

# Maize Monthly Research Report

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**January, 2022****OUTLOOK AND REVIEW:****DOMESTIC MAIZE MARKET SUMMARY**

Maize cash markets showed a mixed trend with firm bias towards end during the month of December'21 compared to previous month due to improvement in demand from the feed industry towards end and reduced availability of required quality material. Also, Maize market was firm compared to corresponding period last year. For the month of January'22, Agriwatch expects that Maize would trade with steady to slightly firm sentiment as demand for good quality material seems to be improving as per the trend. Also, Rabi arrivals in current scenario seems to be delayed and arrivals would decrease during mid-January to mid-February.

**MAIZE TRADE SCENARIO**

Sources revealed that good quality Maize is being traded in Bihar between Rs. 2,000 - Rs. 2,150 per quintal. Poultry feed Maize is being supplied to Punjab and Haryana between Rs. 2,300 - Rs. 2,400 per quintal sourced from Gulabghat, Bihar. Sources revealed that Maize in Nizamabad market is being traded at Rs. 1,850 per quintal. Loose Maize in market of Davangere, Karnataka is being traded at Rs. 1,600 per quintal.

**INTERNATIONAL CORN MARKET SUMMARY**

Maize on CBOT rose by US\$ 10.13 per MT to US\$ 233.55 per MT for March, 2022 contract compared to the previous month on the account of dry weather condition related concerns in Brazil and Argentina. Agriwatch expects that forecast of dry weather conditions in Brazil and Argentina would support CBOT Maize.

USDA increased its World Maize Ending Stock Estimate by 1.12 MMT to 305.543 MMT for December'21/ 2021-22, USDA also increased its World Maize Production Estimates by 4.11 MMT to 120.873 MMT for December'21/ 2021-22. While USDA kept its Ending Stock Estimates same for U.S at 37.93 MMT for December'21/ 2021-22. USDA also, kept its Ending Stock Estimates for Argentina and Brazil same at, 2.62 MMT and 8.93 MMT respectively for December'21/ 2021-22.

**RABI MAIZE SOWING UPDATES**

According to latest sowing data acreage cover Under Rabi Maize as of 31st Dec. 2021 in India is 14.80 lakh hectare as compared to 12.89 lakh hectare for same period previous year. Highest acreage cover is in Bihar at 4.94 lakh hectare, followed by Maharashtra and Tamil Nadu at 2.44 lakh hectare and 1.85 lakh hectare respectively.

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## 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	1.59
Domestic Consumption (MMT)	22.52	22.75
<b>Total Demand (MMT)</b>	<b>25.98</b>	<b>24.34</b>
<b>Ending Stock (MMT)</b>	<b>1.96</b>	<b>1.72</b>
<b>Monthly Use</b>	<b>2.16</b>	<b>2.03</b>
<b>Stock to Use Ratio</b>	<b>7.96%</b>	<b>7.07%</b>

- 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 1.72 MMT.
- Total Maize production in India is estimated at around 23.95 MMT in 2021-22 against our total annual demand of 24.34 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)

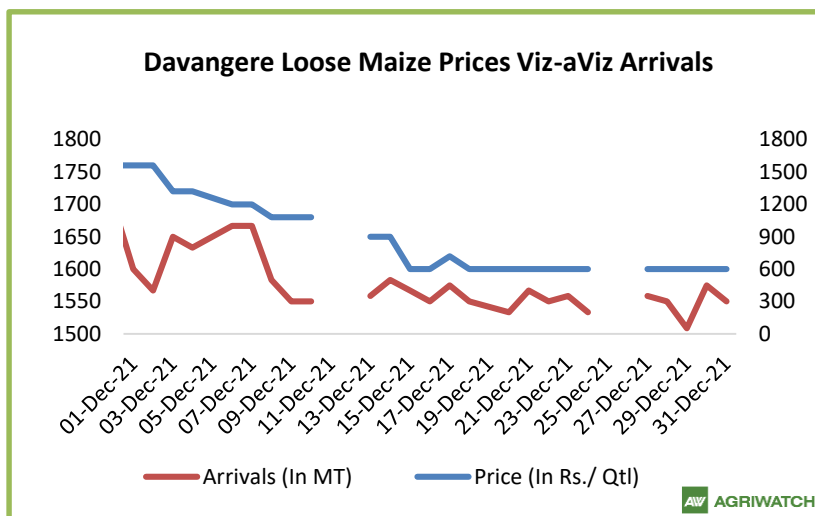
Consumption Break Up	2020-21	2021-22F
Poultry & Cattle Feed	14.05	14.18
Starch & Brewery	04.66	4.71
Human Consumption	01.86	1.90
Seed	00.27	0.27
Shortage & Wastage	00.99	0.98
Storage & Moisture Loss	00.72	0.71
<b>Total Domestic Consumption</b>	<b>22.52</b>	<b>22.75</b>

**January, 2022**

### STATE - WISE MARKET DYNAMICS

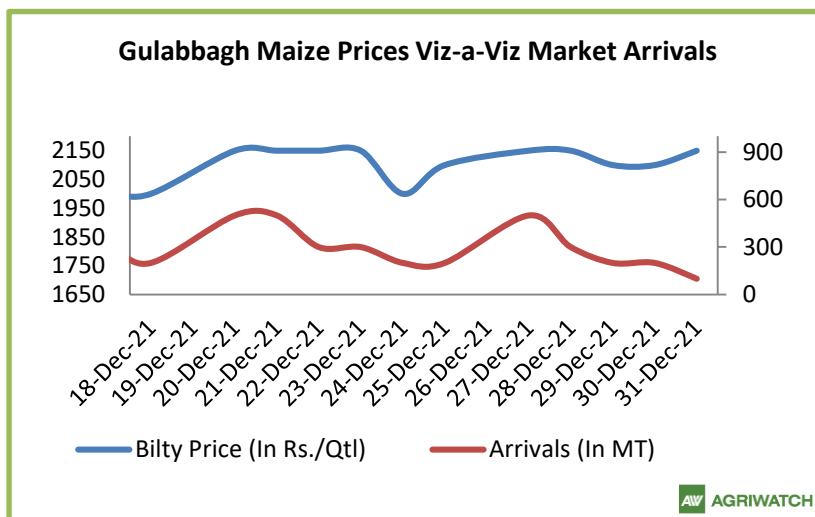
#### Karnataka

In Karnataka, maize is likely to trade steady with a slightly firm bias. Also, there is expectation of increase in demand from poultry industry with winter season to be at its peak and decreased arrivals in coming term. Agriwatch expects that maize would trade in a range of Rs. 1,600 -1,850 per quintal (loose price) during the month of January'22.



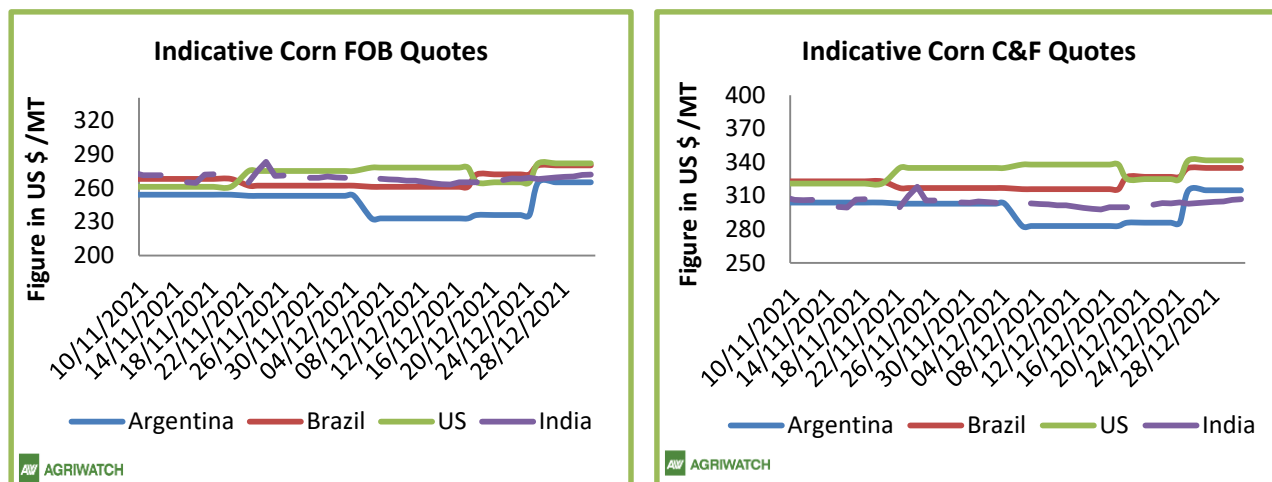
#### Bihar

In Naugachia region of Bihar, Maize is being traded at Rs. 2,150 per quintal (Bilty Price). In Gulabbagh also, it is being traded at Rs. 2,150 per quintal (Bilty Price). It is expected that maize would trade steady to firm in near term due to expected delayed rabi maize arrivals. Agriwatch expects that maize in Gulabbagh would trade in a range of Rs. 1,900-2,500 per quintal (Bilty Price) during the month of January'22.



### DOMESTIC PRICE OUTLOOK:

Maize cash markets showed a mixed trend with firm bias towards end during the month of December'21 compared to previous month due to improvement in demand from the feed industry towards end and reduced availability of required quality material. Also, Maize market was firm compared to corresponding period last year. For the month of January'22, Agriwatch expects that Maize would trade with steady to slightly firm sentiment as demand for good quality material seems to be improving as per the trend. Also, Rabi arrivals in current scenario seems to be delayed and arrivals would decrease during mid-January to mid-February.

**January, 2022**
**ON THE EXPORT-IMPORT FRONT:**


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.29)				
As on December 31, 2021	Argentina	Brazil	US	India
<b>FOB</b>	265.00	280.00	281.77	271.91
<b>C&amp;F</b>	315.00	335.00	341.77	306.91

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 NOVEMBER'21:**

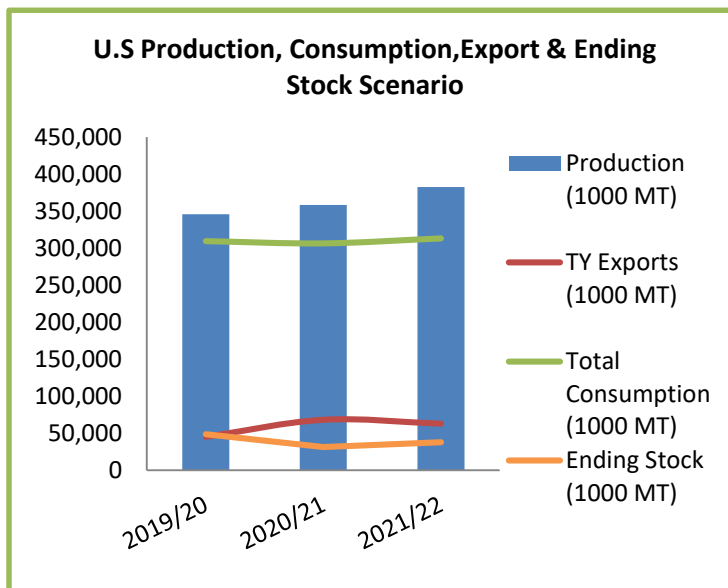
As per the trade sources, India exported around 2,99,702 MT of Maize in November 2021 at an average FoB of US\$ 273.90 per MT, out of which, 1,00,438 MT was exported to Bangladesh at an average FoB of US\$ 276.12 per MT, also 71,323 MT was exported to Malaysia at an average FoB of US\$ 282.96 per MT. Around 60,750 MT was exported to Vietnam at an average FoB of US\$ 281.91 per MT and approximately 45,217 MT was exported to Nepal at an average FoB of US\$ 264.32 per MT.

**MAIZE VESSEL POSITION:**

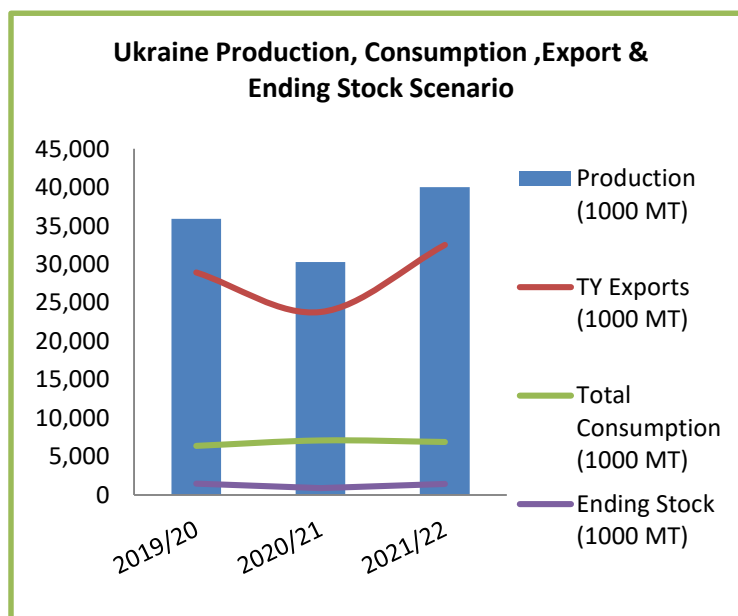
As per the source, 34,000 MT Maize Vessel ZIMRIDA is waiting at berth for loading at Kakinada port. Whereas, 5300 MT Maize Vessel PERTH I is lined up. And, 48,000MT of Maize Vessel ANNA META is waiting at berth for loading at Vizag port since 13th December, 2021. Also, 53,500MT of Maize Vessel MAGIC STRIKER, is waiting at berth for loading at Chennai port since 2nd December, 2021.

### INTERNATIONAL MARKET SCENARIO:

U.S. Maize exports have reached to 136.67 MMT for the 2021-22 marketing year, with the exports of 9.21 MMT for the period of (17th Dec – 23rd Dec) 2021, exports were down by 16 percent from the previous week and 9 percentage from the prior 4-week average, to the destinations like Mexico (278,300 MT), China (277,000 MT), Japan (189,800 MT), Canada (64,000 MT), and Costa Rica (27,600 MT). Agriwatch expects that dry weather related conditions in Brazil and Argentina could provide support to U.S corn exports



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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.

**January, 2022**
**CBOT CORN FUTURE PRICES**

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	December 31,2021	November 30,2021	Change
Corn CBOT Prices	Mar-22	233.55	223.71	10.13
	May-22	234.24	226.86	9.84
	July-22	233.65	228.24	8.96
	Sep-22	221.55	227.84	3.94
	Dec-22	214.95	-	-

**INTERNATIONAL CORN OUTLOOK:**

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**Monthly Spot Price Comparison**

Month-wise Average prices of Maize at various markets					
Market	2021-Dec	2021-Nov	2020-Dec	% Change from Prev. Month	% Change from Prev. Year
Delhi	1902	1854	1544	2.59	23.19
Davangere	1744	1774	1389	-1.69	25.56
Shimoga	1681	1735	1336	-3.11	25.82
Bagalkot	1715	1694	1428	1.24	20.10
Gadag	1627	1645	1362	-1.09	19.46
Nizamabad	1839	1832	1500	0.38	22.60
Khanna	1892	1840	1488	2.83	27.15
Sangli (NCDEX Quality)	1887	1849	1542	2.06	22.37
Gulabghat(NCDEX Quality)	2060	1949	1620	5.70	27.16
Naugachia	2089	1881	1570	11.06	33.06
Erode (NCDEX Quality)	1854	1966	1558	-5.70	19.00

- All market prices are monthly average of loose prices

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