

# 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 June'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 steady to range bound in a narrow zone in near term, and may attain firm bias later. 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 will provide support to maize market. Current ongoing demand from poultry and cattle feed industry will also support the 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. Feed maize is being supplied to Tamil Nadu at Rs. 2050 per quintal, sourced from Davangere.

Sources revealed that good quality maize is being traded in Bihar at Rs. 1850 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1800 per quintal. Whereas, poor quality maize has been loaded for Bangladesh from Naugachia and Gulabghat.

#### KHARIF MAIZE SOWING

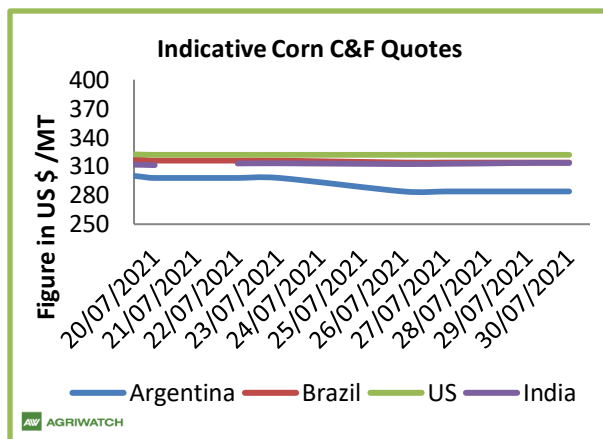
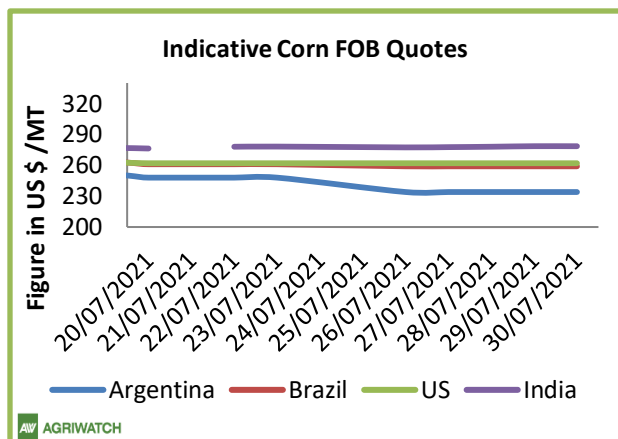
According to sources till 23rd July 2021, maize crop covered 66.23 lakh hectare of area in India against 69.40 lakh hectare of area during same period previous year. Till 23rd July 2021 largest area covered by maize till date, was in M.P, that is 14.46 lakh hectare, followed by Karnataka and Maharashtra.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 2.55 USD/MT to 219.68 USD/MT for September '21 contract compared to previous week. Agriwatch expects that Corn on CBOT is likely to take support at 207 USD/MT for September contract in near term.

U.S. Maize exports have reached 62.11 MMT in the 2020-21 marketing year. At 1.36 MMT (for the period July15-22July, 2021). U.S. Maize exports were up by 36 percent from the previous week and up by 21 percent from the prior 4-week average; primarily to destinations like China (698,700 MT), Japan (308,500 MT), Mexico (256,900 MT), Venezuela (30,000 MT), and Jamaica (19,000 MT).

## EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.45)				
As on 28.07.2021	Argentina	Brazil	US	India
FOB	234.00	259.00	262.00	278.04
C&F	284.00	314.00	322.00	313.04

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

Till 23rd July 2021, maize crop covered 66.23 lakh hectare of area in India against 69.40 lakh hectare of area during same period previous year. Till 23rd July 2021 largest area covered by maize till date, was in M.P, that is 14.46 lakh hectare, followed by Karnataka and Maharashtra at 11.48 lakh hectare and 6.77 lakh hectare respectively. As per the present sowing updates acreage covered by maize has declined in major maize producing states as compared to that of previous year during same time frame.

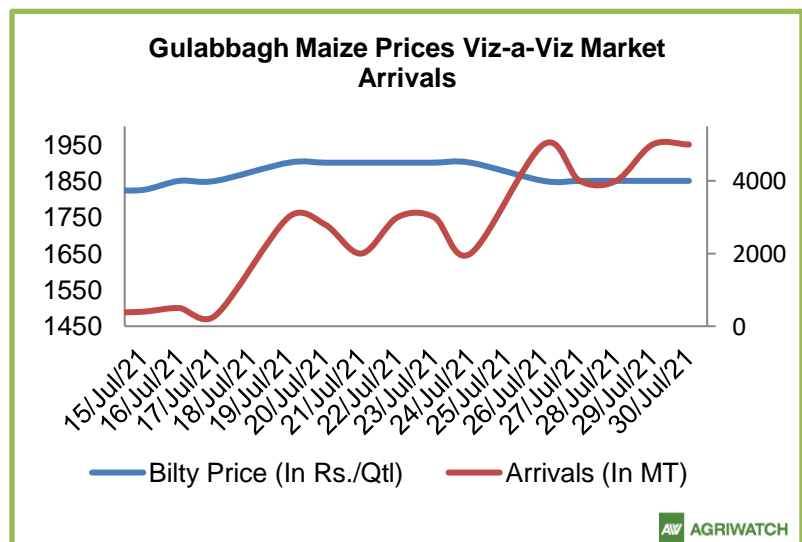
On the other hand in states like Punjab, Haryana, Maharashtra and Nagaland Fall Army worm has spread in 7.07 lakh hectare of area collectively, this pest can cause damage to sown maize crop.

### 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:

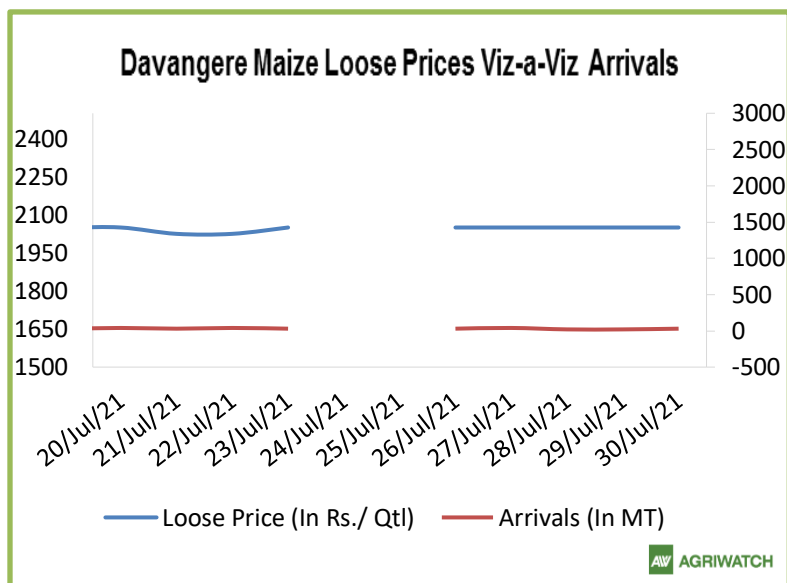
#### BIHAR:

In Gulabbagh region of Bihar, Maize is being traded at Rs. 1850 per quintal (Bilty Price). Maize in Gulabbagh would trade in the range of Rs.1,750 – 2,100 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 arrivals in the markets will continue to support the Maize market.



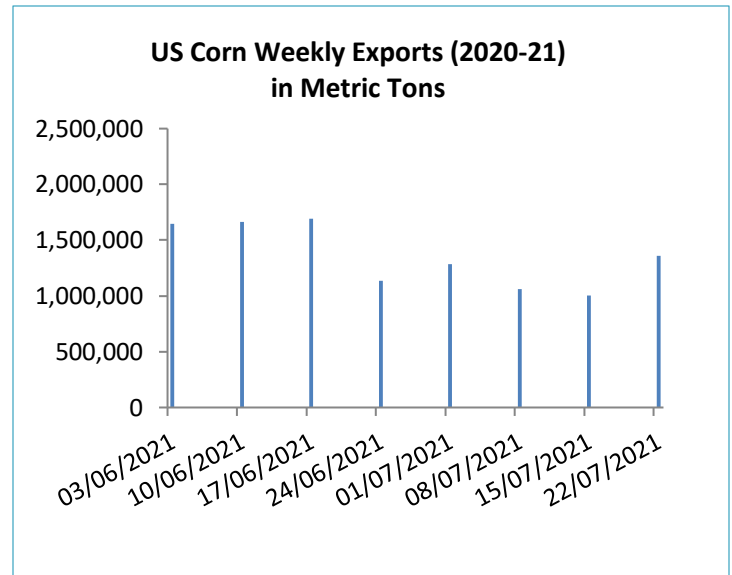
### DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady to range bound in a narrow zone in near term, and may attain firm bias later. 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 will provide support to maize market. Current ongoing demand from poultry and cattle feed industry will also support the maize market.



### INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 62.11 MMT in the 2020-21 marketing year. At 1.36 MMT (for the period July 15-22 July, 2021). U.S. Maize exports were up by 36 percent from the previous week and up by 21 percent from the prior 4-week average; primarily to destinations like China (698,700 MT), Japan (308,500 MT), Mexico (256,900 MT), Venezuela (30,000 MT), and Jamaica (19,000 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.



### 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 25th July 2021, 79% crop of corn is in silking stage which is same as that of July, 2020 and 6% more as compared to last five year average. Also, 64% crop is in good + excellent condition, which is 1% less than that of in last week and 8% less as compared to previous year for same time period.

### INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 2.55 USD/MT to 219.68 USD/MT for September '21 contract compared to previous week. Agriwatch expects that Corn on CBOT is likely to take support at 207 USD/MT for September contract in near term.



### ANNEXURE

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

Maize (Corn) Weekly Prices:						
Market	Grade	30-Jul-21	23-Jul-21	29-Jun-21	30-Jul-20	30-Jul-19
Naugachia	Bilty	1850	1850	1600	1125	2125
Delhi	Hybrid Maize(U.P.)	1760	1740	1700	1250	NA
Davangere	Loose	1900	1900	1650	1300	NA
Shimoga	Bilty	NA	NA	1940	1250	NA
Ranebennur	Bilty	NA	NA	NA	NA	2350
Bagalkot	Hybrid/Local	NA	1700	1750	NA	NA
Gadag	Local	NA	NA	NA	1090	NA
Nizamabad	Bilty	1900	1900	1700	1370	NA
Khanna	Bilty	1550	1500	1650	1120	1900
Sangli	Feed	2105	2046	2110	NA	2535
Ahmedabad	Feed	2050	2000	2000	1350	2300

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	30-July-21	23-July-21	Change
Corn CBOT Prices	Sep-21	219.68	222.23	-2.55
	Dec-21	219.08	220.95	-1.87
	Mar-22	222.14	223.91	-1.77
	May-22	223.91	225.38	-1.47
	July-22	223.81	225.09	-1.28

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