

Maize Weekly Research Report

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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, Maharashtra, A.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. 1,900 per quintal. Maize is being supplied to Hyderabad between Rs. 1,950-Rs.2,000 per quintal for feed purpose sourced from Nizamabad. Demand from poultry has improved in Southern India in past weeks.

Sources revealed that good quality maize is being traded in Bihar between Rs.1,800 to Rs. 1,900 per quintal. New crop arrivals have started in Bihar markets. Whereas, maize is being supplied to Bangladesh between Rs. 1,950-Rs. 2,100 per quintal for poultry purpose sourced from West Bengal.

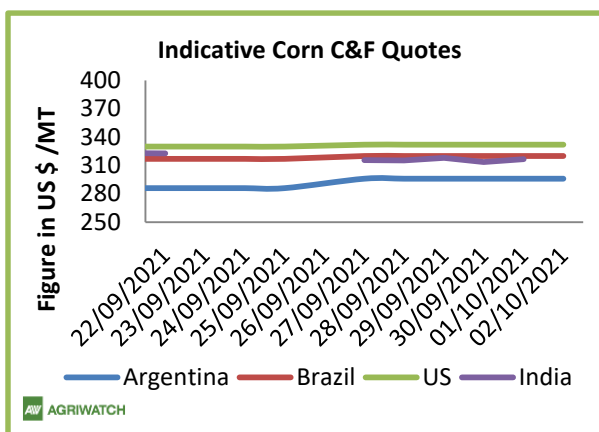
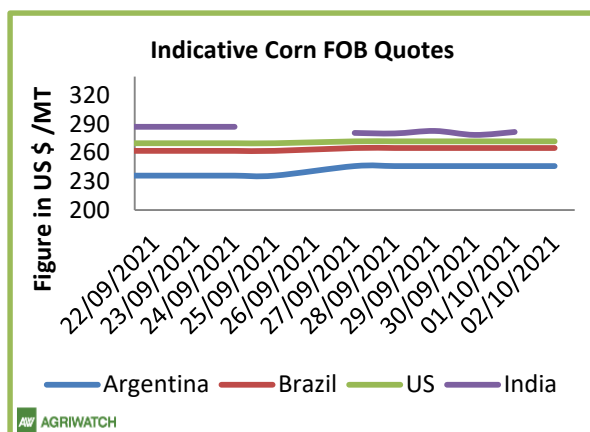
KHARIF MAIZE SOWING

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. As per the primary damage reports 11,138 hectare of area under maize cover has been affected in various parts of Andhra Pradesh due to “Gulab” cyclone. States like Odisha, Maharashtra, M.P and Gujarat experienced severe crop damage in past week due to “Gulab”.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 5.81 USD/MT to 213.18 USD/MT for December '21 contract as compared to previous week. There is expectation that Corn on CBOT will fluctuate in a narrow zone for coming near term, it is trying to reach the resistance of 570 US\$ per bushel.

U.S. Maize exports have reached to 15.21 MMT for the 2021-22 marketing year, with the exports of 6.76 MMT for the period of (16th Sep- 24th Sep) 2021, for the destinations like Mexico (262,200 MT), China (140,400 MT), Japan (107,900 MT), Honduras (49,500 MT), and Costa Rica (30,900 MT).

EXPORT PARITY TREND


Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.73.17)				
As on 29.09.2021	Argentina	Brazil	US	India
FOB	246.00	265.00	272.00	282.90
C&F	296.00	320.00	332.00	317.90

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

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

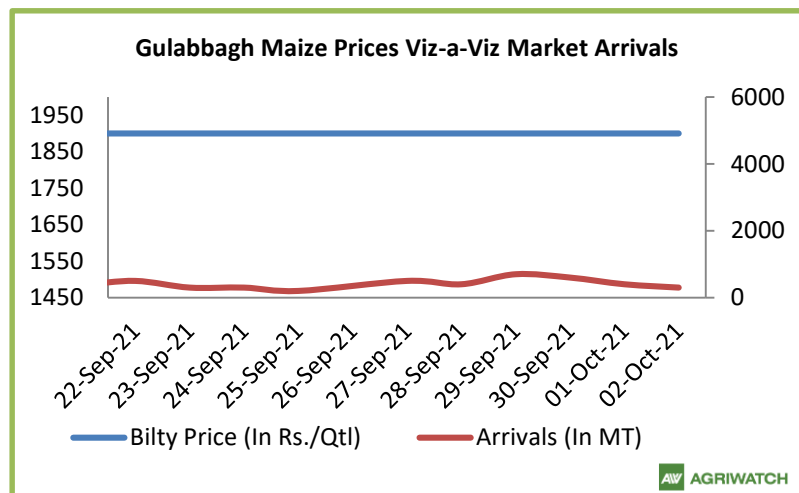
According to sources till 17th September 2021, maize crop covered 81.52 lakh hectare of area in India against 80.24 lakh hectare of area during same period previous year. Till 17th September 2021 largest area covered by maize till date, was in M.P that is 15.15 lakh hectare, followed by Karnataka and Maharashtra at 13.89 lakh hectare and 8.70 lakh hectares respectively. As per the primary damage reports 11,138 hectare of area under maize cover has been affected in various parts of Andhra Pradesh due to “Gulab” cyclone. States like Odisha, Maharashtra, M.P and Gujarat experienced severe crop damage in past week due to “Gulab”.

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:

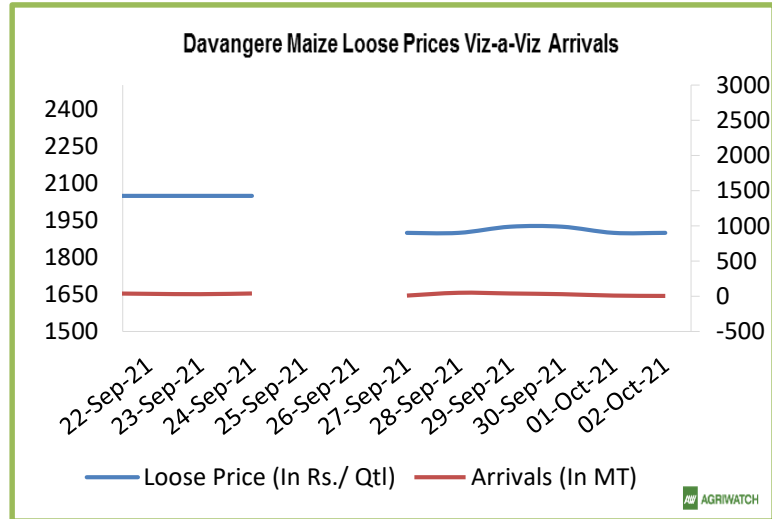
BIHAR:

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 the Davangere region of Karnataka Market, maize is being traded between Rs. 1,900- Rs. 1,925 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 due to the damage caused to crop by “Gulab” will support the maize market.

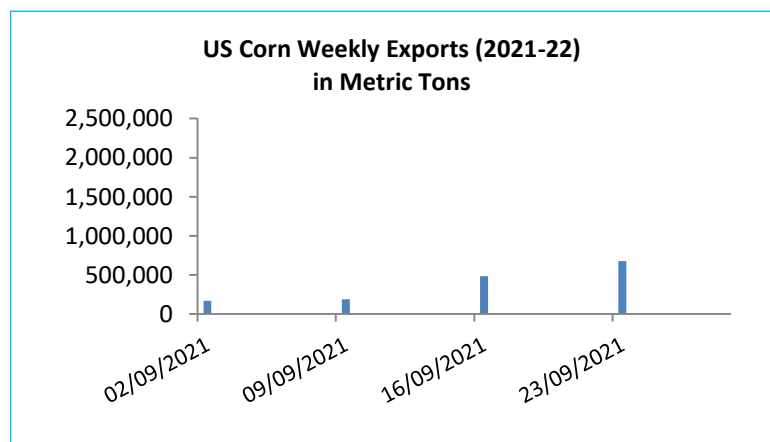


DOMESTIC MAIZE OUTLOOK:

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, Maharashtra, A.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 15.21 MMT for the 2021-22 marketing year, with the exports of 6.76 MMT for the period of (16th Sep- 24th Sep) 2021, for the destinations like Mexico (262,200 MT), China (140,400 MT), Japan (107,900 MT), Honduras (49,500 MT), and Costa Rica (30,900 MT) CBOT is trying to reach the resistance of 570 US\$ per bushel, also crop condition related concerns might support corn on CBOT.





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 27th September, 2021, 59% crop is in good + excellent condition, which is 2% less than that of in last year for same duration and same as that of last week. Also, 74% of the crop is mature, and 97% crop is dented. Whereas 18% of the corn crop has been harvested as compared to 14% for same time duration last year.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT rose by 5.81 USD/MT to 213.18 USD/MT for December '21 contract as compared to previous week. There is expectation that Corn on CBOT will fluctuate in a narrow zone 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	01-Oct-21	24-Sep-21	31-Aug-21	30-Sep-20	01-Oct-19
Naugachia	Bilty	1830	1830	1850	1350	2100
Delhi	Hybrid Maize(U.P.)	1800	1850	1875	1330	2100
Davangere	Loose	1900	1900	1850	NA	NA
Shimoga	Bilty	NA	2300	NA	NA	NA
Ranebennur	Bilty	NA	NA	NA	NA	2400
Bagalkot	Hybrid/Local	NA	NA	NA	1270	NA
Gadag	Local	NA	NA	NA	1200	NA
Nizamabad	Bilty	1925	1900	1850	1375	2260
Khanna	Bilty	1770	1825	1720	1160	1930
Sangli	Feed	2042	2071	2076	1508	2500
Ahmedabad	Feed	2000	2000	2100	1330	2400

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	01-Oct-21	24-Sep-21	Change
Corn CBOT Prices	Dec-21	213.18	207.37	5.81
	Mar-22	216.43	210.42	6.01
	May-22	218.30	212.2	6.10
	July-22	218.49	211.9	6.59
	Sep-22	211.51	201.47	10.04

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