

# Maize Monthly Research Report

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

Maize cash markets showed an overall firm trend during the month of November'21 compared to previous month due to fair improvement in demand from the feed industry and export markets, like Bangladesh. Also, Maize market was firm compared to corresponding period last year. For the month of December'21, Agriwatch expects that Maize would trade with range bound to slightly firm sentiment as demand for good quality material seems to be improving with winter season to be at its peak. Also, Rabi production estimates in current scenario seems to be lower than what is required.

**MAIZE TRADE SCENARIO**

Sources revealed that Maize in Nizamabad market is being traded between Rs. 1,850 per quintal. Loose Maize in market of Davangere, Karnataka is being traded at Rs. 1,750 per quintal. Maize for poultry feed purpose is being supplied to Hyderabad at Rs. 1,950 per quintal sourced from Nizamabad. Good quality Maize is being traded in Bihar between Rs. 1,900 to Rs. 2,100 per quintal. Good quality Maize is being supplied to Bangladesh at Rs. 2,100 per quintal sourced from West Bengal. Also, poultry demand seems to be revived in Kolkata and Banaras. Poultry feed Maize is being supplied to Kolkata at Rs. 2,100 per quintal sourced from Dalkhola.

**INTERNATIONAL CORN MARKET SUMMARY**

Maize on CBOT fell by US\$ 0.49 per MT to US\$ 223.22 per MT for December, 2021 contract compared to the previous month on the account of mixed demand in international Maize market. Agriwatch expects that existing demand of Maize in international market from poultry and ethanol would support CBOT Maize.

USDA increased its World Maize Ending Stock Estimate by 2.67 MMT to 304.417 MMT for November'21/ 2021-22, USDA also increased its World Maize Production Estimates by 6.40 MMT to 120.462 MMT for November'21/ 2021-22. USDA also decreased the Ending stock estimates for U.S at 37.93 MMT for November'21/ 2021-22. USDA kept its Ending Stock Estimates for Argentina same at, 2.62 MMT whereas, USDA increased its Maize Ending Stock Estimate for Brazil at 8.93 MMT for November'21/ 2021-22, respectively.

**RABI MAIZE SOWING UPDATES**

According to latest sowing data acreage cover under Rabi Maize as of 26th Nov 2021 in India is 4.49 lakh hectare as compared to 4.52 lakh hectare for same period previous year. Highest acreage cover is in Tamil Nadu at 1.14 lakh hectare, followed by Maharashtra and Bihar at 0.90 lakh hectare and 0.54 lakh hectare respectively.

In Bihar and West Bengal, 20% and 30%-40% sowing respectively has been completed till 3rd week of November, which stood between 70%-80% for same time duration during last year. In Andhra Pradesh around 30% of rabi maize sowing has been done. In Andhra Pradesh damaged caused to rabi maize by recent week rainfall was quite severe, out of 0.09 Lakh Hectare area sown till 18th Nov 2021, 4,213 hectare area has been lost by 24th Nov 2021 after rains in past weeks.

### INDIA MAIZE BALANCE SHEET

Maize Year-(Oct-Sep)	2020-21	2021-22*
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	1.37
Domestic Consumption (MMT)	22.52	22.75
<b>Total Demand (MMT)</b>	<b>25.98</b>	<b>24.12</b>
<b>Ending Stock (MMT)</b>	<b>1.96</b>	<b>1.93</b>
<b>Monthly Use</b>	2.16	2.01
<b>Stock to Use Ratio</b>	7.96%	8.02%

- 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 1.93 MMT.
- Total Maize production in India is estimated at around 23.95 MMT in 2021-22 against our total annual demand of 24.12 MMT, including exports.

***As the Ending stocks are expected to be lower than in 2020-21, Indian Maize prices would take clue from that.***

- **F=AW Forecast**

### CONSUMPTION BREAK UP

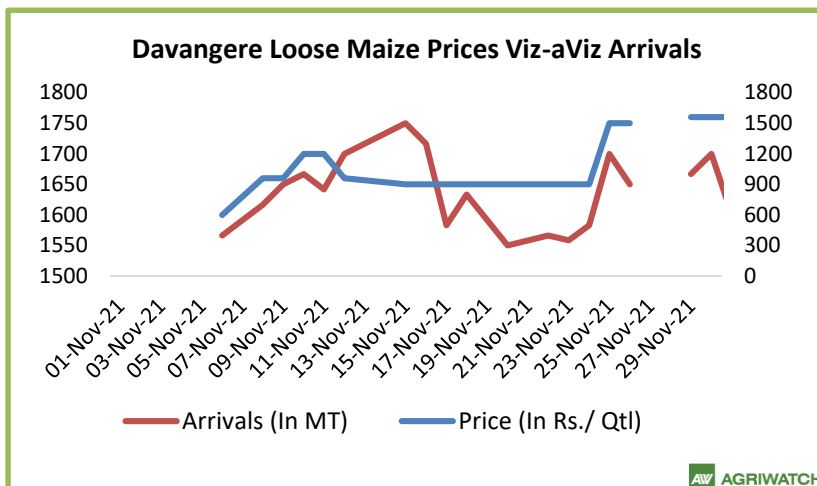
(Quantity in MMT)

Consumption Break Up	2020-21	2021-22F
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

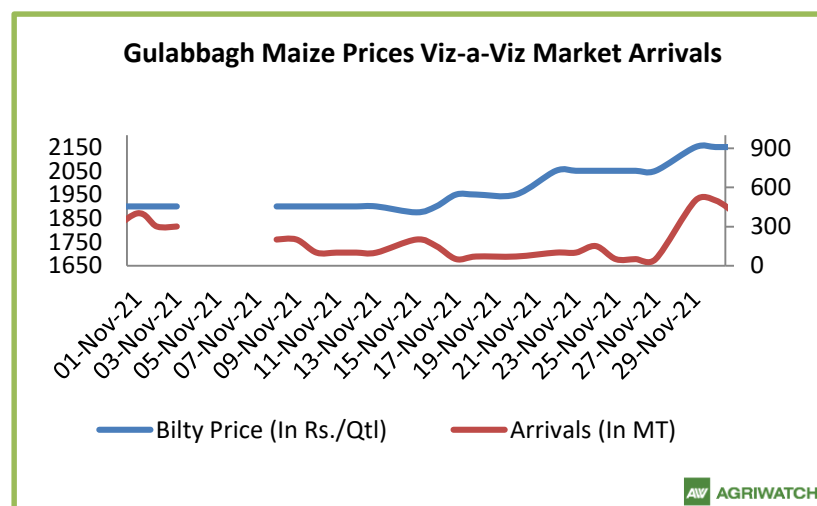
#### Karnataka

In Karnataka, maize is likely to trade in a range bound zone with firm bias for good quality material. Also, there is expectation of increase in demand from poultry industry with winter season to be at its peak. Agriwatch expects that maize would trade in a range of Rs.1,700-1,850 per quintal (loose price) during the month of December'21.



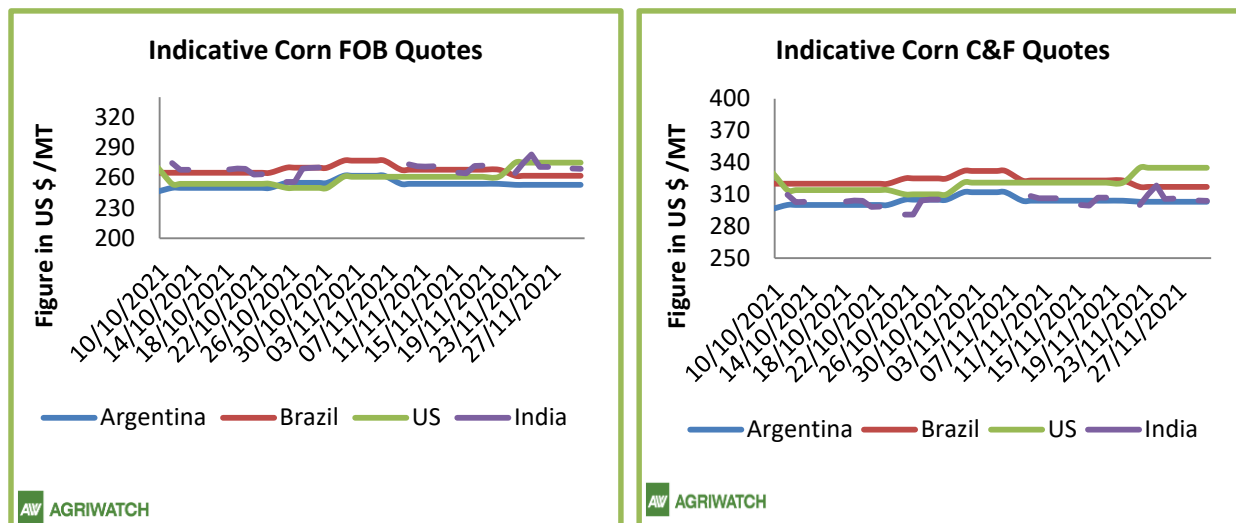
#### Bihar

In Naugachia region of Bihar, Maize is being traded at Rs.2,150 per quintal (Bilty Price). In Gulabbagh, it is being traded at Rs. 2,100 per quintal (Bilty Price). It is expected that maize would trade steady to slightly firm in near term due to limited in arrivals. Agriwatch expects that maize in Gulabbagh would trade in a range of Rs. 1,800-2,500 per quintal (Bilty Price) during the month of December'21.



#### DOMESTIC PRICE OUTLOOK:

Maize cash markets showed an overall firm trend during the month of November'21 compared to previous month due to fair improvement in demand from the feed industry and export markets, like Bangladesh. Also, Maize market was firm compared to corresponding period last year. For the month of December'21, Agriwatch expects that Maize would trade with range bound to slightly firm sentiment as demand for good quality material seems to be improving with winter season to be at its peak. Also, Rabi production estimates in current scenario seems to be lower than what is required due to late sowing

**ON THE EXPORT-IMPORT FRONT:**


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 75.12)				
As on November 30, 2021	Argentina	Brazil	US	India
<b>FOB</b>	253.00	262.00	275.00	268.90
<b>C&amp;F</b>	303.00	317.00	335.00	303.90

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 OCTOBER'21:**

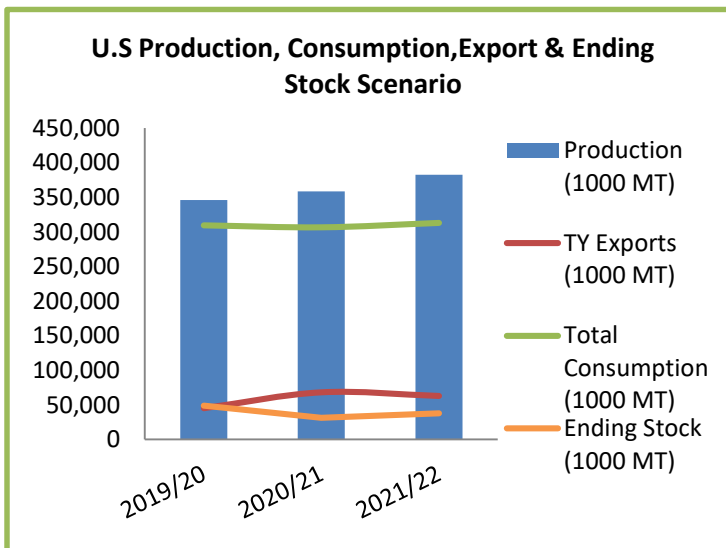
As per the trade sources, India exported around 1,43,297 MT of Maize in October 2021 at an average FoB of US\$ 263.26 per MT, out of which, 92,729 MT was exported to Bangladesh at an average FoB of US\$ 270.94 per MT, also 32,135 MT was exported to Nepal at an average FoB of US\$ 252.18 per MT. Around 11,526 MT was exported to Vietnam at an average FoB of US\$ 284.10 per MT.

**MAIZE VESSEL POSITION:**

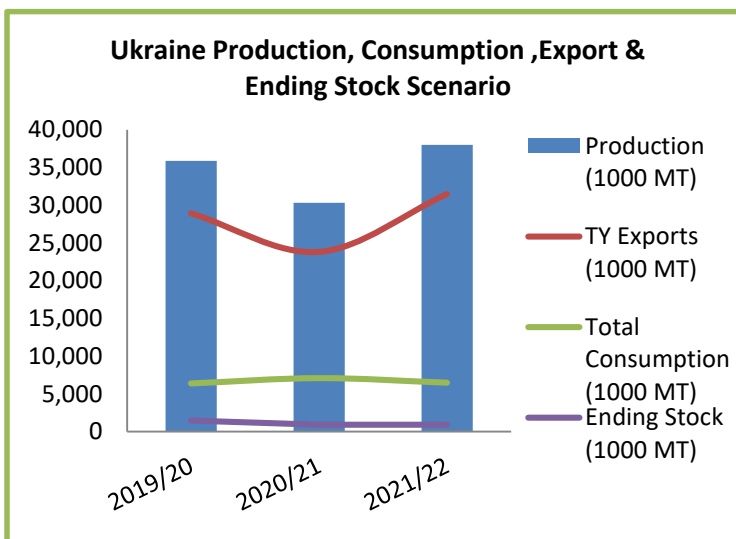
As per the sources 13,000MT of Maize Vessel BLUE LOTUS has completed loading at Vizag port. And 23,100MT of Maize Vessel AQUALEO has completed loading at Hazira port on 30th August, 2021. Also 25,000MT of Maize Vessel CHARLENE completed loading, at Gangavaram port since 19th August, 2021.

**INTERNATIONAL MARKET SCENARIO:**

U.S. Maize exports have reached to 87.08 MMT for the 2021-22 marketing year, with the exports of 9.29 MMT for the period of (12th Nov – 18th Nov) 2021, exports were down by 20 percent from the previous week but up 12 percent from the prior 4-week average, to the destinations like Mexico (285,400 MT), China (281,500 MT), Japan (93,600 MT), Colombia (79,400 MT), and Saudi Arabia (73,400 MT). Agriwatch expects that improved international market demand for maize, would provide support to CBOT Maize.



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In the U.S, as of 22nd November, 2021, 95% of the corn crop has been harvested as compared to 97% for same time duration last year and 92% as compared to last four year average.

**CBOT CORN FUTURE PRICES**

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	November 30,2021	October 29,2021	Change
Corn CBOT Prices	Dec-21	223.22	223.71	-0.49
	Mar-22	223.42	226.86	-3.44
	May-22	224.40	228.24	-3.84
	July-22	224.69	227.84	-3.15
	Sep-22	217.61	218.4	-0.79

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**Monthly Spot Price Comparison**

Month-wise Average prices of Maize at various markets					
Market	2021-Nov	2021-Oct	2020-Nov	% Change from Prev. Month	% Change from Prev. Year
Delhi	1854	1839	1588	0.82	16.75
Davangere	1774	1747	Closed	1.55	-
Shimoga	1735	2025	1360	-14.32	27.57
Bagalkot	1694	1619	1474	4.63	14.93
Gadag	1645	1543	1398	6.61	17.67
Nizamabad	1832	1854	1454	-1.19	26.00
Khanna	1840	1728	1333	6.48	38.03
Sangli (NCDEX Quality)	1849	1883	1538	-1.81	20.22
Gulabghat (NCDEX Quality)	1949	1856	1646	5.01	18.41
Naugachia	1881	1804	1509	4.27	24.65
Erode (NCDEX Quality)	1966	1947	1590	0.98	23.65

- All market prices are monthly average of loose prices

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