

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 August'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 a range bound zone with a firm bias for coming term. Also, maize crop has been destroyed in various parts of U.P and M.P due to unfavorable weather conditions, and production estimates happens to be lower than what is required, this will provide support to maize market in coming weeks, with new arrivals to start soon from October.

MAIZE TRADE SCENARIO

Sources revealed that maize in Nizamabad market is being traded at Rs. 1,950 per quintal. Maize is being supplied to Hyderabad between Rs. 2,000-Rs.2,150 per quintal for feed purpose sourced from Nizamabad. Demand from poultry has improved in Southern India in passed one week.

Sources revealed that good quality maize is being traded in Bihar between Rs.1,850 to Rs. 1,900 per quintal. On the other hand poor quality maize is being exported to Bangladesh at Rs.1,600 per quintal. Whereas, maize is being supplied to Bangladesh between Rs. 1,950-Rs. 2000 per quintal for poultry purpose sourced from West Bengal.

KHARIF MAIZE SOWING

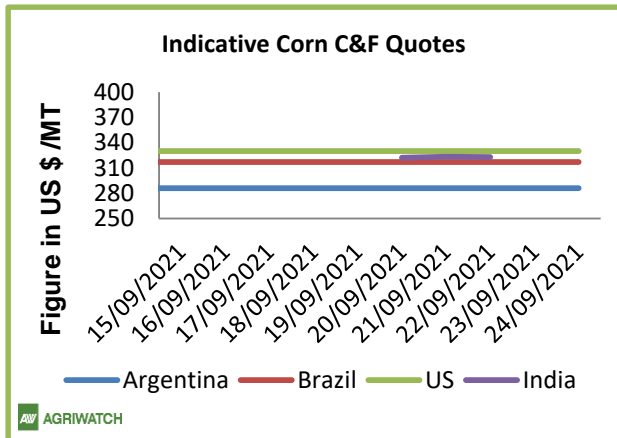
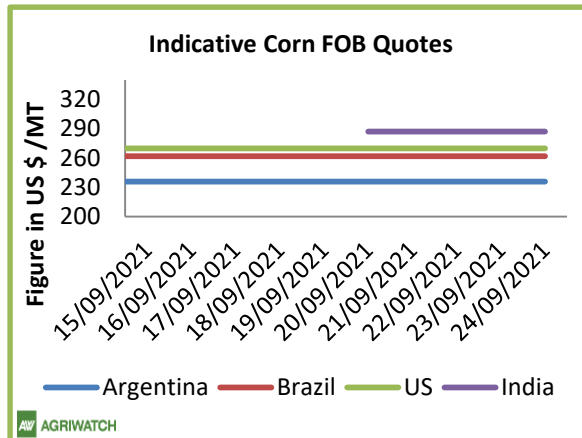
According to sources till 17th September 2021, maize crop covered 81.52 lakh hectare of area in India against 80.24 lakh hectare of area during same period previous year. Till 10th September 2021 largest area covered by maize till date, was in M.P that is 15.15 lakh hectare.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT fell by 0.20 USD/MT to 207.37 USD/MT for December '21 contract as compared to previous week. There is expectation that Corn on CBOT will remain strong for coming near term, it is trying to reach the resistance of 570 US\$ per bushel.

U.S. Maize exports have reached to 8.45 MMT for the 2021-22 marketing year, with the exports of 4.85 MMT for the period of (9th Sep- 16th Sep) 2021, for the destinations like Mexico (254,500 MT), China (140,200 MT), Japan (32,300 MT), Jamaica (19,900 MT), and Guatemala (17,100 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.73.67)				
As on 22.09.2021	Argentina	Brazil	US	India
FOB	236.00	262.00	270.00	287.77
C&F	286.00	317.00	330.00	322.77

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 August'21

As per the trade sources, India exported around 1,46,823 MT of Maize in August 2021 at an average FoB of US\$ 268.88 per MT, out of which, 1,02,435 MT was exported to Bangladesh at an average FoB of US\$ 269.51 per MT, also 26,253 MT was exported to Malaysia at an average FoB of US\$,256.23 per MT and around 16,387 MT was exported to Nepal at an average FoB of US\$ 266.53 per MT. Around 308 MT was exported to Bhutan at an average FoB of US\$ 265.71 per MT.

VESSEL POSITION

As per the sources 13,000MT of Maize Vessel BLUE LOTUS is waiting for arrival at Vizag port since 30th August 2021. 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. 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.

KHARIF MAIZE SOWING

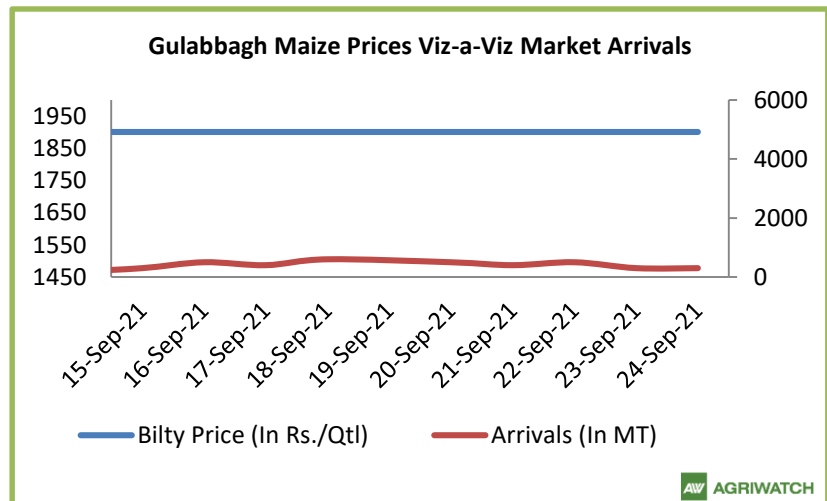
According to sources till 17th September 2021, maize crop covered 81.52 lakh hectare of area in India against 80.24 lakh hectare of area during same period previous year. Till 10th September 2021 largest area covered by maize till date, was in M.P that is 15.15 lakh hectare, followed by Karnataka and Maharashtra at 13.89 lakh hectare and 8.70 lakh hectares respectively. Acreage cover under Maize has increased in Karnataka as compared to previous year for same time period, whereas it has declined in M.P and Maharashtra for same time period as compared to last year.

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:

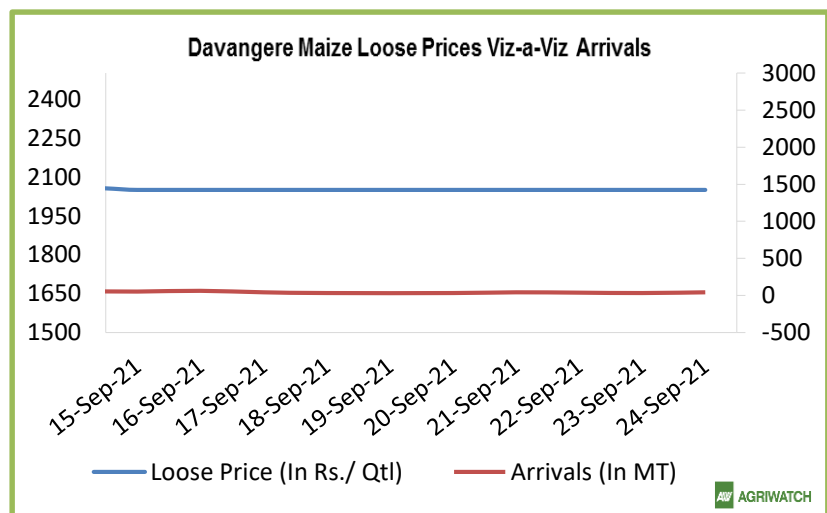
BIHAR:

In Gulabgh region of Bihar, maize is being traded at Rs. 1,900 per quintal (Bilty Price). Maize in Gulabgh would trade in the range of Rs.1,850 – Rs.2,500 per quintal for this week with firm to narrow range bound bias in near term, on the expectation of revived demand in domestic India to be maintained in coming few days. Also, decreased production estimates will support the maize market.



KARNATAKA:

In Davangere region of Karnataka Market, maize is being traded at Rs. 2,050 per quintal. Maize in Davangere region would trade in the range of Rs. 1,850 - Rs. 2,500 per quintal, in narrow range bound zone with a firm bias, on the expectation of increased demand. Also, it is expected that decreased production estimates will support the maize market.



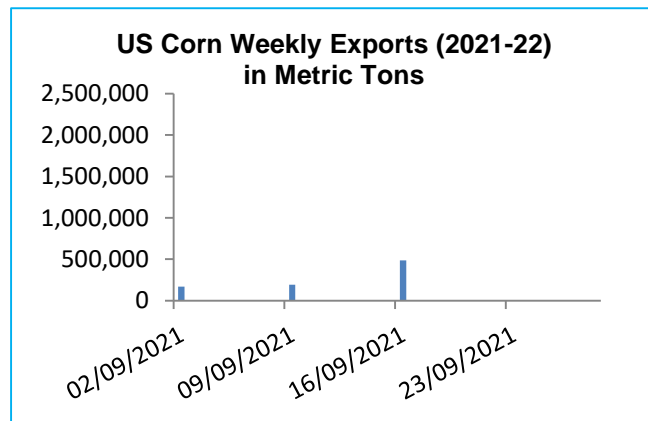


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade in a range bound zone with a firm bias for coming term. Also, maize crop has been destroyed in various parts of U.P and M.P due to unfavorable weather conditions, and production estimates happens to be lower than what is required, this will provide support to maize market in coming weeks, with new arrivals to start soon from October.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached to 8.45 MMT for the 2021-22 marketing year, with the exports of 4.85 MMT for the period of (9th Sep- 16th Sep) 2021, for the destinations like Mexico (254,500 MT), China (140,200 MT), Japan (32,300 MT), Jamaica (19,900 MT), and Guatemala (17,100 MT).



PREVIOUS UPDATES

USDA increased its World Maize Ending Stock Estimate by 1.29 MMT to 297.626 MMT for September'21/ 2021-22, USDA also increased its World Maize Production Estimates by 1.16 MMT to 1197.767 MMT for September'21/ 2021-22, estimates will support the global Maize market. USDA also increased the Ending stock estimates for U.S at 35.77 MMT for September'21/ 2021-22. USDA increased its Ending Stock Estimates for Argentina, to 2.62 MMT for September'21/ 2021-22, although USDA kept it's Ending Stock Estimates same for Brazil at 8.43 MMT for September'21/ 2021-22.

In the U.S, as of 19th September, 2021, 59% crop is in good + excellent condition, which is 2% less than that of in last year for same duration and is 1% more than that as of last week. Also, 57% of the crop is mature, and 93% crop is dented. Whereas 10% of the corn crop has been harvested as compared to 8% for same time duration last year.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT fell by 0.20 USD/MT to 207.37 USD/MT for December '21 contract as compared to previous week. There is expectation that Corn on CBOT will remain strong for coming near term, it is trying to reach the resistance of 570 US\$ per bushel.



ANNEXURE

MAIZE SPOT MARKET PRICES (RS./QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	24-Sep-21	17-Sep-21	24-Aug-21	23-Sep-20	24-Sep-19
Naugachia	Bilty	1830	1825	1850	1300	2100
Delhi	Hybrid Maize(U.P.)	1850	1850	1800	1300	2100
Davangere	Loose	1900	1950	1800	1350	NA
Shimoga	Bilty	NA	2300	2100	NA	NA
Ranebennur	Bilty	NA	NA	NA	1400	2100
Bagalkot	Hybrid/Local	NA	1805	NA	1000	NA
Gadag	Local	NA	NA	NA	1215	NA
Nizamabad	Bilty	1900	1900	1850	1375	2300
Khanna	Bilty	1825	1800	1800	1150	1890
Sangli	Feed	2071	2095	2064	1479	2550
Ahmedabad	Feed	2000	2000	2050	1320	2350

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24-Sep-21	17-Sep-21	Change
Corn CBOT Prices	Dec-21	207.37	207.57	-0.20
	Mar-22	210.42	210.33	0.09
	May-22	212.2	211.9	0.30
	July-22	211.9	211.11	0.79
	Sep-22	201.47	199.6	1.87

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