

# Maize Weekly Research Report

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### EXECUTIVE SUMMARY

#### DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that Maize would trade steady to range bound in a narrow zone in near term, after some days it might attain a firm bias. Also, continuous ongoing buying in markets along with reduced or no arrivals accompanied with no near future arrivals of any new maize crop in coming months might provide support to maize Market.

#### MAIZE TRADE SCENARIO

Sources revealed that maize in Nizamabad market is being traded at Rs. 1900 per quintal, with little to no arrivals in the APMC. Maize in Davangere, Karnataka is being traded at Rs. 2050 per quintal. Domestic trade in Davangere market is still sluggish due to Covid, farmers are unwilling to visit APMC Markets due to Covid spread related concerns.

Sources revealed that good quality maize is being traded in Bihar and West Bengal markets between Rs. 1800-1900 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1800 per quintal. Maize is being traded in Mandsaur region of M.P between Rs. 1800- Rs.1900 per quintal.

#### KHARIF MAIZE SOWING

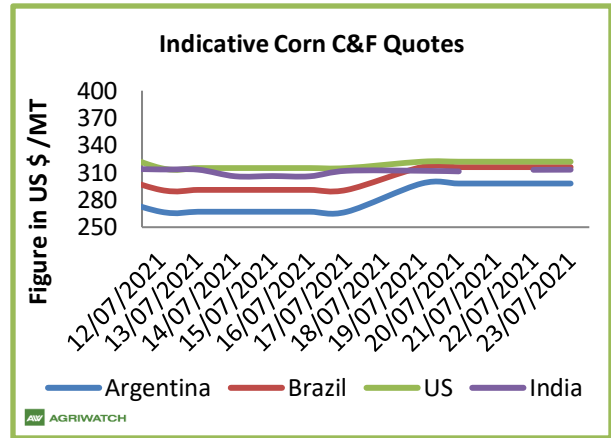
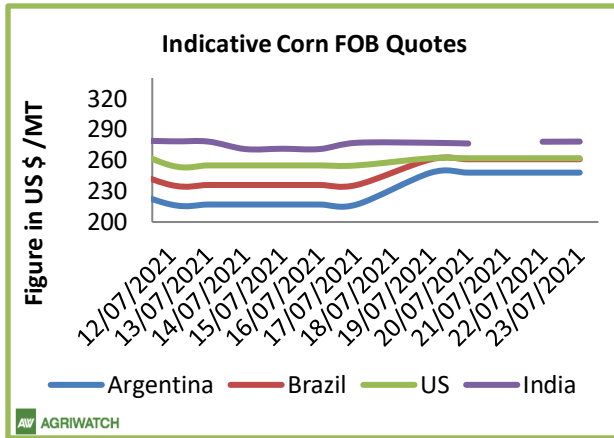
According to sources till 16th June 2021, Maize crop covered 58.86 lakh hectare of area in India against 63.81 lakh hectare of area during same period previous year. Largest area covered by Maize is in M.P.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 3.35 USD/MT to 222.23 USD/MT for September '21 contract compared to previous week. Agriwatch expects that Corn on CBOT is likely to trade in the price range of 219 USD/MT to 225 USD/MT for September contract in near term, additionally it has taken support of 200 days moving average and is likely to trade above that level in near term.

U.S. Maize exports have reached 60.75 MMT in the 2020-21 marketing year. At 1.00 MMT (for the period July8 -15July, 2021). U.S. Maize exports were down by 18 percent from the previous week and down by 26 percent from the prior 4-week average; primarily to destinations like China (526,000 MT), Mexico (235,900 MT), Japan (95,400 MT, including 12,000 MT - late), Venezuela (47,100 MT), and Nicaragua (27,400 MT).

## EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.79)				
As on 19.07.2021	Argentina	Brazil	US	India
FOB	248.00	261.00	262.00	276.30
C&F	298.00	316.00	322.00	311.30

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 JUNE'21

As per the trade sources, India exported around 3,97,792 MT of Maize in June 2021 at an average FoB of US\$ 264.44 per MT, out of which, 3,34,606 MT was exported to Vietnam at an average FoB of US\$ 263 per MT and around 33,413 MT was exported to Malaysia at an average FoB of US\$ 271 per MT. Around 20,349 MT was exported to Bangladesh at an average FoB of US\$ 249 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 50,000MT of Maize Vessel FORTUNE WING, and 30,000 MT of Maize Vessel OCEAN CROWN are waiting at berth for loading on Vizag port. Whereas 53,200 MT of Maize Vessel, OCEAN DESTINY and, 40,000MT of Maize Vessel, GHOUSTA have completed loading at Vizag port. Also, 40,000MT of Maize Vessel TAN BINH 245 has completed loading on Gangavaram port as on date 5th July, 2021.

**KHARIF MAIZE SOWING**

According to sources till 16th June 2021, Maize crop covered 58.86 lakh hectare of area in India against 63.81 lakh hectare of area during same period previous year. Largest area covered by maize is in M.P, that is 13.83 lakh hectare, followed by Karnataka and U.P which is 10.33 lakh hectare and 6 lakh hectare respectively.

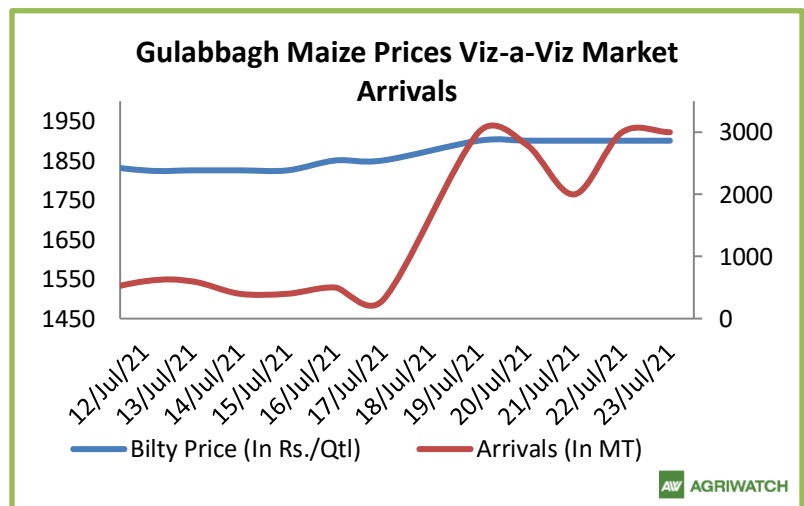
In Punjab, Haryana, Karnataka, Maharashtra and Nagaland Fall Army worm has spread in 7.07 lakh hectare of area, already with approximately 5-8% less sowing in these states Fall Army Worm have raised concerns regarding maize production.

**CURRENT MARKET DYNAMICS**

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

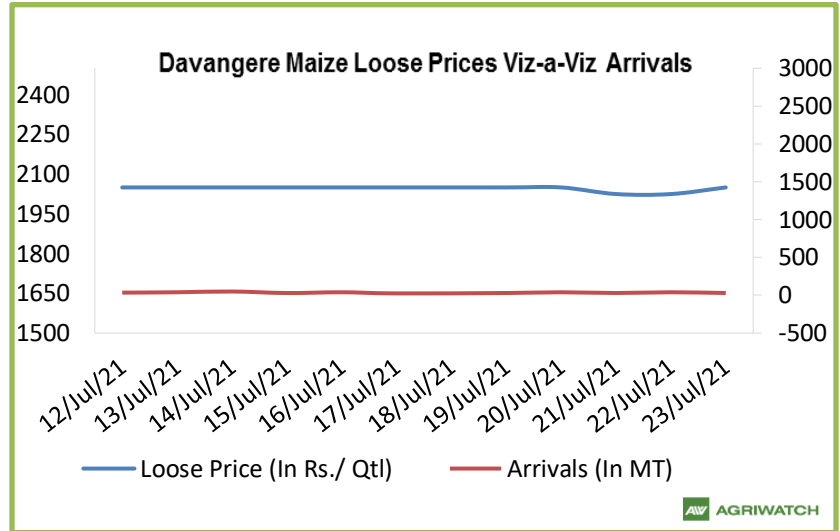
**BIHAR:**

In Gulabbagh region of Bihar, Maize is being traded at Rs. 1900 per quintal (Bilty Price). Maize in Gulabbagh would trade in the range of Rs.1,750 – 2,000 per quintal for this week with steady to narrow range bound bias in near term, on the expectation of steady demand to be maintained in coming few days. However, decreased and very little arrival in the markets will continue to support the Maize market.



KARNATAKA:

In Davangere region of Karnataka Market, maize is being traded at Rs. 2050 per quintal. Maize in Davangere region would trade in the range of Rs. 1,800-2,300 per quintal, with steady to narrow range bound bias in near term, on the expectation of steady demand to be maintained in coming few days. However, decreased and very little arrival in the markets will continue to support the Maize market.

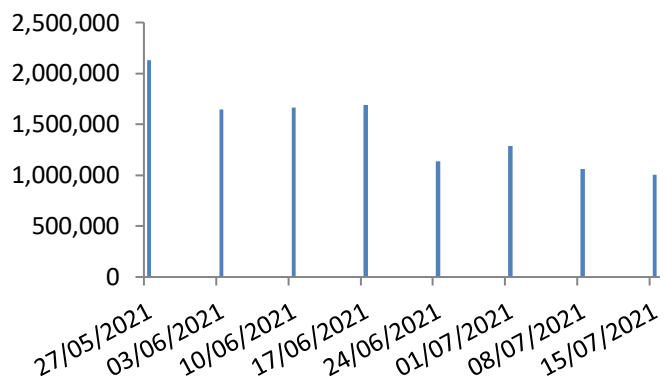
DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady to range bound in a narrow zone in near term, after some days it might attain a firm bias. Also, continuous ongoing buying in markets along with reduced or no arrivals accompanied with no near future arrivals of any new maize crop in coming months might provide support to Maize Market.

**INTERNATIONAL MARKET HIGHLIGHT:**

U.S. Corn exports have reached 60.75MMT in the 2020-21 marketing year. At 1.00 MMT (for the period July8-15July,2021). U.S. Maize exports were down by 18 percent from the previous week and down by 26 percent from the prior 4-week average; primarily to destinations like China (526,000 MT), Mexico (235,900 MT), Japan (95,400 MT, including 12,000 MT - late), Venezuela (47,100 MT), and Nicaragua (27,400 MT). Agriwatch expects that weather conditions in Brazil and U.S would support U.S. corn on CBOT. Though increased production estimates as per USDA July report, might weight on CBOT Corn.

**US Corn Weekly Exports (2020-21)  
in Metric Tons**

**PREVIOUS UPDATES**

USDA increased its World Maize Ending Stock Estimate by 1.76 MMT to 291.182 MMT for July'21/ 2021-22, USDA also increased its World Maize Production Estimates by 4.94 MMT to 1194.799 MMT for July'21/ 2021-22, this might weight on the global Maize market. USDA also revised the Ending stock estimates for U.S at 36.37 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 19th July 2021, 56% crop of corn is in silking stage which is 1 % more than that of July, 2020 but 4% down as compared to last five year average. Also, 65% crop is in good + excellent condition, which is same as that of in last week but 4% less as compared to previous year for same time period.

**INTERNATIONAL CORN OUTLOOK:**

Corn on CBOT rose by 3.35 USD/MT to 222.23 USD/MT for September '21 contract compared to previous week. Agriwatch expects that Corn on CBOT is likely to trade in the price range of 219 USD/MT to 225 USD/MT for September contract in near term, additionally it has taken support of 200 days moving average and is likely to trade above that level in near term.

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

Maize (Corn) Weekly Prices:						
Market	Grade	23-Jul-21	16-Jul-21	22-Jun-21	23-Jul-20	23-Jul-19
Naugachia	Bilty	1850	1825	1525	1125	2125
Delhi	Hybrid Maize(U.P.)	1740	1750	1650	1200	2100
Davangere	Loose	1900	1900	1640	1350	NA
Shimoga	Bilty	NA	2000	NA	NA	NA
Ranebennur	Bilty	NA	NA	NA	1390	2450
Bagalkot	Hybrid/Local	NA	NA	1700	NA	2350
Gadag	Local	NA	NA	NA	NA	NA
Nizamabad	Bilty	1900	1850	1600	1375	2400
Khanna	Bilty	1500	1550	1500	1100	1850
Sangli	Feed	2046	2032	1983	1462	2535
Ahmedabad	Feed	2000	2000	1950	1300	2260

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	23-July-21	16-July-21	Change
Corn CBOT Prices	Sep-21	222.23	218.89	3.35
	Dec-21	220.95	217.31	3.64
	Mar-22	223.91	220.27	3.64
	May-22	225.38	221.84	3.54
	July-22	225.09	221.84	3.25

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