

# Maize Weekly Research Report

## Contents

- ❖ Executive Summary
- ❖ Maize Trade Scenario
- ❖ Kharif Maize Sowing
- ❖ International Corn Market Summary
- ❖ Export-Import Parity Trend
- ❖ Exports for the Month of May'21
- ❖ Vessel Position
- ❖ Kharif Maize Sowing
- ❖ Current Market
- ❖ Dynamics Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Annexure



### EXECUTIVE SUMMARY

#### DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade in a narrow range with a firm bias in near term, on the expectation that domestic demand from medium and small poultry feed makers would remain steady till July end week. However declined exports of Maize, due to substitution of export Maize by Wheat might slow down the Maize market.

Domestic trade in Davangere Markets is still very sluggish due to Covid, farmers are unwilling to visit APMC Markets due to Covid spread related concerns.

#### MAIZE TRADE SCENARIO

Sources revealed that Maize in Nizamabad Market is being traded at Rs. 1750 per quintal, with little to no arrivals in the APMC Market. Maize sourced from Nizamabad is being supplied to poultry feed makers in Hyderabad at Rs. 1850 per quintal. Maize in Davangere, Karnataka is being traded at Rs. 2000 per quintal.

Sources revealed that good quality Maize is being traded in Bihar and West Bengal Markets at Rs. 1800 per quintal. Maize at Rs.1800-Rs.1900 per quintal is being exported to Bangladesh sourced from West Bengal. Maize in Punjab and Haryana sourced from U.P. , is being traded in Punjab and Haryana at Rs.1850-Rs.1875 per quintal.

#### KHARIF MAIZE SOWING

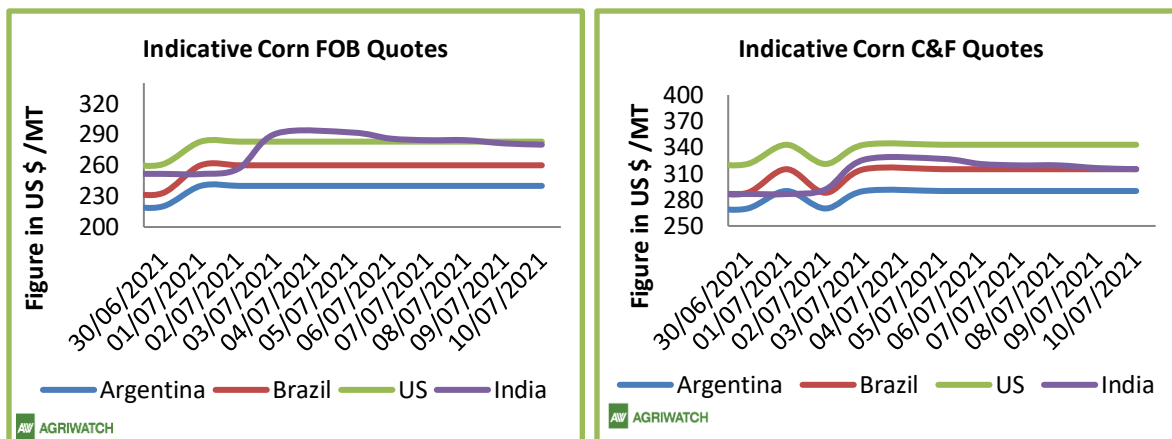
As per sources sowing of Kharif Maize started in Jharkhand, Rajasthan, Gujarat, Orissa, Maharashtra, Punjab, Telangana, Karnataka and Madhya Pradesh by last week of May,2021. According to sources 90% kharif Maize sowing is completed in these states as of now.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 26.58 USD/MT to 247.92 USD/MT for July'21 contract compared to previous week due to rains and improved weather conditions of Corn crop in U.S. . Agriwatch expects that release of USDA monthly report would further determine the movement of Corn CBOT.

U.S. Maize exports have reached 58.65 MMT in the 2020-21 marketing year. At 1.28 MMT (for the period June24-1July, 2021). U.S. Maize exports were up by 13 percent from the previous week but down by 16 percent from the prior 4-week average; primarily to destinations like China (405,100 MT), Mexico (329,900 MT), Japan (294,700 MT), Saudi Arabia (72,400 MT), and Colombia (58,800 MT).

#### EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.72)				
As on 07.07.2021	Argentina	Brazil	US	India
FOB	240.00	260.00	283.00	284.40
C&F	290.00	315.00	343.00	319.40

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 2,28,060 MT of Maize has been loaded till June, 2021 and 2nd week of July, 2021, mainly through Vizag port followed by Tuticorin port.

#### VESSEL POSITION

As per the sources 30,000 MT Maize Vessel OCEAN CROWN and 50,000 MT of Maize Vessel FORTUNE WING, are waiting at berth for loading on Vizag port. Whereas 53,200 MT of Maize Vessel, OCEAN DESTINY and, 40,000 MT of Maize Vessel, GHOUSTA have completed loading at Vizag port. Also, 40,000 MT of Maize Vessel TAN BINH 245 has completed loading on Gangavaram port as on date 5th July, 2021.

**KHARIF MAIZE SOWING**

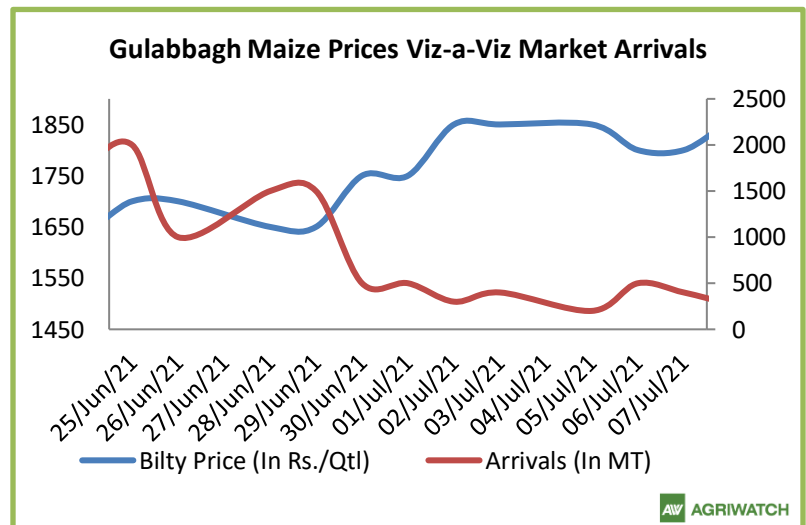
As per sources sowing of Kharif Maize started in Jharkhand, Rajasthan, Gujarat, Orissa, Maharashtra, Punjab, Telangana, Karnataka and Madhya Pradesh by last week of May, 2021. According to sources 90% kharif Maize sowing is completed in these states as of now. Till 27th June 2021, Maize crop covered 22.28 lakh hectare of area in India against 19.10 lakh hectare of area during same period previous year. In Rajasthan and Orissa by the end of June, 2021, Maize crop has covered 421.82 hectare and 100.692 hectare of area respectively. Whereas in Madhya Pradesh till June, 2021 Maize crop has been sown in 10.77 lakh hectare of area.

**CURRENT MARKET DYNAMICS:**

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

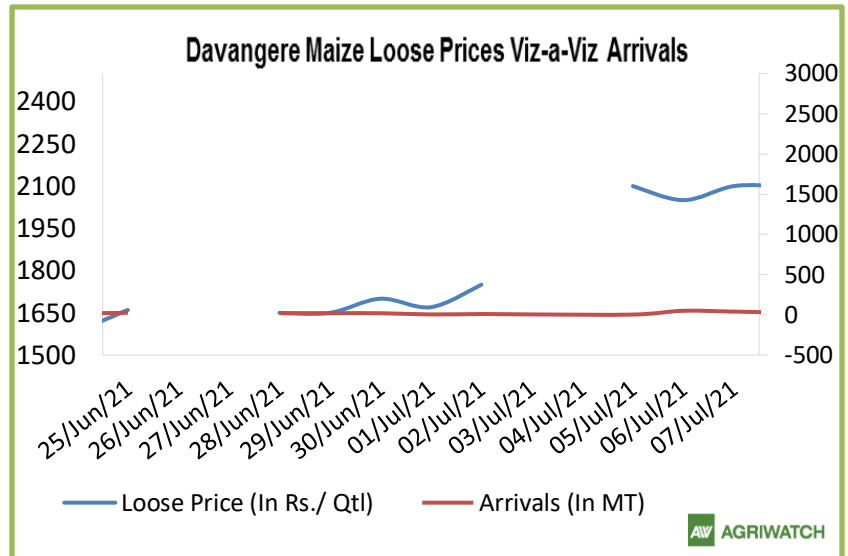
**BIHAR:**

In Gulabghat region of Bihar, Maize is being traded at Rs. 1,850 per quintal (Bilty Price). Maize in Gulabghat would trade in the range of Rs. 1,700 - 1,900 per quintal for this week with a sluggish to firm sentiments in the near term, due to expectation of decreased export demand as well as decreased supply to southern parts of India from Bihar. However, if stockists and millers demand comes; could lead the market. Also little arrivals in Bihar market will support Maize markets in Bihar.



KARNATAKA:

In Davangere region of Karnataka Market, Maize is being traded in the price range of Rs. 2000-Rs.2150 per quintal. Maize in Davangere region would trade in the range of Rs. 1,800-2,500 per quintal, with a firm bias to slightly sluggish sentiments in near term, on the expectation of decreased export demand in coming days. However, decreased and very little arrival in the markets will continue to support the Maize market.

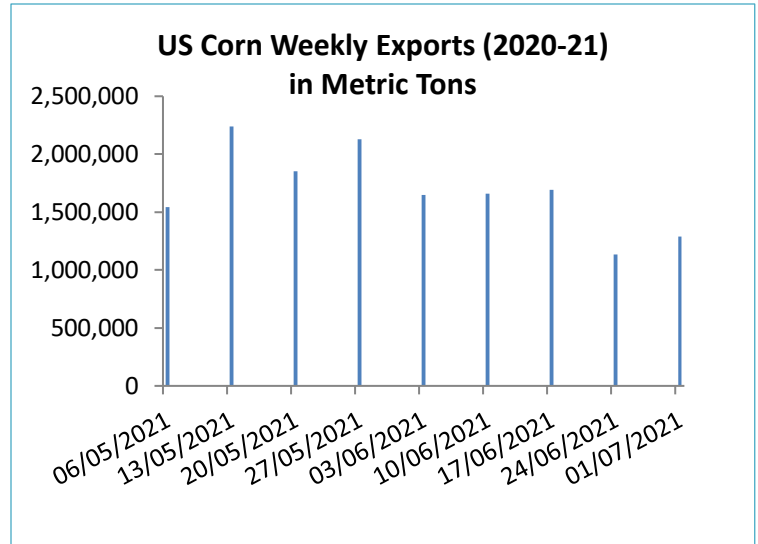
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that Maize would trade in a narrow range with a firm bias in near term, on the expectation that domestic demand from medium and small poultry feed makers would remain steady till July end week. However declined exports of Maize, due to substitution of export Maize by Wheat might slow down the Maize market.



### INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 58.65 MMT in the 2020-21 marketing year. At 1.28 MMT (for the period June 24-1 July, 2021). U.S. Maize exports were up by 13 percent from the previous week but down by 16 percent from the prior 4-week average; primarily to destinations like China (405,100 MT), Mexico (329,900 MT), Japan (294,700 MT), Saudi Arabia (72,400 MT), and Colombia (58,800 MT). . Agriwatch expects that China's decision on cutting short Corn imports from U.S might affect the CBOT Corn.



### 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 6th July 2021, 10% crop of corn is in silking stage which is 1% more to that of July, 2020 but 4% down as compared to last five year average. Also, 64% crop is in good + excellent condition, same as in last week.

### INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 26.58 USD/MT to 247.92 USD/MT for July'21 contract compared to previous week due to rains and improved weather conditions of Corn crop in U.S. . Agriwatch expects that release of USDA monthly report would further determine the movement of Corn CBOT.

**ANNEXURE**
**MAIZE SPOT MARKET PRICES (RS./QUINTAL)**

Maize (Corn) Weekly Prices:						
Market	Grade	09-Jul-21	02-Jul-21	08-Jun-21	09-Jul-20	09-Jul-19
Naugachia	Bilty	1850	1800	1475	1175	2125
Delhi	Hybrid Maize(U.P.)	1750	1700	1625	1300	2050
Davangere	Loose	1900	1750	1650	1350	NA
Shimoga	Bilty	1940	NA	NA	NA	NA
Ranebennur	Bilty	NA	NA	NA	1430	2450
Bagalkot	Hybrid/Local	NA	1805	NA	1300	NA
Gadag	Local	NA	1710	NA	NA	NA
Nizamabad	Bilty	Closed	1750	1650	1350	2300
Khanna	Bilty	1600	1600	1400	1100	1890
Sangli	Feed	2091	2088	1822	1495	2500
Ahmedabad	Feed	2000	2000	1725	1360	2250

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	09-July-21	02-July-21	Change
Corn CBOT Prices	July-21	247.92	274.50	-26.58
	Sep-21	208.46	233.06	-24.60
	Dec-21	203.53	228.24	-24.71
	Mar-22	206.68	230.80	-24.12

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient thereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed

disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.

