

Maize Monthly Research Report

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

Maize cash markets traded firm during the month of January 2022 compared to previous month and corresponding period last year due to improvement in demand from the feed industry as well as improvement in the demand of exports and reduced availability of required quality material since seventy percent arrivals were already delivered in the market by the month of December 2021. For the month of February'22, Agriwatch expects that Maize would trade with steady to 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-February to March.

MAIZE TRADE SCENARIO

Good quality Maize with optimum moisture content was being traded in Bihar between Rs. 2,100 to Rs. 2,350 per quintal. Also, poultry demand seems to be strong. Maize sourced from Bihar was being supplied to Kolkata and Siliguri fulfill the demand of poultry industry at the rate of Rs. 2,250 per quintal. Also, average quality feed purpose maize is being exported to Bangladesh between Rs. 2,250 per quintal sourced from Bihar. Sources revealed that maize in Nizamabad market was being traded at Rs. 2,000 per quintal. Loose maize in market of Davangere, Karnataka was being traded at Rs. 2,000 per quintal. Stockiest demand seems to be active at approximate Rs. 2,050 per quintal of godown delivery rate in Davangere.

INTERNATIONAL CORN MARKET SUMMARY

Maize on CBOT rose by US\$ 12.90 per MT to US\$ 246.45 per MT for March, 2022 contract compared to the previous month.

USDA in its most recent report released on 12th January 2022, decreased its World Maize Ending Stock Estimate by 2.47 MMT to 303.067 MMT for January'22/ 2021-22, USDA also decreased its World Maize Production Estimates by 1.77 MMT to 120.696 MMT for January'22/ 2021-22. USDA also increased its Ending Stock Estimates for U.S by 1.17 at 39.11 MMT for January'22/ 2021-22. USDA also, decreased its Ending Stock Estimates for Argentina by 0.5 MMT to 2.12 MMT January'22/ 2021-22 and for Brazil USDA decreased its Ending Stock Estimates by 2.7 MMT to 6.23 MMT for January'22/ 2021-22.

RABI MAIZE SOWING UPDATES

According to latest sowing data, as of 28th January 2022, acreage cover under Rabi Maize in India has reached at 18.37 lakh hectare as compared to 17.01 lakh hectare previous year same time. Highest acreage cover seen in Bihar at 5.95 lakh hectare, followed by Maharashtra and Tamil Nadu at 3.21 lakh hectare and 1.89 lakh hectare respectively.

INDIA MAIZE BALANCE SHEET

Maize Year-(Oct-Sep)	2020-21	2021-22*
Opening Stocks (MMT)	3.41	1.96
Production (MMT)	24.51	24.37
Imports (MMT)	0.02	0.15
Total Supply (MMT)	27.94	26.48
Export (MMT)	3.47	2.50
Domestic Consumption (MMT)	22.52	22.75
Total Demand (MMT)	25.98	25.25
Ending Stock (MMT)	1.96	1.23
Monthly Use	2.16	2.10
Stock to Use Ratio	7.96%	4.85%

- 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 1.23 MMT.
- Total Maize production in India is estimated at around 24.37 MMT, with current Rabi production estimates of 6.6 MMT in 2021-22 against our total annual demand of 25.25 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

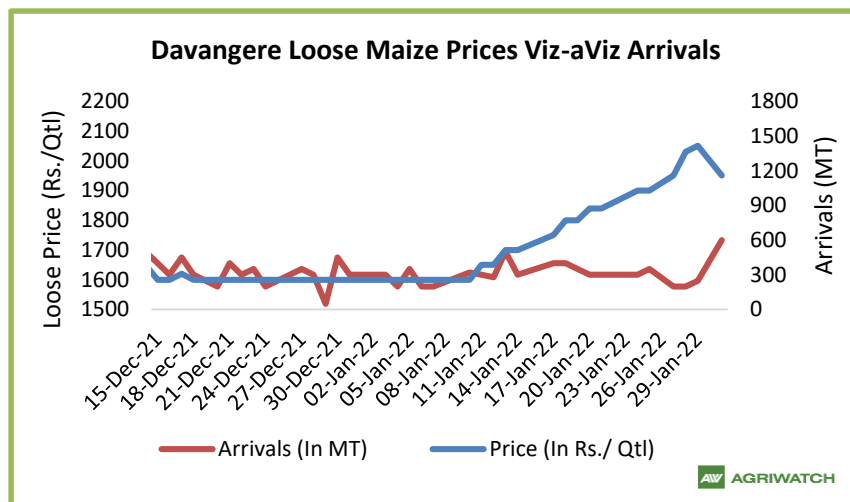
(Quantity in MMT)

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
Total Domestic Consumption	22.52	22.75

STATE - WISE MARKET DYNAMICS

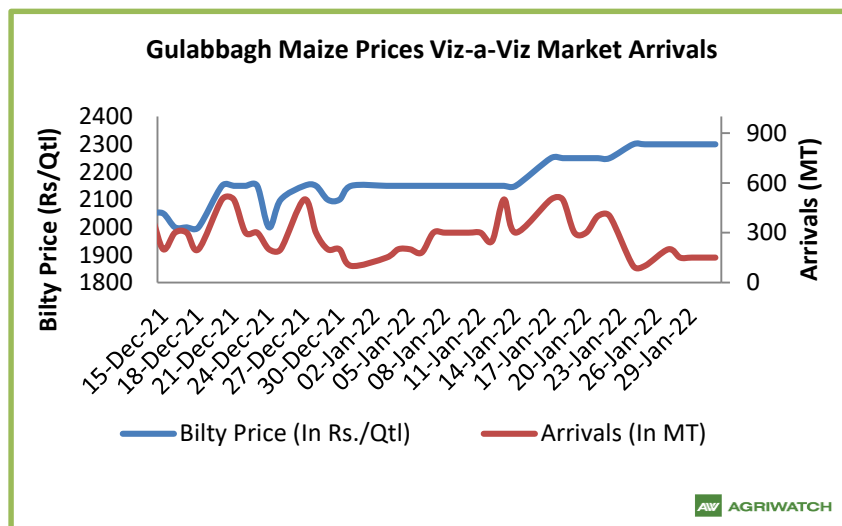
Karnataka

In Karnataka, maize is likely to trade steady with a firm bias. Also, there is expectation of increase in demand from feed industry and exports and low availability of material in the markets. Agriwatch expects that maize would trade in a range of Rs. 1,800 - 2,050 per quintal (loose price) during the month of February'22.



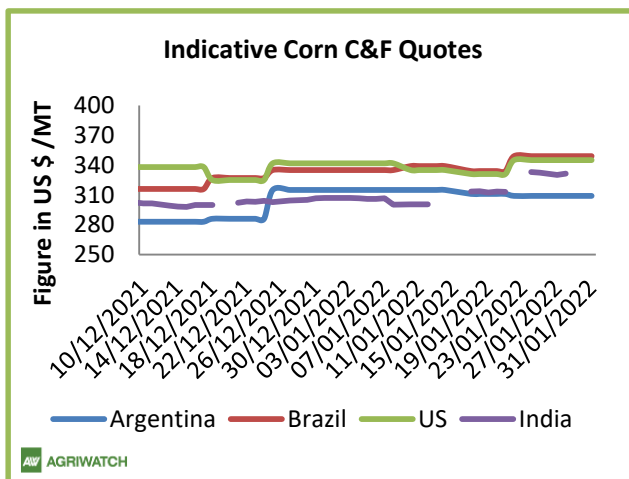
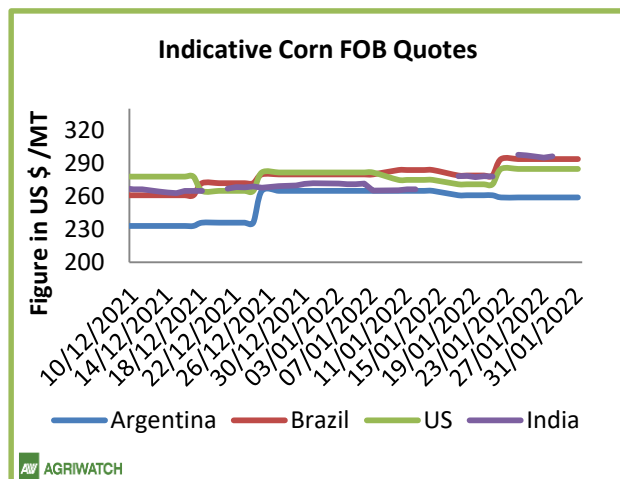
Bihar

In Naugachia region of Bihar, Maize is being traded at Rs. 2,300 per quintal (Bilty Price). In Gulabbagh also, it is being traded at Rs. 2,300 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. 1,950-2,500 per quintal (Bilty Price) during the month of February'22.



DOMESTIC PRICE OUTLOOK:

Maize cash markets traded firm during the month of January 2022 compared to previous month and corresponding period last year due to improvement in demand from the feed industry as well as improvement in the demand of exports and reduced availability of required quality material since seventy percent arrivals were already delivered in the market by the month of December 2021. For the month of February'22, Agriwatch expects that Maize would trade with steady to 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 due to late sowing in major Rabi maize producing states like Bihar and arrivals would decrease during mid-February to March. When compared to that of last year and in general trend also domestic maize market is expect to trade with steady to firm trend.

ON THE EXPORT-IMPORT FRONT:


Indian C&F Rate to Thailand vs. other Countries (\$1= Rs. 74.51)				
As on January 31, 2022	Argentina	Brazil	US	India
FOB	259.00	294.00	285.00	296.83
C&F	309.00	349.00	345.00	331.83

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 DECEMBER'21:

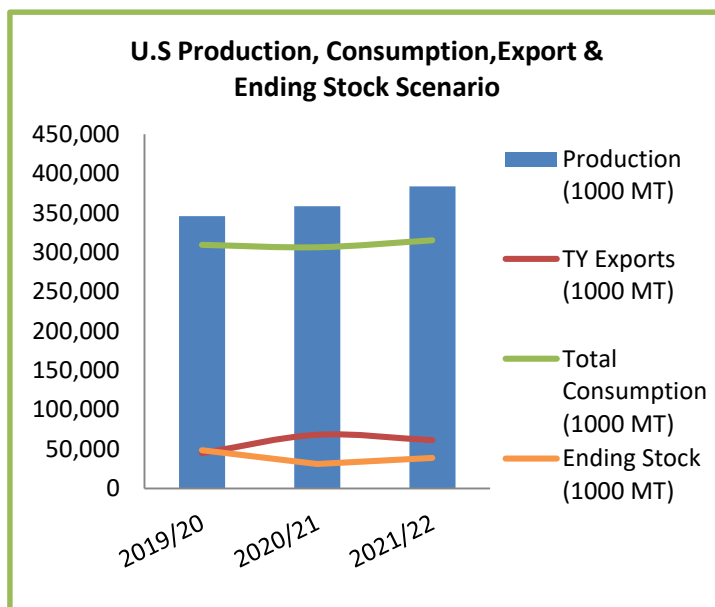
As per the trade sources, India exported around 4,54,711 MT of Maize in December 2021 at an average FoB of US\$ 279.61 per MT, out of which, 90,201 MT was exported to Bangladesh at an average FoB of US\$ 289.46 per MT, also 5,937 MT was exported to Sri Lanka at an average FoB of US\$ 284.75 per MT. Around 2,73,984 MT was exported to Vietnam at an average FoB of US\$ 279.07 per MT and approximately 65,210 MT was exported to Nepal at an average FoB of US\$ 269.87 per MT.

MAIZE VESSEL POSITION:

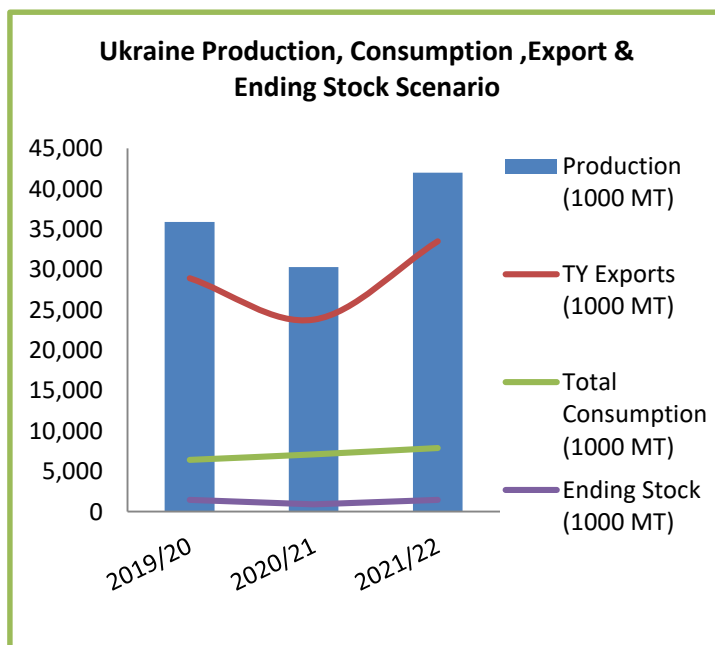
As per the source, 26,360 metric tonnes (MT) of Maize Vessel TAN BINH 279 is waiting at berth for loading at Krishnapathnam port since 20th Jan 2022. While 28,800 MT of Maize Vessel BLUE ALEXANDRA has completed loading at Chennai port since and 33,000 MT of Maize Vessel FAITH has completed loading at Vizag port. Also, 53000 MT of Maize Vessel PERTH I and, 48,000MT of Maize Vessel ANNA META completed loading at Vizag port.

INTERNATIONAL MARKET SCENARIO:

U.S. Maize exports have reached to 19.56 million metric tonnes (MMT) for the 2021-22 Marketing Year, with the exports of 1.66 MMT for the period of 21st Jan 2022– 27th Jan 2022, these exports were down by 19 percent from the previous week but up by 1 percentage from the prior 4-week average, to the destinations like Mexico (346,200 MT), Japan (246,800 MT), China (205,900 MT), Colombia (124,400 MT), and Canada (122,900 MT). As per the reports there were some cancelations of export for china in the past week. Agriwatch expects that due to pressure on freight prices in U.S due to cool weather U.S corn exports should remain stable.



USDA decreased its World Maize Ending Stock Estimate by 2.47 MMT to 303.067 MMT for January'22/ 2021-22, USDA also decreased its World Maize Production Estimates by 1.77 MMT to 120.696 MMT for January'22/ 2021-22. USDA also increased its Ending Stock Estimates for U.S by 1.17 at 39.11 MMT for January'22/ 2021-22. USDA also, decreased its Ending Stock Estimates for Argentina by 0.5 MMT to 2.12 MMT January'22/ 2021-22 and for Brazil USDA decreased its Ending Stock Estimates by 2.7 MMT to 6.23 MMT for January'22/ 2021-22.



CBOT CORN FUTURE PRICES

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	January 31,2022	December 31,2021	Change
Corn CBOT Prices	Mar-22	246.45	233.55	12.90
	May-22	245.86	234.24	11.62
	July-22	243.79	233.65	10.14
	Sep-22	230.5	221.55	8.95
	Dec-22	225.78	214.95	10.83

INTERNATIONAL CORN OUTLOOK:

Maize on CBOT rose by US\$ 12.90 per MT to US\$ 246.45 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.

Monthly Spot Price Comparison

Month-wise Average prices of Maize at various markets					
Market	2022-Jan	2021-Dec	2021-Jan	% Change from Prev. Month	% Change from Prev. Year
Delhi	1983	1902	1464	4.26	35.45
Davangere	1864	1744	1306	6.88	42.73
Shimoga	1749	1681	1330	4.05	31.50
Bagalkot	1821	1715	1414	6.18	28.78
Gadag	1755	1627	1367	7.87	28.38
Nizamabad	1905	1839	1401	3.59	35.97
Khanna	1964	1892	1390	3.81	41.29
Sangli (NCDEX Quality)	2004	1887	1528	6.20	31.15
Gulabbagh(NCDEX Quality)	2149	2060	1563	4.32	37.49
Naugachia	2146	2089	1381	2.73	55.39
Erode (NCDEX Quality)	1944	1854	1515	4.85	28.32

- All market prices are monthly average of loose prices

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