

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 July'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 the range bound zone with a steady bias for coming near term on an account of sluggish demand in domestic as well as international market. 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 might provide support to maize market.

MAIZE TRADE SCENARIO

Sources revealed that maize in Nizamabad market is being traded at Rs. 1910 per quintal. Maize is being supplied to Hyderabad at Rs. 2000 per quintal for feed purpose sourced from Nizamabad. Arrivals in Nizamabad market are almost nil.

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, maize is being supplied to Kolkata for poultry purpose at the rate of Rs.1950 per quintal sourced from Dalkhola.

KHARIF MAIZE SOWING

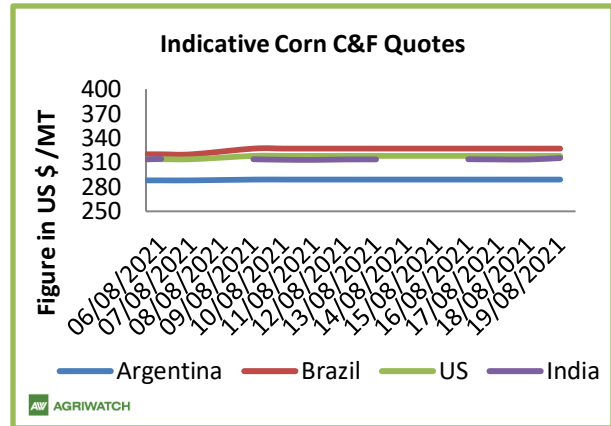
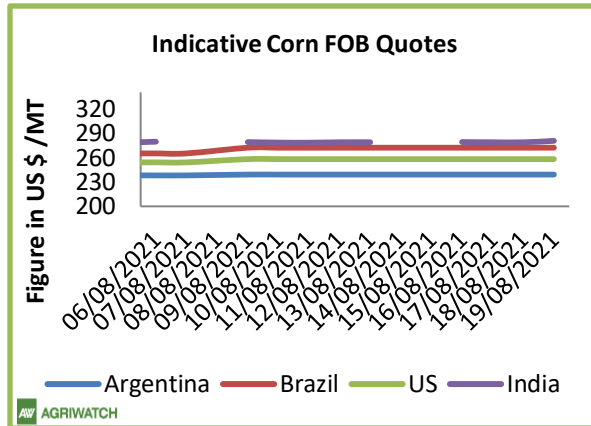
According to sources till 13th August 2021, maize crop covered 78.81 lakh hectare of area in India against 77.06 lakh hectare of area during same period previous year. Till 13th August 2021 largest area covered by maize till date, was in M.P, that is 15.71 lakh hectare followed by Karnataka and Maharashtra.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 11.61 USD/MT to 11.61 USD/MT for September '21 contract compared to previous week. However, Agriwatch expects corn crop conditions related concerns in U.S will support Corn on CBOT.

U.S. Maize exports have reached 65.41 MMT in the 2020-21 marketing year, at 0.82 MMT (for the period 06 August – 12 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 Mexico (292,400 MT), China (274,900 MT), Japan (149,400 MT), Guatemala (54,600 MT), and El Salvador (26,400 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.29)				
As on 18.08.2021	Argentina	Brazil	US	India
FOB	239.00	272.00	258.00	278.64
C&F	289.00	327.00	318.00	313.64

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 JULY'21

As per the trade sources, India exported around 1,21, 912 MT of Maize in July 2021 at an average FoB of US\$ 255.36 per MT, out of which, 7,118 MT was exported to Vietnam at an average FoB of US\$ 275.04 per MT and around 35,036 MT was exported to Nepal at an average FoB of US\$ 250.99 per MT. Around 73,460 MT was exported to Bangladesh at an average FoB of US\$ 254.43 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 23,100MT of Maize Vessel AQUALEO is waiting for berth at Hazira port since 19th August, 2021 .Also 25,000MT of Maize Vessel CHARLENE is waiting for discharge at Gangavaram port since 19th 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.

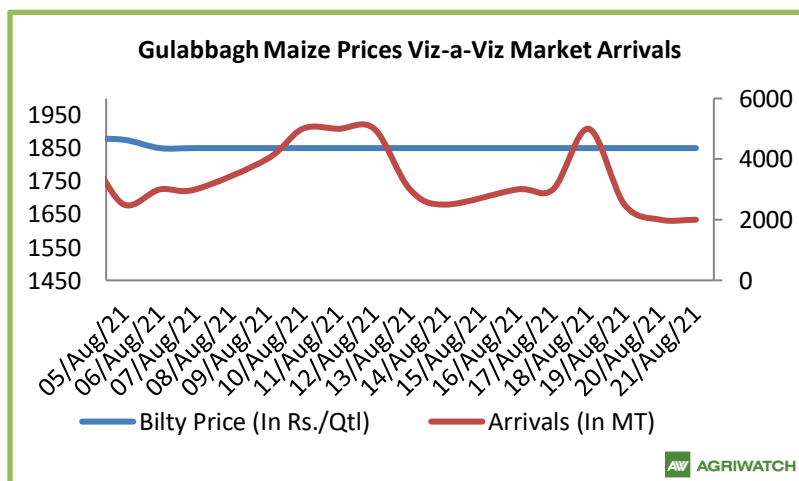
As per the sources upcoming kharif maize crop has been damaged due to floods in mid and south U.P due to floods, although exact amount of loss cannot be estimated at present.

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:

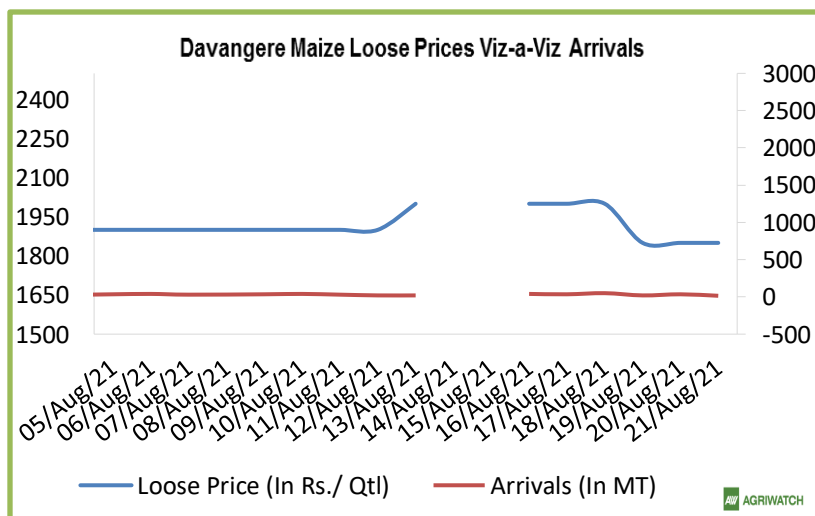
BIHAR:

In Gulabbagh region of Bihar, Maize is being traded at Rs. 1,850 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 sluggish demand to be maintained in coming few days. Also, decreased arrival in the market might support the maize market.



KARNATAKA:

In Davangere region of Karnataka Market, maize is being traded between Rs. 2,000 - Rs.1,850 per quintal. Maize in Davangere region would trade in the range of Rs. 1,750-2,300 per quintal, with steady to narrow range bound bias in near term, on the expectation of sluggish demand to be maintained in coming few days. Also, little arrivals in the markets might support the Maize market.



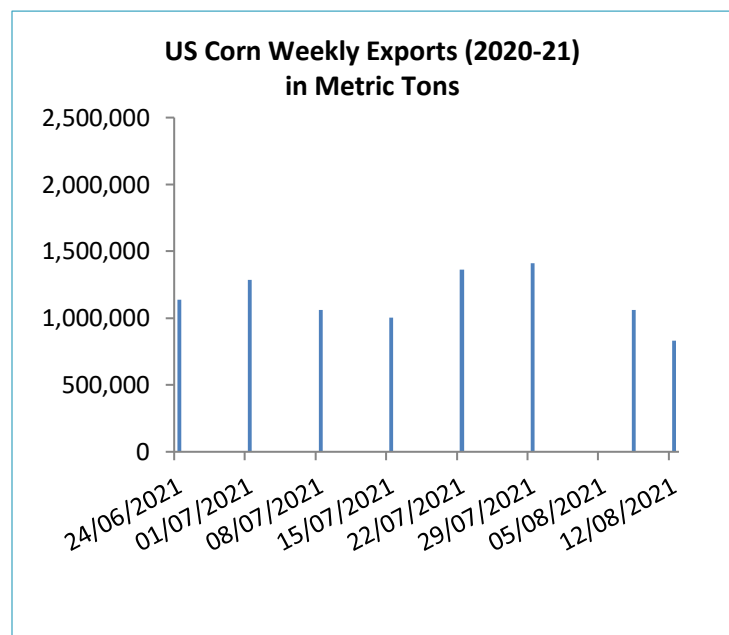


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade in the range bound zone with a steady bias for coming near term on an account of sluggish demand in domestic as well as international market. 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 might provide support to maize market.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached 65.41 MMT in the 2020-21 marketing year, at 0.82 MMT (for the period 06 August – 12 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 Mexico (292,400 MT), China (274,900 MT), Japan (149,400 MT), Guatemala (54,600 MT), and El Salvador (26,400 MT). However, Agriwatch expects that decreased production estimates and ending stock estimates as per USDA August report, will support 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 16th August, 2021, 62% crop is in good + excellent condition, which is 2% less than that of in last week but 7% less as compared to previous year for same time period.



INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 11.61 USD/MT to 11.61 USD/MT for September '21 contract compared to previous week. However, Agriwatch expects corn crop conditions related concerns in U.S will support Corn on CBOT.

ANNEXURE

MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	20-Aug-21	13-Aug-21	20-Jul-21	19-Aug-20	20-Aug-19
Naugachia	Bilty	1850	1850	1825	1225	2150
Delhi	Hybrid Maize(U.P.)	1800	1850	1730	1225	2200
Davangere	Loose	1850	2000	1900	1300	NA
Shimoga	Bilty	NA	NA	NA	1400	NA
Ranebennur	Bilty	NA	NA	NA	1310	2400
Bagalkot	Hybrid/Local	NA	NA	1770	NA	NA
Gadag	Local	NA	NA	NA	NA	NA
Nizamabad	Bilty	Closed	1900	1900	Closed	2425
Khanna	Bilty	1750	1830	1600	1130	1960
Sangli	Feed	2063	2071	2027	1446	2540
Ahmedabad	Feed	2100	2100	2000	1350	2375

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	20-Aug-21	13-Aug-21	Change
Corn CBOT Prices	Sep-21	212.10	223.71	-11.61
	Dec-21	211.41	225.58	-14.17
	Mar-22	214.36	228.14	-13.78
	May-22	216.23	229.52	-13.29
	July-22	215.64	229.12	-13.48

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