

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that maize would trade in the range bound zone with a steady bias for coming near term. 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 month 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. 1,900 per quintal. Maize is being supplied to Hyderabad at Rs. 2,000 per quintal for feed purpose sourced from Nizamabad. Arrivals have improved little bit in Nizamabad during past week.

Sources revealed that good quality maize is being traded in Bihar between Rs. 1,850 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1,800 per quintal. Whereas, maize is being supplied to Siliguri and Kolkata for poultry purpose at the rate of Rs. 1900-Rs.1950 per quintal sourced from Dalkhola.

KHARIF MAIZE SOWING

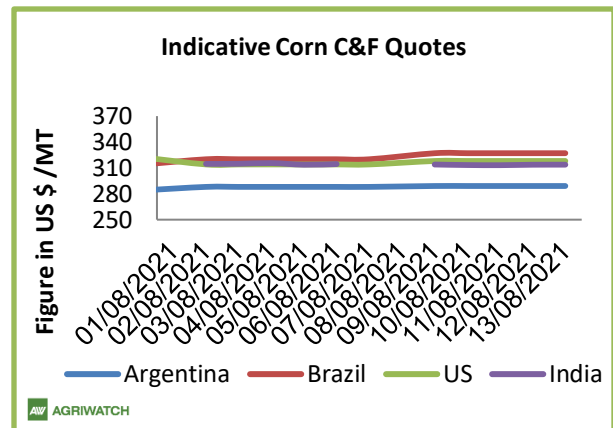
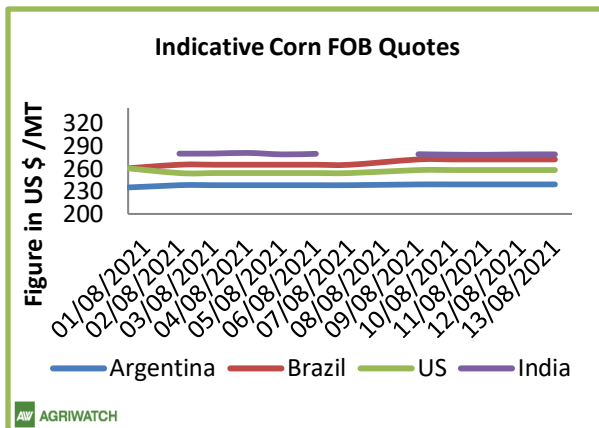
According to sources till 13th August 2021, maize crop covered 78.81 lakh hectare of area in India against 77.06 lakh hectare of area during same period previous year. Till 13th August 2021 largest area covered by maize till date, was in M.P, that is 15.71 lakh hectare followed by Karnataka and Maharashtra.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 5.22 USD/MT to 223.71USD/MT for September '21 contract compared to previous week. Agriwatch expects that dry weather in Northern U.S. plains and corn crop conditions related concerns in U.S will support Corn on CBOT. Also, decreased U.S. Corn Production estimates in USDA, August-21 report seems to support Corn on CBOT.

U.S. Maize exports have reached 64.58 MMT in the 2020-21 marketing year, at 1.06 MMT (for the period 29 July – 08 August, 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 (352,600 MT), Mexico (337,300 MT), Japan (80,500 MT), Saudi Arabia (57,900 MT), and Colombia (54,800 MT).

EXPORT PARITY TREND



| Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.28) | | | | |
|--|-----------|--------|--------|--------|
| As on 12.08.2021 | Argentina | Brazil | US | India |
| FOB | 239.00 | 272.00 | 258.00 | 278.68 |
| C&F | 289.00 | 327.00 | 318.00 | 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 on 25,000MT of Maize Vessel CHARLENE is expected to arrive at Gangavaram port as on date 16th August, 2021. And 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.

KHARIF MAIZE SOWING

According to sources till 13th August 2021, maize crop covered 78.81 lakh hectare of area in India against 77.06 lakh hectare of area during same period previous year. Till 13th August 2021 largest area covered by maize till date, was in M.P, that is 15.71 lakh hectare, followed by Karnataka and Maharashtra at 12.84 lakh hectare and 8.34 lakh hectares 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.

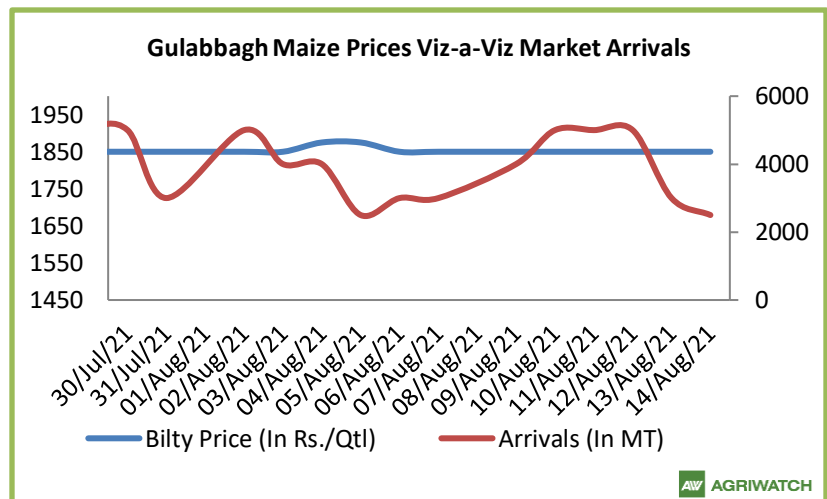
As per the sources upcoming kharif maize crop has been damaged due to floods in mid and south U.P due to floods, although exact amount of loss cannot be estimated at present.

CURRENT MARKET DYNAMICS

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

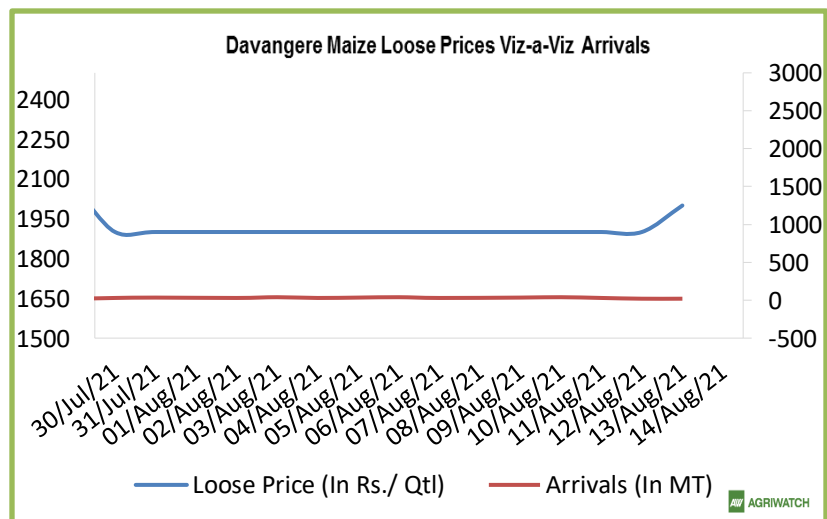
BIHAR:

In Gulabghat region of Bihar, Maize is being traded between Rs. 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. Also, decreased arrival in the markets will continue to support the Maize market.



KARNATAKA:

In Davangere region of Karnataka Market, maize is being traded between Rs. 1900-Rs. 2000 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. Also, little arrivals in the markets will continue to support the Maize market.

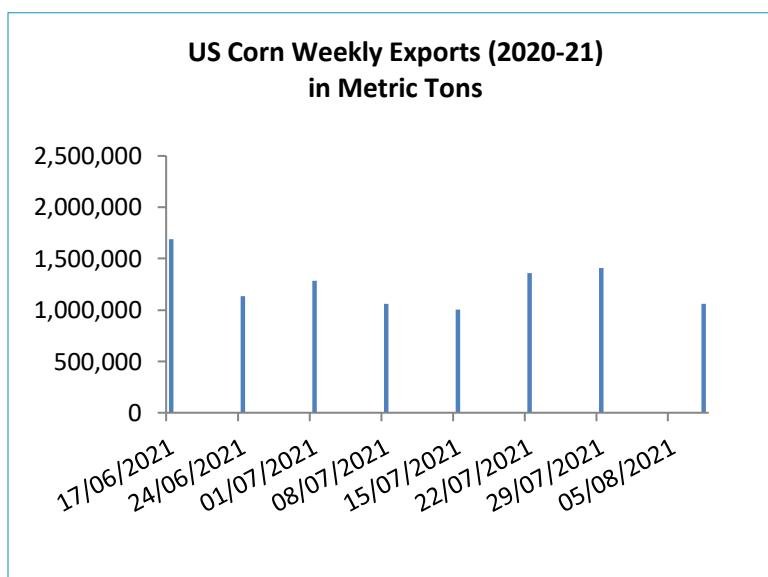


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade in the range bound zone with a steady bias for coming near term. 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 month 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 64.58 MMT in the 2020-21 marketing year. At 1.06 MMT (for the period 29 July – 08 August, 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 (352,600 MT), Mexico (337,300 MT), Japan (80,500 MT), Saudi Arabia (57,900 MT), and Colombia (54,800MT). Agriwatch expects that decreased production estimates and ending stock estimates as per USDA August report, will weight on CBOT Corn.



PREVIOUS UPDATES

USDA decreased its World Maize Ending Stock Estimate by 6.55 MMT to 284.632 MMT for August'21/ 2021-22, USDA also decreased its World Maize Production Estimates by 8.68 MMT to 1186.117 MMT for August'21/ 2021-22, estimates will support the global Maize market. USDA also decreased the Ending stock estimates for U.S at 31.55 MMT for August'21/ 2021-22. USDA decreased its Ending Stock Estimates for Argentina, to 2.42 MMT for August'21/ 2021-22 and Brazil to 8.43 MMT for August'21/ 2021-22.

In the U.S, as of 9th August, 2021, 95% crop of corn is in silking stage which is 1% less than that of July, 2020 but 4% more as compared to last five year average. Also, 64% crop is in good + excellent condition, which is 2% more than that of in last week but 7% less as compared to previous year for same time period.



INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 5.22 USD/MT to 223.71USD/MT for September '21 contract compared to previous week. Agriwatch expects that dry weather in Northern U.S. plains and corn crop conditions related concerns in U.S will support Corn on CBOT. Also, decreased U.S. Corn Production estimates in USDA, August-21 report seems to support Corn on CBOT.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS./QUINTAL)

| Maize (Corn) Weekly Prices: | | | | | | |
|-----------------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Market | Grade | 13-Aug-21 | 06-Aug-21 | 13-Jul-21 | 13-Aug-20 | 13-Aug-19 |
| Naugachia | Bilty | 1850 | 1900 | 1825 | 1200 | 2150 |
| Delhi | Hybrid Maize(U.P.) | 1850 | 1800 | 1730 | 1250 | 2150 |
| Davangere | Loose | 2000 | 1900 | 1900 | 1250 | NA |
| Shimoga | Bilty | NA | 1990 | NA | 1300 | 2500 |
| Ranebennur | Bilty | NA | NA | NA | 1350 | 2400 |
| Bagalkot | Hybrid/Local | NA | 1910 | 1900 | 1220 | 2200 |
| Gadag | Local | NA | NA | 1923 | 1250 | NA |
| Nizamabad | Bilty | 1900 | 1900 | 1900 | Closed | 2425 |
| Khanna | Bilty | 1830 | 1650 | 1550 | 1150 | NA |
| Sangli | Feed | 2071 | 2110 | 2081 | 1438 | NA |
| Ahmedabad | Feed | 2100 | 2100 | 1950 | 1370 | 2300 |

| Maize CBOT Weekly Futures Price Listing (USD/Ton) | | | | |
|---|----------------|-----------|----------|--------|
| | Contract Month | 13-Aug-21 | 6-Aug-21 | Change |
| Corn CBOT Prices | Sep-21 | 223.71 | 218.49 | +5.22 |
| | Dec-21 | 225.58 | 219.08 | +6.50 |
| | Mar-22 | 228.14 | 222.33 | +5.81 |
| | May-22 | 229.52 | 224.2 | +5.32 |
| | July-22 | 229.12 | 224.5 | +4.62 |

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