

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 mixed bias for coming near term. However crop arriving in market with high moisture content is being traded at lower rates. Also, production estimates happens to be lower than what is required, this will provide support to maize market in coming weeks.

MAIZE TRADE SCENARIO

Sources revealed that maize in Nizamabad market is being traded between Rs. 1,750 – Rs.1,900 per quintal. High moisture content arrivals in market of Davangere, Karnataka is being traded at Rs. 1,600 per quintal. Maize for poultry feed purpose is being supplied to Hyderabad at Rs. 1950 per quintal. 60-70% harvesting has been done in Nizamabad and nearby areas.

Sources revealed that good quality maize is being traded in Bihar between Rs.1,800 to Rs. 1,900 per quintal. Whereas, domestic as well as international demand at present seems to be sluggish at present.

KHARIF MAIZE HARVESTING

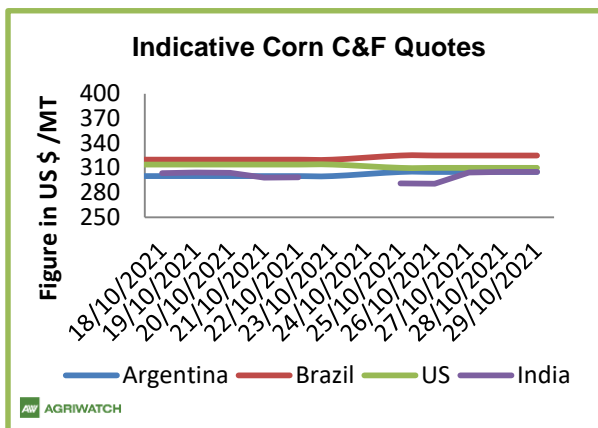
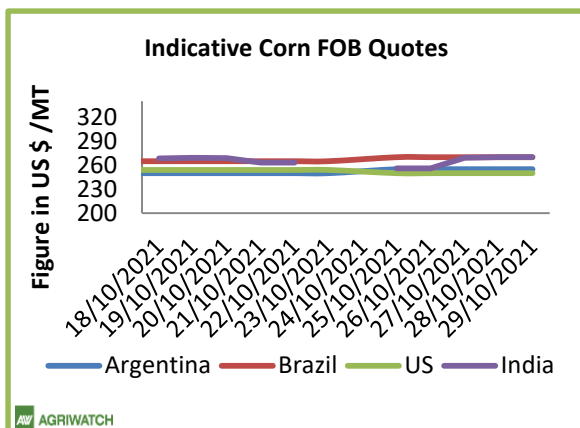
According to sources till last week of October harvesting of maize crop has started in various states like Telangana, Karnataka, M.P, Gujarat and Maharashtra. Market arrivals at present are higher in moisture content.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 11.91 USD/MT to 223.71 USD/MT for December '21 contract as compared to previous week, on the account of strong demand maintained over last week. Agriwatch expects that Corn on CBOT would remain firm based on the view that strong demand would continue in near term.

U.S. Maize exports have reached to 51.44 MMT for the 2021-22 marketing year, with the exports of 6.88 MMT for the period of (15th Oct – 21st Oct) 2021, exports were down by 34 percent from the previous week and 24 percent from the prior 4-week average, to the destinations like Mexico (275,500 MT), Japan (148,800 MT), Colombia (144,100 MT), China (66,800 MT), and Costa Rica (38,000 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.75.03)				
As on 27.10.2021	Argentina	Brazil	US	India
FOB	255.00	270.00	250.00	269.23
C&F	305.00	325.00	310.00	304.23

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 SEPTEMBER'21

As per the trade sources, India exported around 1,66,992 MT of Maize in September 2021 at an average FoB of US\$ 257.82 per MT, out of which, 1,08,228 MT was exported to Bangladesh at an average FoB of US\$ 262.61 per MT, also 51,506 MT was exported to Nepal at an average FoB of US\$ 252.67 per MT. Around 723 MT was exported to Bhutan at an average FoB of US\$ 248.46 per MT.

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.

KHARIF MAIZE Harvesting

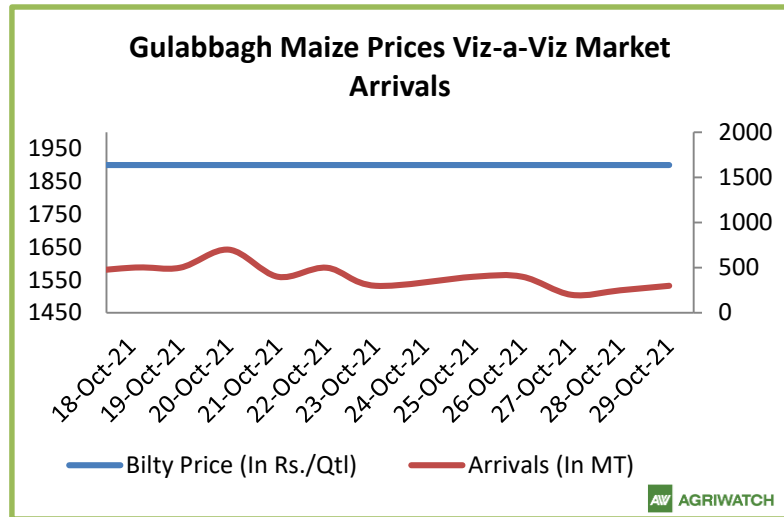
According to sources till third week of October harvesting of maize crop has started in various states like Karnataka, M.P and Maharashtra. Harvesting in Maharashtra and M.P has been around 10-14%.Whereas in Karnataka 10-125% harvesting has been done, whereas in Nizamabad 60-70% harvesting has been done. Moisture content of crops arriving in market has been higher than required.

CURRENT MARKET DYNAMICS

During the week under review, mixed to range bound price sentiments were reported in most of the major cash markets of Maize. The various key spot markets dynamics areas under:

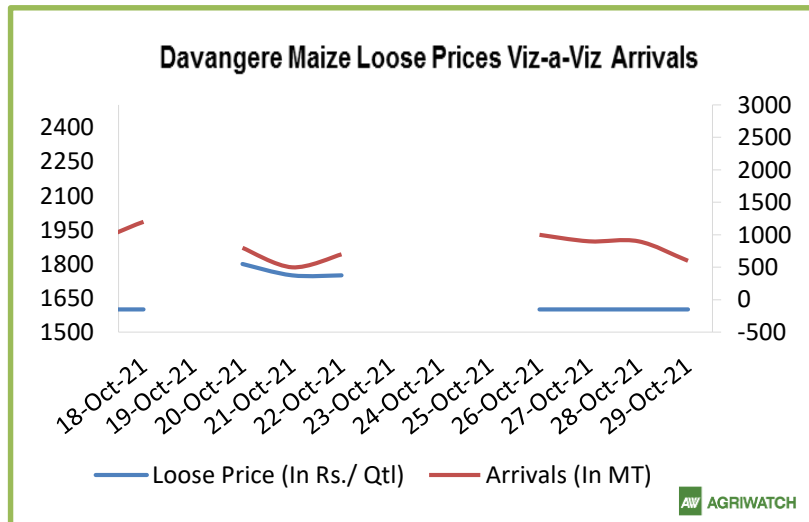
BIHAR:

In Gulabghat region of Bihar, maize is being traded at Rs. 1,900 per quintal (Bilty Price). Maize in Gulabghat would trade in the range of Rs.1,750 – Rs.2,000 per quintal for this week with range bound bias in near term, on the expectation of sluggish domestic and international demand for coming few days. Also, decreased production estimates will support the maize market.



KARNATAKA:

In the Davangere region of Karnataka Market, maize is being traded at Rs.1,600 per quintal. Maize in Davangere region would trade in the range of Rs. 1,600 - Rs. 1,900 per quintal, in range bound zone with mixed sentiments, because crop arriving in market is high in moisture content. However, it is expected that decreased production estimates will support the maize market.

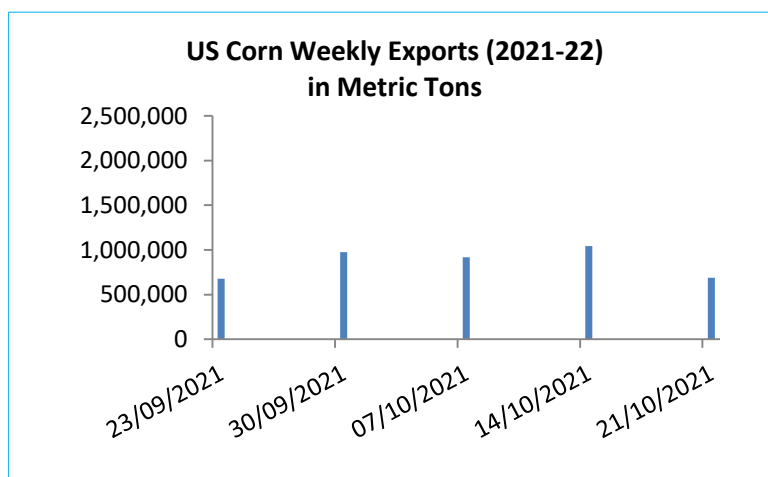


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade in a range bound zone with mixed bias for coming near term. However crop arriving in market with high moisture content is being traded at lower rates. Also, production estimates happens to be lower than what is required, this will provide support to maize market in coming weeks.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached to 51.44 MMT for the 2021-22 marketing year, with the exports of 6.88 MMT for the period of (15th Oct – 21st Oct) 2021, exports were down by 34 percent from the previous week and 24 percent from the prior 4-week average, to the destinations like Mexico (275,500 MT), Japan (148,800 MT), Colombia (144,100 MT), China (66,800 MT), and Costa Rica (38,000 MT).



PREVIOUS UPDATES

USDA increased its World Maize Ending Stock Estimate by 4.11 MMT to 301.742 MMT for October'21/ 2021-22, USDA also increased its World Maize Production Estimates by 0.44 MMT to 119.215 MMT for October'21/ 2021-22. USDA also increased the Ending stock estimates for U.S at 33.10 MMT for October'21/ 2021-22. USDA kept its Ending Stock Estimates for Argentina and Brazil same at, 2.62 MMT and 8.43 MMT for October'21/ 2021-22, respectively.

In the U.S, as of 25th October, 2021, 66% of the corn crop has been harvested as compared to 70% for same time duration last year and 53% as compared to last four year average.

INTERNATIONAL CORN OUTLOOK:

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ANNEXURE
MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	29-Oct-21	22-Oct-21	28-Sep-21	28-Oct-20	29-Oct-19
Naugachia	Bilty	1850	1825	1825	1450	NA
Delhi	Hybrid Maize(U.P.)	1850	1850	1750	1375	NA
Davangere	Loose	1600	1600	1900	1250	NA
Shimoga	Bilty	NA	NA	NA	NA	NA
Ranebennur	Bilty	NA	NA	NA	NA	NA
Bagalkot	Hybrid/Local	1670	1650	1710	1350	2125
Gadag	Local	1770	NA	NA	1260	NA
Nizamabad	Bilty	1850	1800	1900	1350	2250
Khanna	Bilty	1725	1710	1700	1140	NA
Sangli	Feed	1853	1870	2050	1455	NA
Ahmedabad	Feed	1800	1870	2000	1425	NA

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	29-Oct-21	22-Oct-21	Change
Corn CBOT Prices	Dec-21	223.71	211.80	11.91
	Mar-22	226.86	215.25	11.61
	May-22	228.24	216.82	11.42
	July-22	227.84	216.92	10.92
	Sep-22	218.40	210.52	7.88

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