88 MMT to 281.413 MMT for June'21/ 2021-22, whereas it kept its Production Estimates same, this might support the global Maize market. USDA also revised the Ending stock estimates for U.S at 34.46 MMT for June'21/ 2021-22. Although USDA kept Ending stock estimates unchanged for Argentina, at 2.62 MMT for June'21/ 2021-22 and Brazil at 8.93 MMT for June'21/ 2021-22.

In the U.S, as of 21st June 2021 65 % crop of corn is in good + excellent condition, as compared to 68% in last week and 72% in last year for same time period.

### INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 7.38 USD/MT to 250.58 USD/MT for July'21 contract compared to previous week over the improved weather in U.S. Agriwatch expects that Corn on CBOT would consolidate in the range of 240.89 USD/MT to 290.26 USD/MT for coming week.



28<sup>th</sup> June, 2021

### ANNEXURE

### MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	25-Jun-21	18-Jun-21	25-May-21	25-Jun-20	25-Jun-19
Naugachia	Bilty	1700	1475	1450	1225	1900
Delhi	Hybrid Maize(U.P.)	1700	1630	1650	1340	1950
Davangere	Loose	1660	1660	1645	1450	NA
Shimoga	Bilty	1940	NA	NA	1300	NA
Ranebennur	Bilty	NA	NA	NA	NA	2350
Bagalkot	Hybrid/Local	NA	1605	NA	1420	2240
Gadag	Local	NA	NA	NA	NA	NA
Nizamabad	Bilty	1700	1700	1600	1375	2200
Khanna	Bilty	1700	1400	Closed	1100	1900
Sangli	Feed	2123	1939	1803	1585	2508
Ahmedabad	Feed	1850	1800	1800	1400	2100

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	25-June-21	17-June-21	Change
Corn CBOT Prices	July-21	250.58	257.96	-7.38
	Sep-21	208.75	227.35	-18.60
	Dec-21	204.42	222.92	-18.50
	Mar-22	207.27	225.68	-18.41

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