

# Maize Monthly Research Report

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**OUTLOOK AND REVIEW:**
**DOMESTIC MAIZE MARKET SUMMARY**

Maize cash markets showed a mixed trend with a weak bias during the month of October'21 compared to previous month due to high moisture content in the material arriving in markets. However, Maize market was firm compared to corresponding period last year, inspite of sluggish demand. For the month of November'21, Agriwatch expects that Maize would trade with mixed sentiment to slightly firm as demand for good quality material seems to be improving. Also, production estimates happens to be lower than what is required, this will provide support to Maize market in coming weeks.

**MAIZE TRADE SCENARIO**

Sources revealed that Maize in Nizamabad market is being traded between Rs. 1,750 – Rs.1,900 per quintal. High moisture content arrivals in market of Davangere, Karnataka is being traded at Rs. 1,600 per quintal. Maize for poultry feed purpose is being supplied to Hyderabad at Rs. 1,950 per quintal. Sources revealed that good quality Maize is being traded in Bihar between Rs.1,800 to Rs. 1,900 per quintal. Whereas, domestic as well as international demand at present seems to be sluggish at present.

**INTERNATIONAL CORN MARKET SUMMARY**

Maize on CBOT rose by US\$ 12.40 per MT to US\$ 223.71 per MT for December, 2021 contract compared to the previous month. Agriwatch expects that improved demand of Maize in international market would support CBOT Maize.

USDA increased its World Maize Ending Stock Estimate by 4.11 MMT to 301.742 MMT for October'21/ 2021-22, USDA also increased its World Maize Production Estimates by 0.44 MMT to 119.215 MMT for October'21/ 2021-22. USDA also increased the Ending stock estimates for U.S at 33.10 MMT for October'21/ 2021-22. USDA kept its Ending Stock Estimates for Argentina and Brazil same at, 2.62 MMT and 8.43 MMT for October'21/ 2021-22, respectively.

**FIRST ESTIMATE OF KHARIF PRODUCTION**

The 1st Advance Estimates of kharif production of maize for 2021-22 has pegged maize production at 21.24 MMT against set target of 22.10 MMT for 2021-22. However, Agriwatch's first estimate for the maize production in 2021-22 Kharif season is 17.71 MMT with average yield of 2.20 MT/ hectare.

State	Production(MMT)
Karnataka	3.70
Madhya Pradesh	2.71
Maharashtra	2.07
Rajasthan	1.36
Uttar Pradesh	1.21

**INDIA MAIZE BALANCE SHEET**

<b>Maize Year-(Oct-Sep)</b>	<b>2020-21</b>	<b>2021-22*</b>
Opening Stocks (MMT)	3.41	1.96
Production (MMT)	24.51	23.95
Imports (MMT)	0.02	0.15
<b>Total Supply (MMT)</b>	<b>27.94</b>	<b>26.06</b>
Export (MMT)	3.47	1.29
Domestic Consumption (MMT)	22.52	22.75
<b>Total Demand (MMT)</b>	<b>25.98</b>	<b>24.04</b>
<b>Ending Stock (MMT)</b>	<b>1.96</b>	<b>2.02</b>
<b>Monthly Use</b>	2.16	2.00
<b>Stock to Use Ratio</b>	7.96%	8.39%

- The 2021-22 season, beginning October 2021, started with an opening stock of 1.96 MMT and is expected to end in September 2022 with 2.02 MMT.
- Total Maize production in India is estimated at around 23.95 MMT in 2021-22 against our total annual demand including exports of 24.04 MMT.
- ***As the Ending stocks are expected to be higher than in 2020-21, Indian Maize prices would take clue from that.***

- **F=AW Forecast**

**CONSUMPTION BREAK UP**

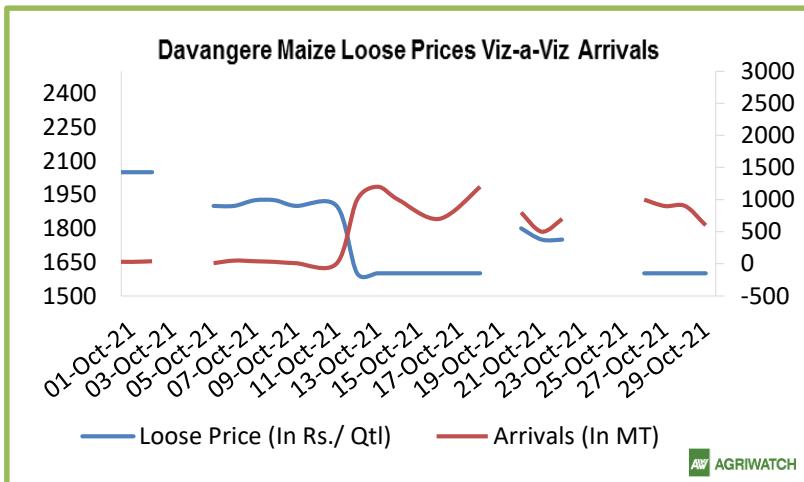
(Quantity in MMT)

<b>Consumption Break Up</b>	<b>2020-21</b>	<b>2021-22F</b>
Poultry & Cattle Feed	14.05	14.18
Starch & Brewery	04.66	4.71
Human Consumption	01.86	1.90
Seed	00.27	0.27
Shortage & Wastage	00.99	0.98
Storage & Moisture Loss	00.72	0.71
<b>Total Domestic Consumption</b>	<b>22.52</b>	<b>22.75</b>

### STATE - WISE MARKET DYNAMICS

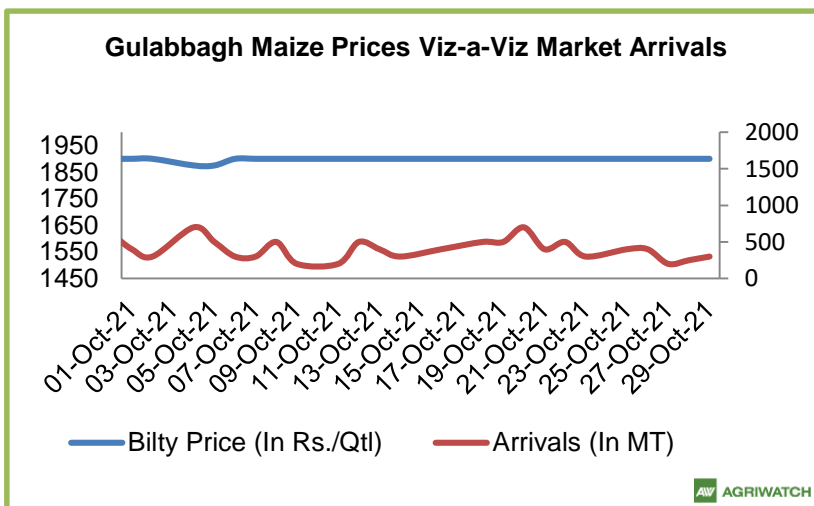
#### Karnataka

In Karnataka, maize is likely to trade in a mixed sentiment with slightly firm bias for good quality material. Production estimates of Karnataka for 2021-22 happens to be 3.70 MMT; higher than 3.67 MMT in 2020-21 to. Agriwatch expects that maize would trade in a range of Rs.1600-1800 per quintal (loose price) during the month of November'21.



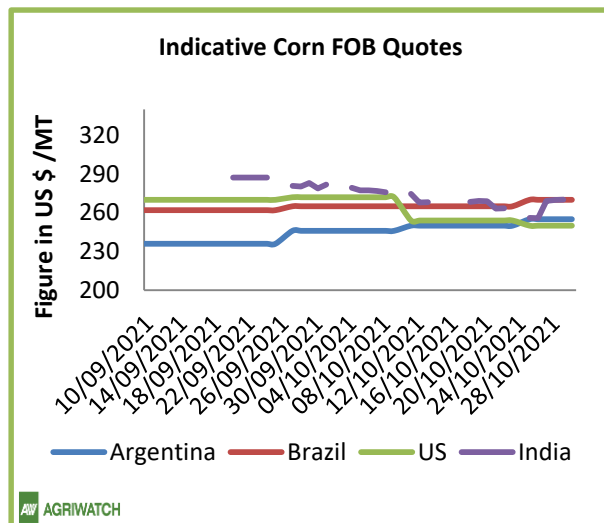
#### Bihar

In Naugachia region of Bihar, Maize is being traded at Rs.1,850 per quintal (Bilty Price). In Gulabbagh, it is being traded at Rs. 1900 per quintal (Bilty Price). It is expected that maize would trade steady to slightly firm in near term due to decrease in arrival pressure. Agriwatch expects that maize in Gulabbagh would trade in a range of Rs. 1,850-2,000 per quintal (Bilty Price) during the month of November'21.



### DOMESTIC PRICE OUTLOOK:

Maize cash markets showed a mixed trend with a weak bias during the month of October'21 compared to previous month due to high moisture content in the material arriving in markets. However, Maize market was firm compared to corresponding period last year, inspite of sluggish demand. For the month of November'21, Agriwatch expects that Maize would trade with mixed sentiment to slightly firm as demand for good quality material seems to be improving. Also, production estimates happens to be lower than what is required, this will provide support to Maize market in coming weeks.

**ON THE EXPORT-IMPORT FRONT:**


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.79)				
As on October 29, 2021	Argentina	Brazil	US	India
<b>FOB</b>	255.00	270.00	250.00	270.09
<b>C&amp;F</b>	305.00	325.00	310.00	305.09

As depicted by the above data, there is parity for Indian maize as gap of prices between India and other exporting countries has narrowed.

**MAIZE EXPORTS DURING SEPTEMBER'21:**

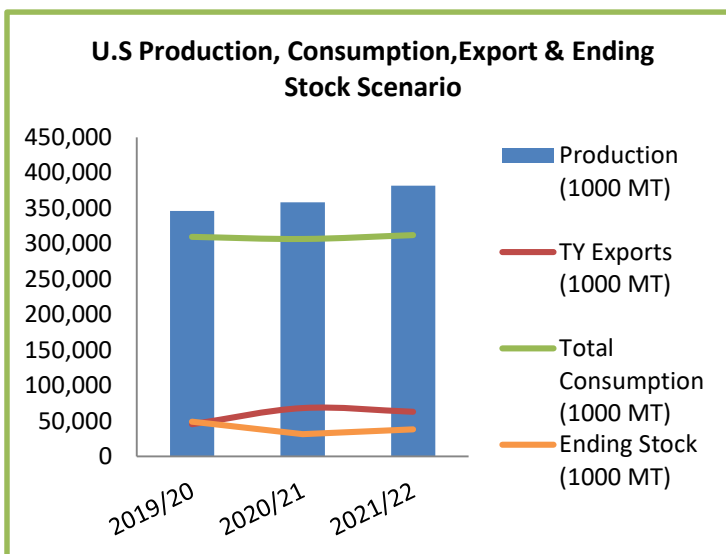
As per the trade sources, India exported around 1,66,992 MT of Maize in September 2021 at an average FoB of US\$ 257.82 per MT, out of which, 1,08,228 MT was exported to Bangladesh at an average FoB of US\$ 262.61 per MT, also 51,506 MT was exported to Nepal at an average FoB of US\$ 252.67 per MT. Around 723 MT was exported to Bhutan at an average FoB of US\$ 248.46 per MT.

**MAIZE VESSEL POSITION:**

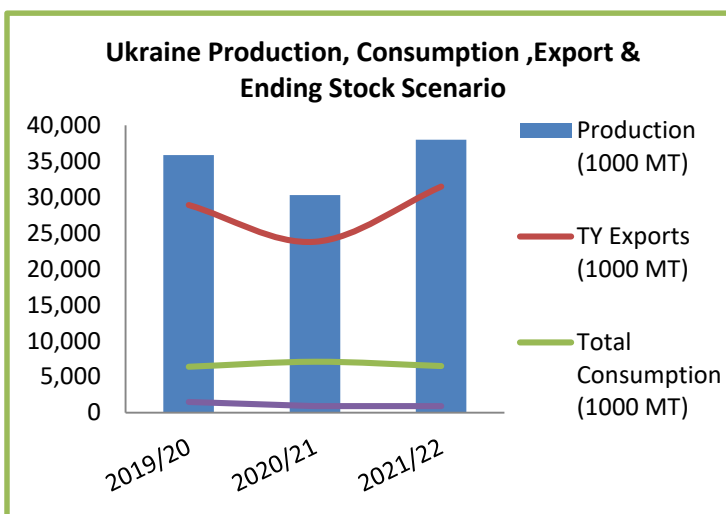
As per the sources 13,000MT of Maize Vessel BLUE LOTUS has completed loading at Vizag port. And 23,100MT of Maize Vessel AQUALEO has completed loading at Hazira port on 30th August, 2021. Also 25,000MT of Maize Vessel CHARLENE completed loading, at Gangavaram port since 19th August, 2021.

### INTERNATIONAL MARKET SCENARIO:

U.S. Maize exports have reached to 51.44 MMT for the 2021-22 marketing year, with the exports of 6.88 MMT for the period of (15<sup>th</sup> Oct – 21<sup>st</sup> Oct) 2021, exports were down by 34 percent from the previous week and 24 percent from the prior 4-week average, to the destinations like Mexico (275,500 MT), Japan (148,800 MT), Colombia (144,100 MT), China (66,800 MT), and Costa Rica (38,000 MT). Agriwatch expects that improved international market demand for maize, would provide support to CBOT Maize.



USDA increased its World Maize Ending Stock Estimate by 4.11 MMT to 301.742 MMT for October'21/ 2021-22, USDA also increased its World Maize Production Estimates by 0.44 MMT to 119.215 MMT for October'21/ 2021-22. USDA also increased the Ending stock estimates for U.S at 33.10 MMT for October'21/ 2021-22. USDA kept its Ending Stock Estimates for Argentina and Brazil same at, 2.62 MMT and 8.43 MMT for October'21/ 2021-22, respectively.



In the U.S, as of 1<sup>st</sup> November, 2021, 74% of the corn crop has been harvested as compared to 81% for same time duration last year and 66% as compared to last four year average.

**CBOT CORN FUTURE PRICES**

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	October 29,2021	September 30,2021	Change
Corn CBOT Prices	Dec-21	223.71	211.31	12.40
	Mar-22	226.86	214.36	12.50
	May-22	228.24	216.13	12.11
	July-22	227.84	216.13	11.71
	Sep-22	218.40	207.86	10.54

**INTERNATIONAL CORN OUTLOOK:**

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**Monthly Spot Price Comparison**

Month-wise Average prices of Maize at various markets					
Market	2021-Oct	2021-Sep	2020-Oct	% Change from Prev. Month	% Change from Prev. Year
Delhi	1839	1843	1341	-0.22	37.14
Davangere	1747	1958	1340	-10.78	30.37
Shimoga	2025	2240	1343	-9.60	50.78
Bagalkot	1619	1734	1266	-6.63	27.88
Gadag	1543	1226	1202	25.86	28.37
Nizamabad	1854	1900	1359	-2.42	36.42
Khanna	1728	1770	1123	-2.37	53.87
Sangli (NCDEX Quality)	1883	2100	1445	-10.33	30.31
Gulabbagh(NCDEX Quality)	1856	1879	1442	-1.22	28.71
Naugachia	1804	1800	1332	0.22	35.44
Erode (NCDEX Quality)	1947	2086	1503	-6.66	29.54

- All market prices are monthly average of loose prices

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