

# Maize Weekly Research Report

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## **EXECUTIVE SUMMARY**

### **DOMESTIC MAIZE MARKET SUMMARY**

Agriwatch expects that maize would trade steady with firm bias for coming near term. It is expected that on the account of current Rabi maize sowing scenario; delay in sowing of rabi maize at various major producing states with decreased arrivals and also increase in demand scenario during coming months with winter season to be at its peak, prices of maize are expected to attain a firm bias in coming long term.

### **MAIZE TRADE SCENARIO**

Sources revealed that maize in Nizamabad market is being traded between Rs. 1,850 per quintal. Loose maize in market of Davangere, Karnataka is being traded at Rs. 1,750 per quintal. Maize for poultry feed purpose is being supplied to Hyderabad at Rs. 1,950 per quintal sourced from Nizamabad.

Sources revealed that good quality maize is being traded in Bihar between Rs.1,900 to Rs.2,100 per quintal. Good quality maize is being supplied to Bangladesh at Rs. 2,100 per quintal sourced from West Bengal. Also, poultry demand seems to be revived in Kolkata and Banaras. Poultry feed maize is being supplied to Kolkata at Rs.2,100 per quintal sourced from Dalkhola.

### **RABI MAIZE SOWING UPDATE**

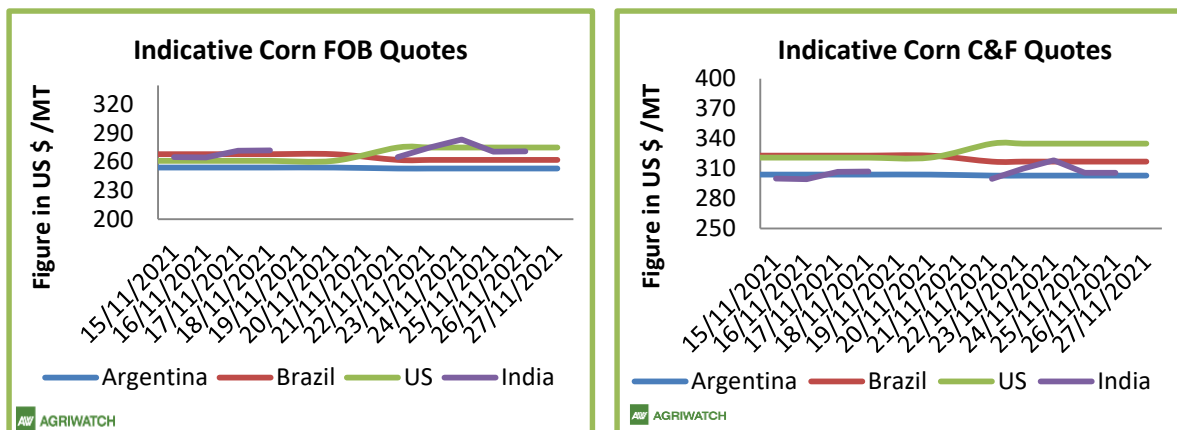
In Bihar and West Bengal, 20% and 30%-40% sowing respectively has been completed till 3rd week of November, which stood between 70%-80% for same time duration during last year. In Andhra Pradesh around 30% of rabi maize sowing has been done. In Andhra Pradesh damaged caused to rabi maize by recent week rainfall was quite severe, out of 0.09 Lakh Hectare area sown till 18th Nov 2021 4,213 hectare area has been lost by 24th Nov 2021 after rains in past weeks.

### **INTERNATIONAL CORN MARKET SUMMARY**

Corn on CBOT rose by 6.30 USD/MT to 230.99 USD/MT for December '21 contract as compared to previous week. Agriwatch expects that Corn on CBOT would be supported by corn demand for the purpose of ethanol production and poultry as well.

U.S. Maize exports have reached to 87.08 MMT for the 2021-22 marketing year, with the exports of 9.29 MMT for the period of (12th Nov – 18th Nov) 2021, exports were down by 20 percent from the previous week but up 12 percent from the prior 4-week average, to the destinations like Mexico (285,400 MT), China (281,500 MT), Japan (93,600 MT), Colombia (79,400 MT), and Saudi Arabia (73,400 MT).

### EXPORT PARITY TREND



| Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.61) |           |        |        |        |
|--|-----------|--------|--------|--------|
| As on 25.11.2021   | Argentina | Brazil | US     | India  |
| <b>FOB</b>   | 253.00    | 262.00 | 275.00 | 270.74 |
| <b>C&amp;F</b>   | 303.00    | 317.00 | 335.00 | 305.74 |

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

### EXPORTS FOR THE MONTH OF October'21

As per the trade sources, India exported around 1,43,297 MT of Maize in October 2021 at an average FoB of US\$ 263.26 per MT, out of which, 92,729 MT was exported to Bangladesh at an average FoB of US\$ 270.94 per MT, also 32,135 MT was exported to Nepal at an average FoB of US\$ 252.18 per MT. Around 11,526 MT was exported to Vietnam at an average FoB of US\$ 284.10 per MT.

### VESSEL POSITION

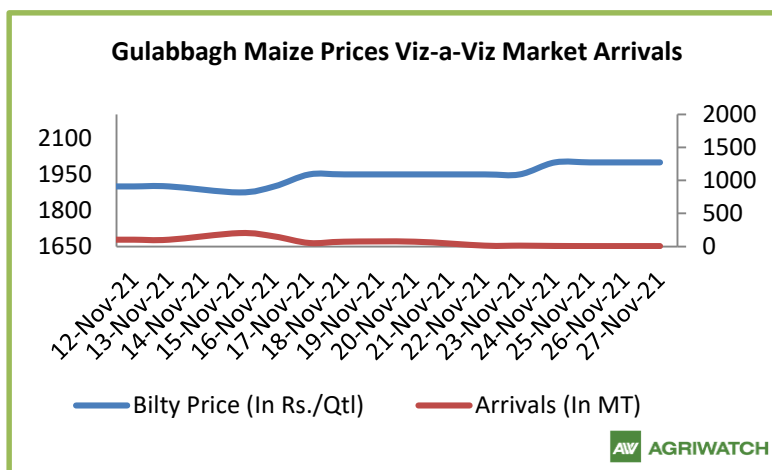
As per the sources 13,000MT of Maize Vessel BLUE LOTUS has completed loading at Vizag port. And 23,100MT of Maize Vessel AQUALEO has completed loading at Hazira port on 30th August, 2021. Also 25,000MT of Maize Vessel CHARLENE completed loading, at Gangavaram port since 19th August, 2021.

### CURRENT MARKET DYNAMICS

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

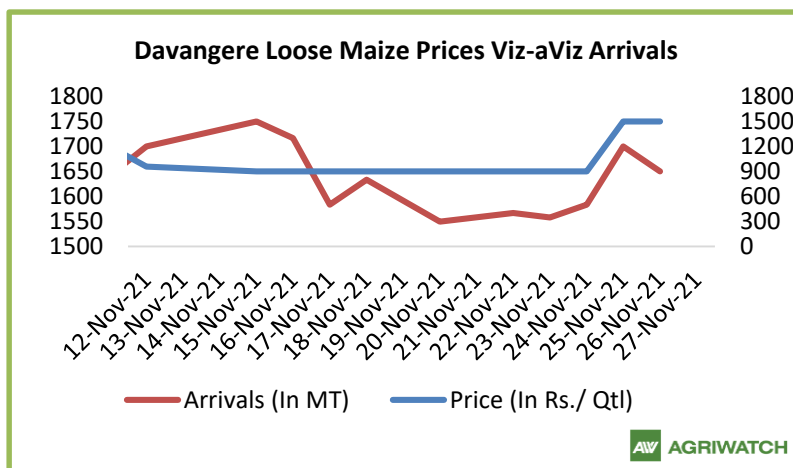
#### BIHAR:

In Gulabbagh region of Bihar, maize is being traded at Rs. 2,000 per quintal (Bilty Price). Maize in Gulabbagh would trade in the range of Rs. 1,850 – Rs. 2,200 per quintal for this week with range bound bias in near term decreased production estimates and increased demand in upcoming winter season would support the maize market.



#### KARNATAKA:

In Davangere region of Karnataka Market, loose maize is being traded at Rs.1,750 per quintal. Maize in Davangere region would trade in the range of Rs. 1,650 - Rs. 1,800 per quintal, in range bound zone, because of expectations of increasing demand from poultry sector during winters.

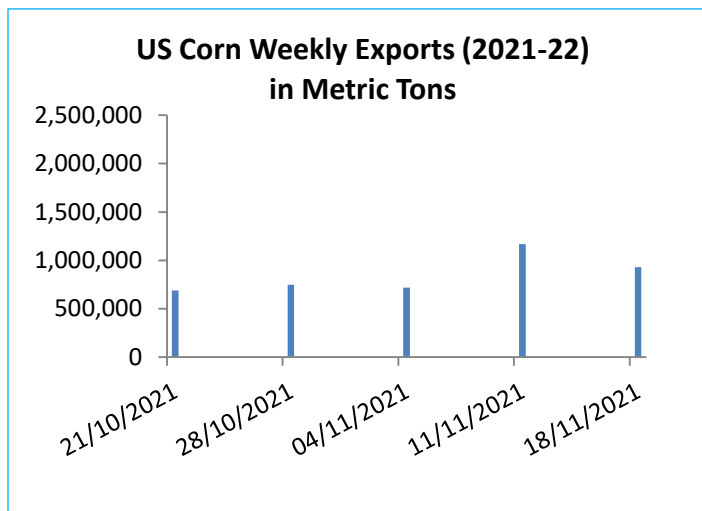


### DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady with firm bias for coming near term. However, It is expected that on the account of current rabi maize sowing scenario; delay in sowing of rabi maize at various major producing states with decreased arrivals and also increase in demand scenario during coming months with winter season to be at its peak, prices of maize are expected to attain a firm bias in coming long term.

**INTERNATIONAL MARKET HIGHLIGHT:**

U.S. Maize exports have reached to 87.08 MMT for the 2021-22 marketing year, with the exports of 9.29 MMT for the period of (12th Nov – 18th Nov) 2021, exports were down by 20 percent from the previous week but up 12 percent from the prior 4-week average, to the destinations like Mexico (285,400 MT), China (281,500 MT), Japan (93,600 MT), Colombia (79,400 MT), and Saudi Arabia (73,400 MT).


**PREVIOUS UPDATES**

USDA increased its World Maize Ending Stock Estimate by 2.67 MMT to 304.417 MMT for November'21/ 2021-22, USDA also increased its World Maize Production Estimates by 6.40 MMT to 120.462 MMT for November'21/ 2021-22. USDA also decreased the Ending stock estimates for U.S at 37.93 MMT for November'21/ 2021-22. USDA kept its Ending Stock Estimates for Argentina same at, 2.62 MMT whereas, USDA increased its Maize Ending Stock Estimate for Brazil at 8.93 MMT for November'21/ 2021-22, respectively.

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.

**INTERNATIONAL CORN OUTLOOK:**

Corn on CBOT rose by 6.30 USD/MT to 230.99 USD/MT for December '21 contract as compared to previous week. Agriwatch expects that Corn on CBOT would be supported by corn demand for the purpose of ethanol production and poultry as well.

**ANNEXURE**
**MAIZE SPOT MARKET PRICES (RS. /QUINTAL)**

| Maize (Corn) Weekly Prices: |                    |           |           |           |           |           |
|-----------------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Market                      | Grade              | 26-Nov-21 | 20-Nov-21 | 26-Oct-21 | 26-Nov-20 | 25-Nov-19 |
| Naugachia                   | Bilty              | 2000      | 1950      | 1850      | 1650      | 2075      |
| Delhi                       | Hybrid Maize(U.P.) | 1850      | 1850      | 1850      | 1625      | 2050      |
| Davangere                   | Loose              | 1750      | 1650      | 1620      | 1400      | 1730      |
| Shimoga                     | Bilty              | 1700      | NA        | NA        | NA        | 1690      |
| Ranebennur                  | Bilty              | NA        | NA        | NA        | NA        | 1705      |
| Bagalkot                    | Hybrid/Local       | 1710      | 1675      | 1670      | 1485      | 1715      |
| Gadag                       | Local              | NA        | 1635      | 1640      | 1395      | 1650      |
| Nizamabad                   | Bilty              | 1850      | Closed    | 1750      | 1500      | 2025      |
| Khanna                      | Bilty              | 1920      | 1750      | 1700      | 1450      | NA        |
| Sangli                      | Feed               | 1888      | 1831      | 1874      | 1571      | 1824      |
| Ahmedabad                   | Feed               | 1900      | 1900      | 1850      | 1600      | 2050      |

| Maize CBOT Weekly Futures Price Listing (USD/Ton) |                |           |           |        |
|---|----------------|-----------|-----------|--------|
|   | Contract Month | 26-Nov-21 | 19-Nov-21 | Change |
| Corn CBOT Prices                                  | Dec-21         | 230.99    | 224.69    | 6.30   |
|   | Mar-22         | 232.96    | 227.16    | 5.80   |
|   | May-22         | 234.44    | 228.83    | 5.61   |
|   | July-22        | 234.64    | 229.32    | 5.32   |
|   | Sep-22         | 225.29    | 221.45    | 3.84   |

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