

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that maize would trade steady with a firm bias for coming days. 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 in southern parts of the country 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. Feed Maize is trading in Maharashtra above Rs. 2000 per quintal.

Sources revealed that good quality maize is being traded in Bihar between Rs. 1875 - Rs. 1900 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1800 per quintal. Whereas, maize is being loaded for supply to South sourced from Darbhanga and Gulabghat.

KHARIF MAIZE SOWING

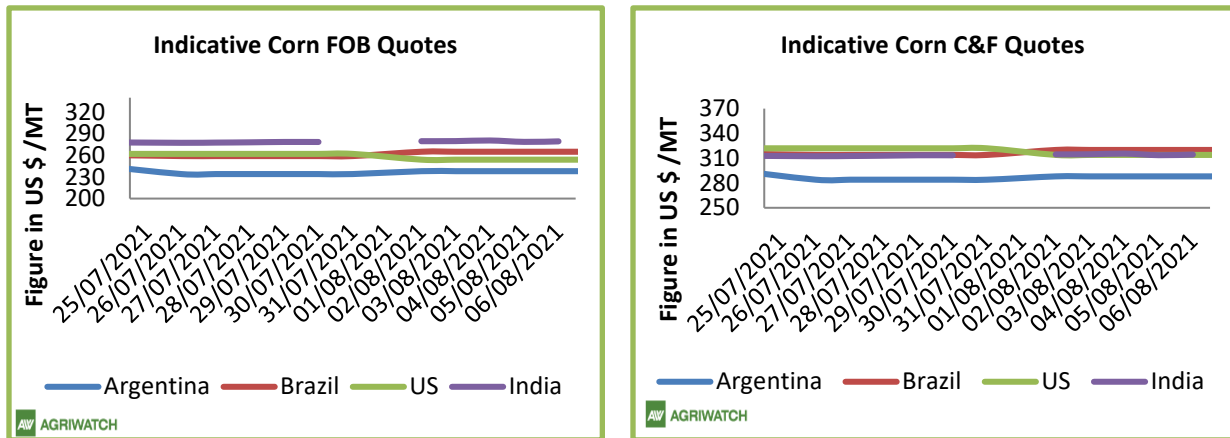
According to sources till 6th August 2021, maize crop covered 76.04 lakh hectare of area in India against 73.81 lakh hectare of area during same period previous year. Till 6th August 2021 largest area covered by maize till date, was in M.P, that is 15.29 lakh hectare, followed by Karnataka and Maharashtra.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 1.19 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. Also, Agriwatch expects that corn crop condition related concerns in U.S and Brazil will support corn on CBOT.

U.S. Maize exports have reached 63.52 MMT in the 2020-21 marketing year. At 1.41 MMT (for the period July 23-29 July, 2021). U.S. Maize exports were up by 4 percent from the previous week and up by 20 percent from the prior 4-week average; primarily to destinations like China (909,500 MT), Mexico (266,100 MT), Honduras (68,600 MT), Japan (64,100 MT), and Costa Rica (29,700 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.28)				
As on 05.08.2021	Argentina	Brazil	US	India
FOB	238.00	265.00	254.00	278.68
C&F	288.00	320.00	314.00	313.68

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 80,000 MT of Maize has been loaded till 1st week of August, 2021, mainly through Vizag port.

VESSEL POSITION

As per the sources 50,000MT of Maize Vessel FORTUNE WING, and 30,000 MT of Maize Vessel OCEAN CROWN have completed loading at Vizag port on 5th August, 2021. 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

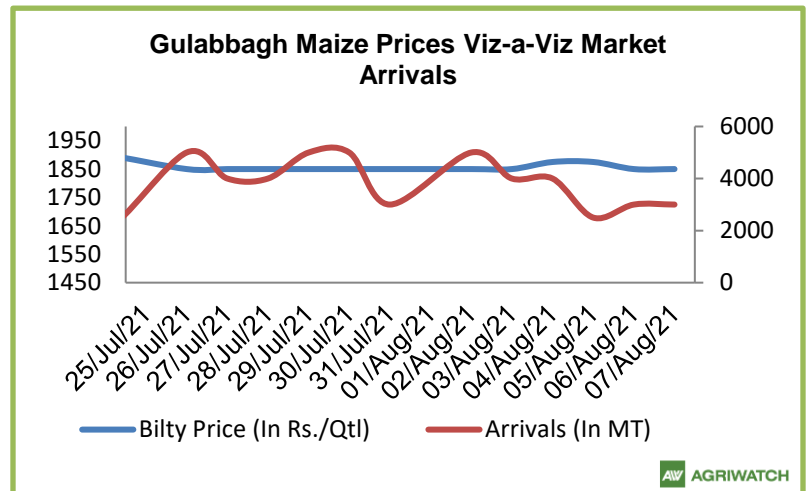
According to sources till 6th August 2021, maize crop covered 76.04 lakh hectare of area in India against 73.81 lakh hectare of area during same period previous year. Till 6th August 2021 largest area covered by maize till date, was in M.P, that is 15.29 lakh hectare, followed by Karnataka and Maharashtra at 12.54 lakh hectare and 8.13 lakh hectare respectively. Acreage cover under Maize has increased in M.P and Karnataka as compared to previous year for same time period, whereas it has declined in Maharashtra for same time period as compared to last year.

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:

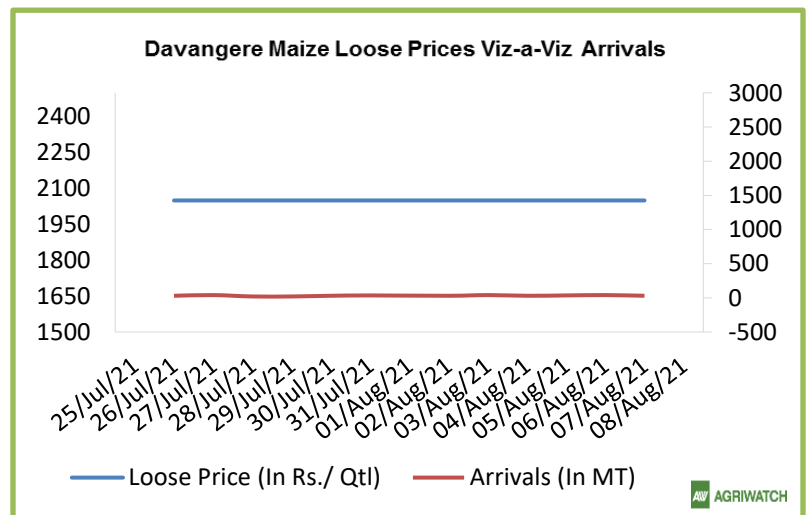
BIHAR:

In Gulabghat region of Bihar, Maize is being traded between Rs.1875- Rs. 1850 per quintal (Bilty Price). Maize in Gulabghat 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.



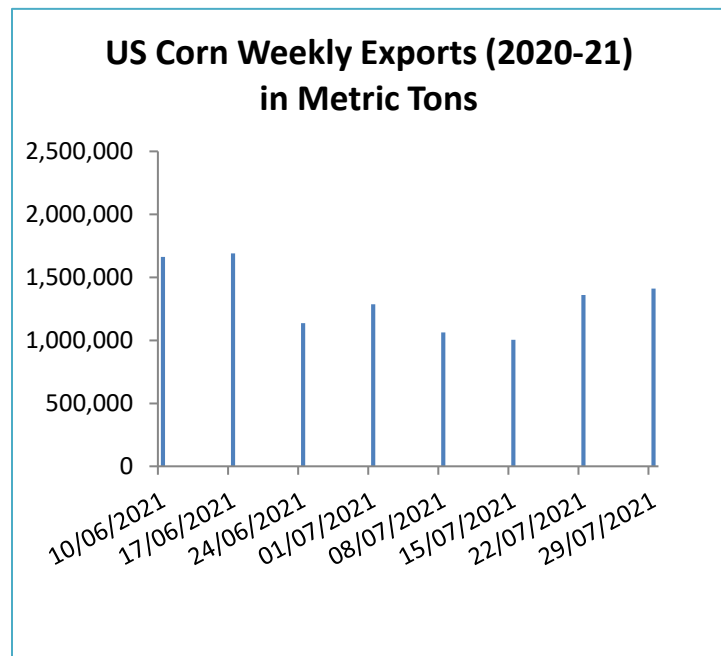


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady with a firm bias for coming days. 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 in southern parts of the country will also support the maize market.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 63.52 MMT in the 2020-21 marketing year. At 1.41 MMT (for the period July 23-29 July, 2021). U.S. Maize exports were up by 4 percent from the previous week and up by 20 percent from the prior 4-week average; primarily to destinations like China (909,500 MT), Mexico (266,100 MT), Honduras (68,600 MT), Japan (64,100 MT), and Costa Rica (29,700 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 July'21/ 2021-22. Although USDA kept Ending Stock Estimates unchanged for Argentina, at 2.62 MMT for July'21/ 2021-22 and Brazil at 8.93 MMT for July'21/ 2021-22.

In the U.S, as of 2nd August, 2021, 91% crop of corn is in silking stage which is same as that of July, 2020 and 5% more as compared to last five year average. Also, 62% crop is in good + excellent condition, which is 2% less than that of in last week and 10% less as compared to previous year for same time period.



INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 1.19 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. Also, Agriwatch expects that corn crop condition related concerns in U.S and Brazil will support corn on CBOT.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	06-Aug-21	30-Jul-21	06-Jul-21	05-Aug-20	06-Aug-19
Naugachia	Bilty	1900	1850	1800	1175	2150
Delhi	Hybrid Maize(U.P.)	1800	1760	1750	1250	2150
Davangere	Loose	1900	1900	1850	1300	NA
Shimoga	Bilty	1990	NA	NA	1300	NA
Ranebennur	Bilty	NA	NA	NA	1375	2400
Bagalkot	Hybrid/Local	1910	NA	1950	1246	NA
Gadag	Local	NA	NA	NA	NA	NA
Nizamabad	Bilty	1900	1900	1750	Closed	2425
Khanna	Bilty	1650	1550	1550	1125	1960
Sangli	Feed	2110	2105	2086	1476	NA
Ahmedabad	Feed	2100	2050	2000	1350	2280

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	06-July-21	30-July-21	Change
Corn CBOT Prices	Sep-21	218.49	219.68	-1.19
	Dec-21	219.08	219.08	0.00
	Mar-22	222.33	222.14	0.19
	May-22	224.20	223.91	0.29
	July-22	224.50	223.81	0.69

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