

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Agriwatch expects that maize would trade steady to range bound bias for coming near term, due to slow demand and increased arrivals, prices would not rise in near term. Whereas, in long run due to predicted late and reduced Rabi arrivals along with expectation of increase in demand as per seasonality trend prices would rise and also there are expectations that arrivals would decrease during mid-January to mid-February.

MAIZE TRADE SCENARIO

Sources revealed that good quality maize is being traded in Bihar between Rs. 2,000 to Rs. 2,150 per quintal. Also, poultry demand seems to have recovered since past two weeks. Poultry feed maize is being supplied to Punjab and Haryana between Rs. 2,300- Rs. 2,800 per quintal sourced from Gulabghat, Bihar.

Sources revealed that maize in Nizamabad market is being traded at Rs. 1,850 per quintal. Loose maize in market of Davangere, Karnataka is being traded at Rs. 1,600 per quintal.

RABI MAIZE SOWING UPDATE

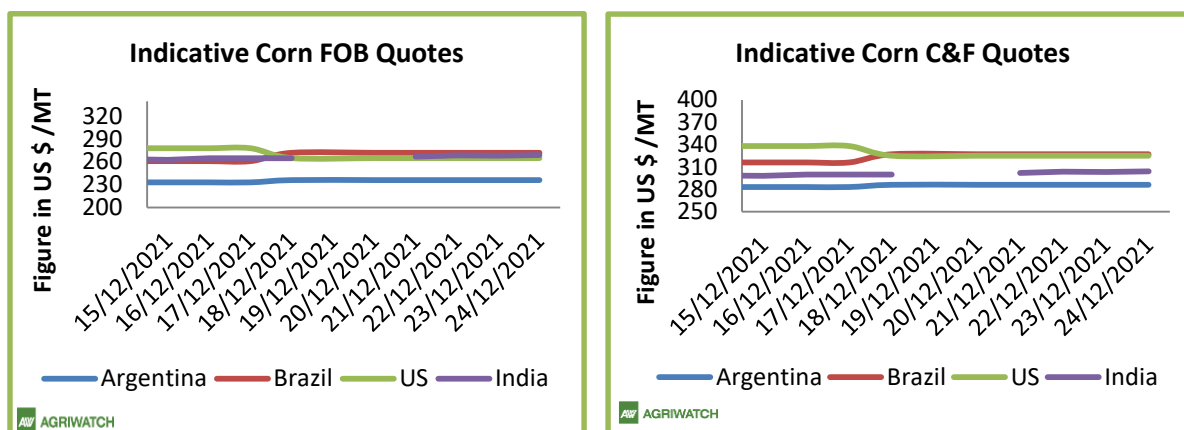
According to latest sowing data acreage cover under Rabi Maize as of 17th Dec. 2021 in India is 11.22 lakh hectare as compared to 10.25 lakh hectare for same period previous year. Highest acreage cover is in Bihar at 3.58 lakh hectare, followed by Maharashtra and Tamil Nadu at 1.96 lakh hectare and 1.84 lakh hectare respectively.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT increased by 23.03 USD/MT to 238.47 USD/MT for December '21 contract as compared to previous week. Agriwatch expects that Corn on CBOT would be affected by higher prices of corn in international market on one hand and demand from the ethanol production industry on other hand.

U.S. Maize exports have reached to 127.46 MMT for the 2021-22 marketing year, with the exports of 11.01 MMT for the period of (9th Dec – 16th Dec) 2021, exports were up by 1 percent from the previous week and 14 percentage from the prior 4-week average, to the destinations like Mexico (349,900 MT), China (208,800 MT), Japan (207,400 MT), Canada (97,900 MT), and South Korea (68,300 MT).

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.75.63)				
As on 22.12.2021	Argentina	Brazil	US	India
FOB	236.00	272.00	265.00	262.92
C&F	286.00	327.00	325.00	297.92

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 November'21

As per the trade sources, India exported around 2,99,702 MT of Maize in November 2021 at an average FoB of US\$ 273.90 per MT, out of which, 1,00,438 MT was exported to Bangladesh at an average FoB of US\$ 276.12 per MT, also 71,323 MT was exported to Malaysia at an average FoB of US\$ 282.96 per MT. Around 60,750 MT was exported to Vietnam at an average FoB of US\$ 281.91 per MT and approximately 45,217 MT was exported to Nepal at an average FoB of US\$ 264.32 per MT.

VESSEL POSITION

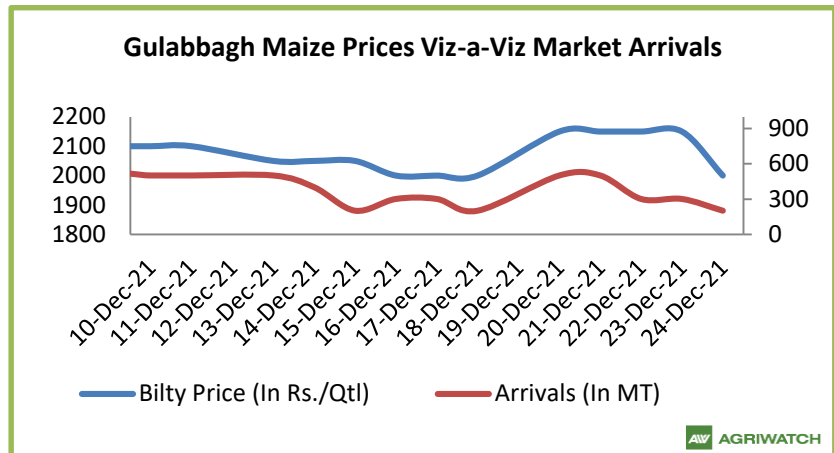
As per the source, 34,000 MT Maize Vessel ZIMRIDA is waiting at berth for loading at Kakinada port. Whereas, 5300 MT Maize Vessel PERTH I is lined up. And, 48,000MT of Maize Vessel ANNA META is waiting at berth for loading at Vizag port since 13th December, 2021. Also, 53,500MT of Maize Vessel MAGIC STRIKER, is waiting at berth for loading at Chennai port since 2nd December, 2021.

CURRENT MARKET DYNAMICS

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

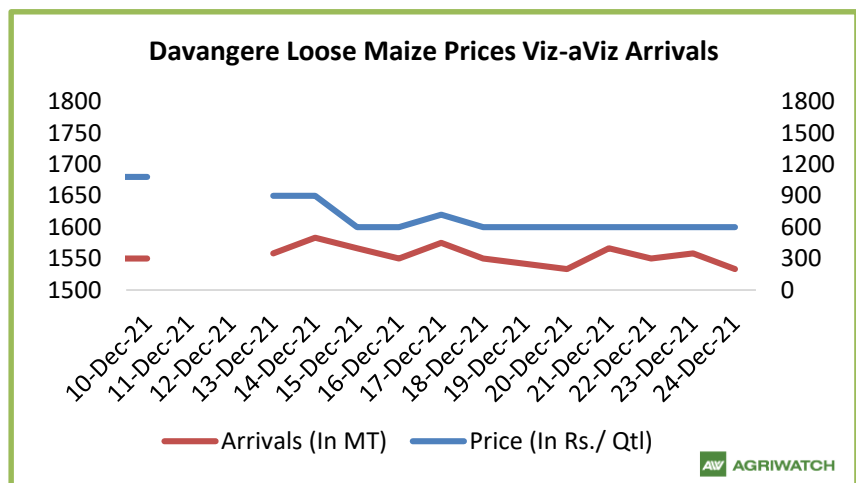
BIHAR:

In Gulabbagh region of Bihar, maize is being traded at Rs. 2,150 per quintal (Bilty Price). Maize in Gulabbagh would trade in the range of Rs. 1,900 – Rs. 2,500 per quintal for this week with range bound to steady sentiment in near term due to slowed demand and increased arrivals.



KARNATAKA:

In Davangere region of Karnataka Market, loose maize is being traded at Rs. 1,600 per quintal to Rs. 1,650 per quintal. Maize in Davangere region would trade in the range of Rs. 1,600 - Rs. 1,750 per quintal, in range bound zone, due to slowed demand and increased arrivals.

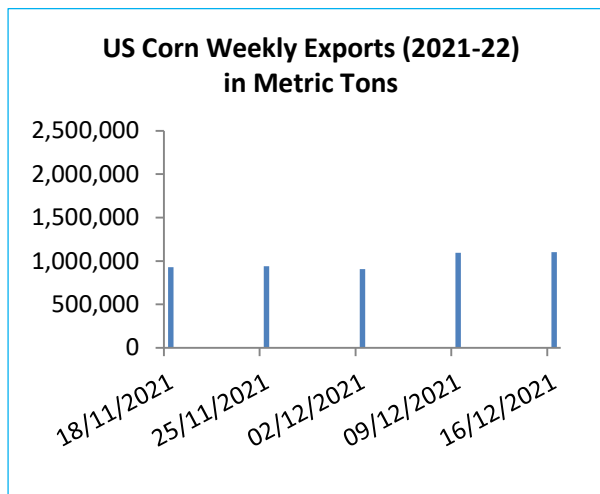


DOMESTIC MAIZE OUTLOOK:

Agriwatch expects that maize would trade steady to range bound bias for coming near term, due to slow demand and increased arrivals, prices would not rise in near term. Whereas, in long run due to predicted late and reduced Rabi arrivals along with expectation of increase in demand as per seasonality trend prices would rise and also there are expectations that arrivals would decrease during mid-January to mid-February.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached to 116.44 MMT for the 2021-22 marketing year, with the exports of 10.93 MMT for the period of (3rd Nov – 9th Dec) 2021, exports were up by 21 percent from the previous week and up by 11 percent from prior 4-week average, to the destinations like Mexico (317,000 MT, including 28,300 MT - late), China (274,800 MT), Japan (192,700 MT), Canada (158,600 MT), and Colombia (131,400 MT).



PREVIOUS UPDATES

USDA increased its World Maize Ending Stock Estimate by 1.12 MMT to 305.543 MMT for December'21/ 2021-22, USDA also increased its World Maize Production Estimates by 4.11 MMT to 120.873 MMT for December'21/ 2021-22. While USDA kept its Ending Stock Estimates same for U.S at 37.93 MMT for December'21/ 2021-22. USDA also, kept its Ending Stock Estimates for Argentina and Brazil same at, 2.62 MMT and 8.93 MMT respectively for December'21/ 2021-22.

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 increased by 23.03 USD/MT to 238.47 USD/MT for December '21 contract as compared to previous week. Agriwatch expects that Corn on CBOT would be affected by higher prices of corn in international market on one hand and demand from the ethanol production industry on other hand.

ANNEXURE
MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	24-Dec-21	17-Dec-21	23-Nov-21	23-Dec-20	24-Dec-19
Naugachia	Bilty	2025	2025	1950	1550	NA
Delhi	Hybrid Maize(U.P.)	1900	1850	1850	1520	2225
Davangere	Loose	1600	1620	1650	Closed	1950
Shimoga	Bilty	1680	1650	1730	NA	1950
Ranebennur	Bilty	NA	1600	1765	1390	2100
Bagalkot	Hybrid/Local	1700	1700	1690	1370	2080
Gadag	Local	NA	NA	1625	1360	1945
Nizamabad	Bilty	1850	1850	1875	NA	2050
Khanna	Bilty	1920	1840	1970	Closed	2150
Sangli	Feed	1872	1862	1863	1537	2118
Ahmedabad	Feed	1850	1880	1800	1550	NA

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24-Dec-21	16-Dec-21	Change
Corn CBOT Prices	Dec-21	238.47	215.44	23.03
	Mar-22	239.06	232.77	6.29
	May-22	238.57	233.36	5.21
	July-22	225.29	232.96	-7.67
	Sep-22	217.90	221.64	-3.74

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