

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Maize would trade with firm to slightly steady sentiment in coming term due to decreased arrivals since almost seventy percent of previous season's arrivals have already reached market, also possible late Rabi arrivals, along with the increase in demand as per seasonality trend would lead to rise in prices, till new Rabi arrivals start.

MAIZE TRADE SCENARIO

Good quality maize, with optimum moisture content is being traded in Bihar between Rs. 2,100 to Rs. 2,150 per quintal. Also, poultry demand seems to have recovered. Maize sourced from M.P is being supplied to Kerala and Tamil Nadu, to fulfill the demand of poultry industry. Also lower quality feed purpose maize is being exported to Bangladesh between Rs. 2,100 to Rs. 2,200 per quintal sourced from 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. 1,700 per quintal. Stockist demand seems to be active at approximate Rs. 1,850 per quintal of godown delivery rate in Davangere.

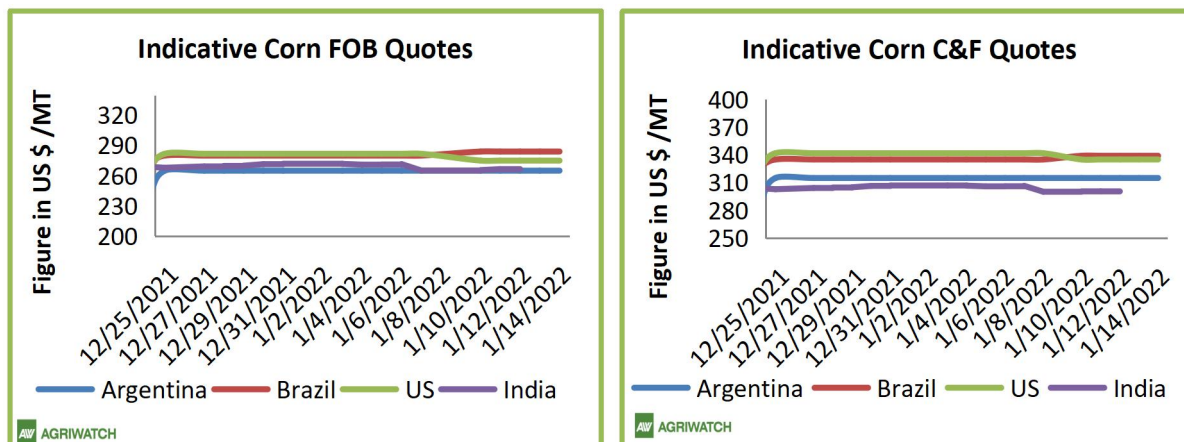
RABI MAIZE SOWING UPDATE

According to latest sowing data acreage cover under Rabi Maize as of 7th Jan. 2022 in India is 15.94 lakh hectare as compared to 14.61 lakh hectare for same period previous year. Highest acreage cover is in Bihar at 5.44 lakh hectare, followed by Maharashtra and Tamil Nadu at 2.64 lakh hectare and 1.88 lakh hectare respectively.

As per the current scenario it is expected that Rabi Maize arrivals, of Bihar Rabi Maize would start around May 2022.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT decreased by 7.58 USD/MT to 231.29 USD/MT for March '22 contract as compared to previous week. U.S. Maize exports have reached to 156.64 MMT for the 2021-22 marketing year, with the exports of 10.11 MMT for the period of (31st Dec 2021 – 06th Jan 2022), these exports were up by 3 percent from the previous week but down by 1 percentage from the prior 4-week average,

EXPORT PARITY TREND


Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.18)				
As on 12.01.2022	Argentina	Brazil	US	India
FOB	265.00	284.00	275.00	266.43
C&F	315.00	339.00	335.00	300.57

As depicted by the above data, there has been a parity for Indian maize, though Argentina remains the most competitive.

INDIAN 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

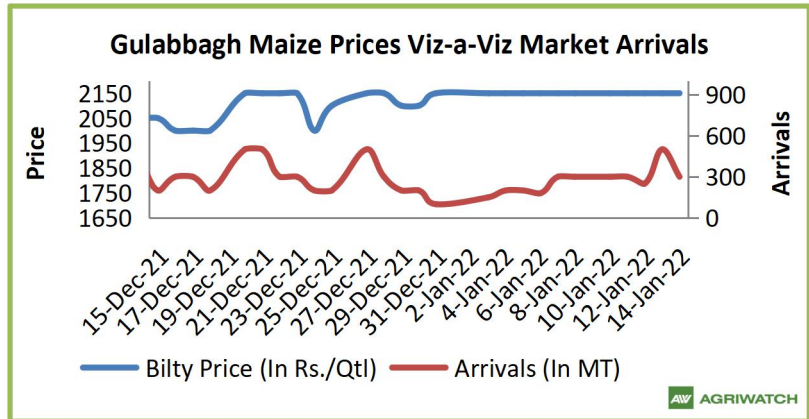
As per the source, 28,800 MT Maize Vessel BLUE ALEXANDRA is waiting at berth for loading on Chennai port since 7th January 2022 and 33,000 MT Maize Vessel FAITH is waiting at berth for loading on Vizag port since 7th January 2022. And, 5300 MT Maize Vessel PERTH I is waiting at berth for loading on Vizag port. And, 48,000MT of Maize Vessel ANNA META completed loading at Vizag port on 10th Jan 2022. Also, 53,500MT of Maize Vessel MAGIC STRIKER, completed loading at Chennai port on 10th Jan 2022. Whereas, 34,000 MT Maize Vessel ZIMRIDA has completed loading at Kakinada port.

CURRENT MARKET DYNAMICS

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

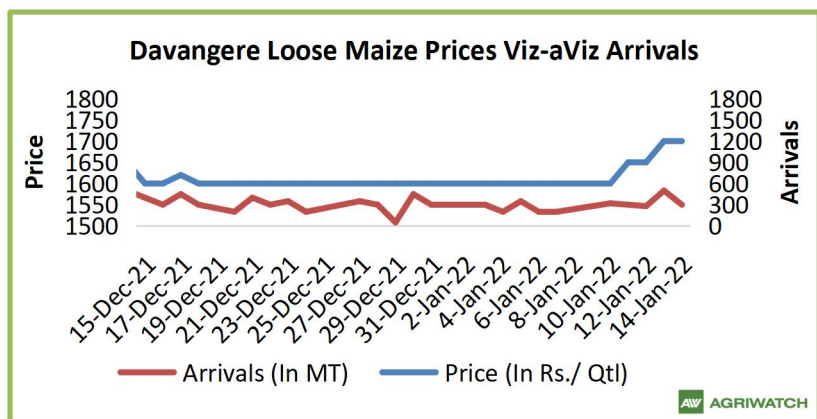
BIHAR:

In Gulabghat region of Bihar, maize is being traded at Rs. 2,150 per quintal (Bilty Price). Maize in Gulabghat would trade in the range of Rs. 2,100 – Rs. 2,200 per quintal with a steady to firm bias for this week, with expectation of new Rabi arrivals by May 2022.



KARNATAKA:

In Davangere region of Karnataka Market, loose maize is being traded at Rs. 1,700 per quintal to Maize in Davangere region would trade in the range of Rs. 1,680 - Rs. 1,750 per quintal, with firm to steady bias for this week, with expectation of decreased arrivals and increasing demand from Tamil Nadu feed makers.

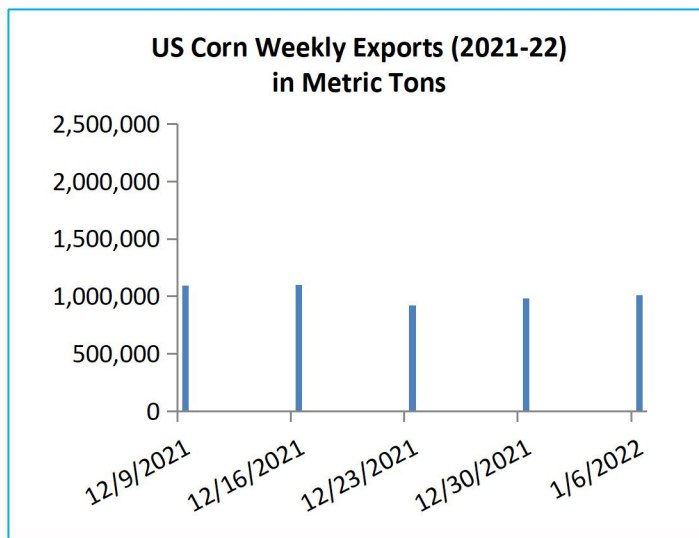


DOMESTIC MAIZE OUTLOOK:

Maize would trade with firm to slightly steady sentiment in coming term due to decreased arrivals, since almost seventy percent of previous season's arrivals have already reached market, also possible late Rabi arrivals, along with the increase in demand as per seasonality trend would lead to rise in prices, till new Rabi arrivals start.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached to 156.64 MMT for the 2021-22 marketing year, with the exports of 10.11 MMT for the period of (31st Dec 2021 – 06th Jan 2022), these exports were up by 3 percent from the previous week but down by 1 percentage from the prior 4-week average, to the destinations like Mexico (347,800 MT), China (274,700 MT), Japan (131,700 MT), Saudi Arabia (73,300 MT), and Costa Rica (49,300 MT). Agriwatch expects that dry weather related conditions in Brazil and Argentina, along with increasing use of Corn in ethanol production is expected to provide support to U.S corn exports.



PREVIOUS UPDATES

USDA decreased its World Maize Ending Stock Estimate by 2.47 MMT to 303.067 MMT for January'22/ 2021-22, USDA also decreased its World Maize Production Estimates by 1.77 MMT to 120.696 MMT for January'22/ 2021-22. USDA also increased its Ending Stock Estimates for U.S by 1.17 at 39.11 MMT for January'22/ 2021-22. USDA also, decreased its Ending Stock Estimates for Argentina by 0.5 MMT to 2.12 MMT January'22/ 2021-22 and for Brazil USDA decreased its Ending Stock Estimates by 2.7 MMT to 6.23 MMT for January'22/ 2021-22.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT decreased by 7.58 USD/MT to 231.29 USD/MT for March '22 contract as compared to previous week. However, Agriwatch expects that Corn on CBOT would be supported in coming future by the dry weather conditions in Brazil and Argentina.

17 January, 2022
ANNEXURE
MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	14-Jan-22	07-Jan-22	14-Dec-21	13-Jan-21	14-Jan-20
Naugachia	Bilty	2125	2150	2050	1440	NA
Delhi	Hybrid Maize(U.P.)	1900	1900	1900	1450	2200
Davangere	Loose	1700	1600	1650	1300	NA
Shimoga	Bilty	NA	1780	1700	NA	1870
Ranebennur	Bilty	NA	NA	NA	1360	1890
Bagalkot	Hybrid/Local	1755	NA	1725	1400	1910
Gadag	Local	NA	1705	1640	NA	2210
Nizamabad	Bilty	Closed	1850	1830	Closed	NA
Khanna	Bilty	1940	1910	1900	Closed	NA
Sangli	Feed	1969	1916	1894	1518	2047
Ahmedabad	Feed	1900	1850	1850	1380	NA

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	13-Jan-22	07-Jan-22	Change
Corn CBOT Prices	Mar-22	231.29	238.87	-7.58
	May-22	232.08	239.26	-7.18
	July-22	231.39	237.98	-6.59
	Sep-22	223.32	224.99	-1.67
	Dec-22	219.58	219.58	unch

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