

Maize Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Maize Trade Scenario
- ❖ Rabi Maize Sowing Update
- ❖ International Corn Market Summary
- ❖ Export-Import Parity Trend
- ❖ Exports for the Month of December'21
- ❖ Vessel Position
- ❖ Current Market
- ❖ Dynamics Domestic Maize Outlook
- ❖ Internationals Market: Highlights/Current Developments
- ❖ International Corn Outlook
- ❖ Annexure

EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

Maize would trade with steady to firm sentiment in coming week since almost ninety to ninety five percent of previous season's arrivals have already reached market, with arrivals being low in major spot markets and demand is steady as per the seasonality trend.

MAIZE TRADE SCENARIO

Good quality Maize with optimum moisture content is being traded in Bihar between Rs. 2,100 to Rs. 2,300 per quintal. Also, poultry demand seems to be strong. Maize sourced from Bihar is being supplied to Kolkata and Siliguri to fulfill the demand of poultry industry, at the rate of Rs. 2,250 per quintal. Also, average quality feed purpose maize is being exported to Bangladesh between Rs. 2,250 per quintal sourced from Bihar.

Sources revealed that maize in Nizamabad market is being traded at Rs. 2,000 per quintal. Loose maize in market of Davangere, Karnataka is being traded at Rs. 1,950 per quintal.

RABI MAIZE SOWING UPDATE

According to latest sowing data, as of 21st January 2022, acreage cover under Rabi Maize in India has reached at 17.83 lakh hectare as compared to 16.31 lakh hectare previous year same time. Highest acreage cover seen in Bihar at 5.86 lakh hectare, followed by Maharashtra and Tamil Nadu at 2.96 lakh hectare and 1.89 lakh hectare respectively.

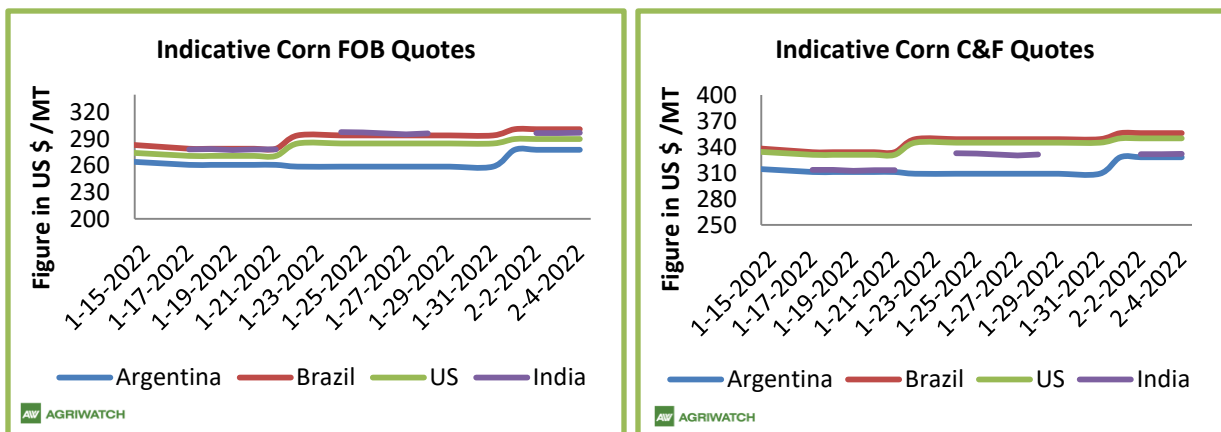
Agriwatch's current Indian Rabi Maize production for 2022 is expected to be 6.6 MMT.

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

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT decreased by 6.50 USD/MT to 242.80 USD/MT for March '22 contract as compared to previous week, after the round of strong technical selling.

U.S. Maize exports have reached to 19.56 million metric tonnes (MMT) for the 2021-22 Marketing Year, with the exports of 1.66 MMT for the period of 21st Jan 2022– 27th Jan 2022, these exports were down by 19 percent from the previous week but up by 1 percentage from the prior 4-week average.

EXPORT PARITY TREND


Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.74.79)				
As on 02.02.2022	Argentina	Brazil	US	India
FOB	278.00	301.00	290.00	296.83
C&F	328.00	356.00	350.00	331.83

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

INDIAN EXPORTS FOR THE MONTH OF DECEMBER'21

As per the trade sources, India exported around 4,54,711 MT of Maize in December 2021 at an average FoB of US\$ 279.61 per MT, out of which, 90,201 MT was exported to Bangladesh at an average FoB of US\$ 289.46 per MT, also 5,937 MT was exported to Sri Lanka at an average FoB of US\$ 284.75 per MT. Around 2,73,984 MT was exported to Vietnam at an average FoB of US\$ 279.07 per MT and approximately 65,210 MT was exported to Nepal at an average FoB of US\$ 269.87 per MT.

VESSEL POSITION

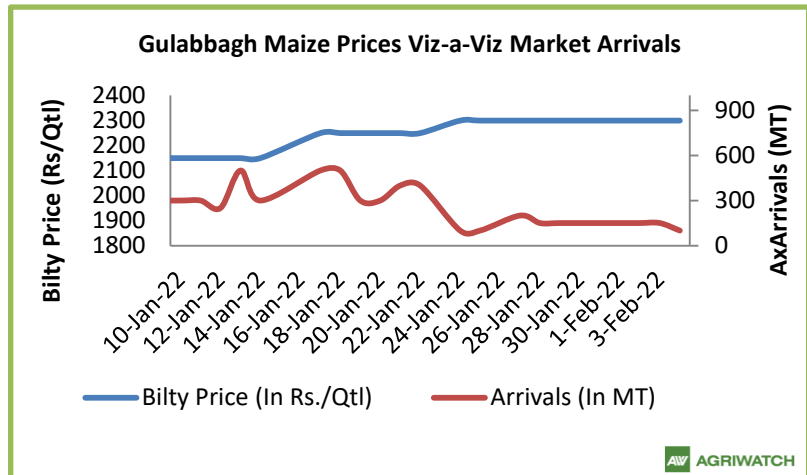
As per the source, 26,360 metric tonnes (MT) of Maize Vessel TAN BINH 279 is waiting at berth for loading at Krishnapathnam port since 20th Jan 2022. Also 5400 metric tonnes (MT) of maize vessel AKIJ MOON is expected to arrive at Vizag port by 4th Feb 2022. While 28,800 MT of Maize Vessel BLUE ALEXANDRA has completed loading at Chennai port since and 33,000 MT of Maize Vessel FAITH has completed loading at Vizag port. Also, 53000 MT of Maize Vessel PERTH I and, 48,000MT of Maize Vessel ANNA META completed loading at Vizag 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:

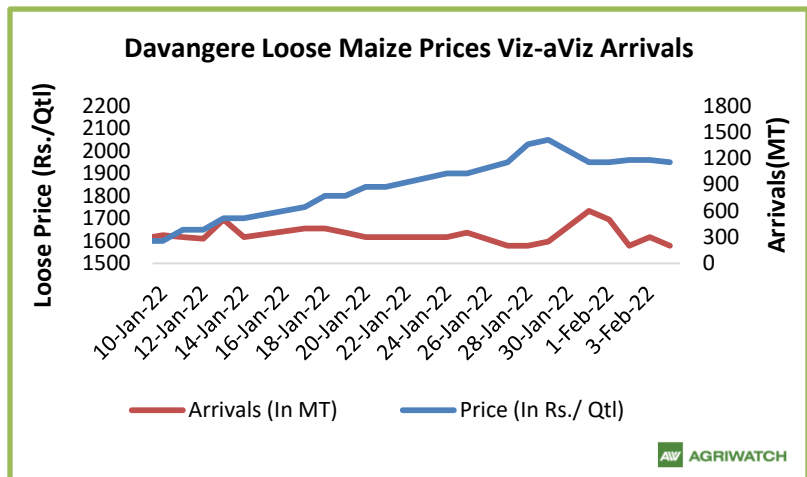
BIHAR:

In Gulabghat region of Bihar, maize is being traded at Rs. 2,300 per quintal (Bilty Price). Maize in Gulabghat would trade in the range of Rs. 2,200 – Rs. 2,400 per quintal with a steady to firm bias for this week, with expectation of new Rabi arrivals by May 2022 and decreasing arrivals of current season's crop in market.



KARNATAKA:

In Davangere region of Karnataka Market, loose maize is being traded at Rs. 1,950 per quintal. Maize in Davangere region would trade in the range of Rs. 1,900 - Rs. 2,100 per quintal, with steady to firm bias for this week, due to lower demand from poultry industry at these higher prices and expectation of decreased arrivals.

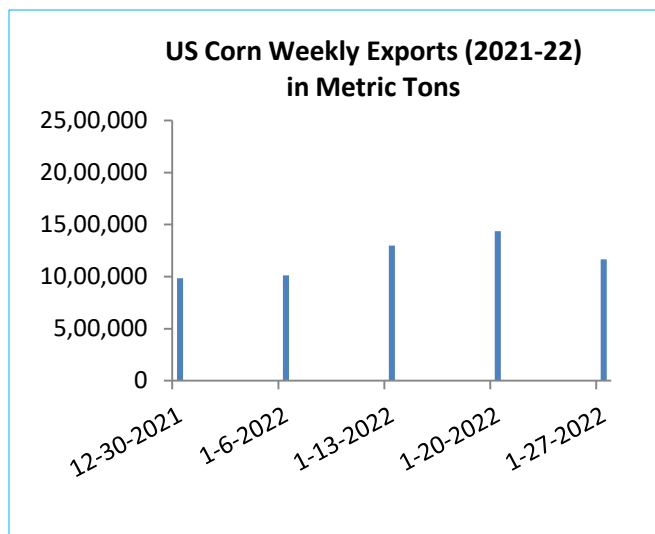


DOMESTIC MAIZE OUTLOOK:

Maize would trade with steady to firm sentiment in coming week since almost ninety to ninety five percent of previous season's arrivals have already reached market, with arrivals being low in major spot markets and demand is steady as per the seasonality trend. It is also expected that the Rabi arrivals will be slightly delayed, as in major Rabi Maize producing states like Bihar sowing has been delayed in this season.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached to 19.56 million metric tonnes (MMT) for the 2021-22 Marketing Year, with the exports of 1.66 MMT for the period of 21st Jan 2022– 27th Jan 2022, these exports were down by 19 percent from the previous week but up by 1 percentage from the prior 4-week average, to the destinations like Mexico (346,200 MT), Japan (246,800 MT), China (205,900 MT), Colombia (124,400 MT), and Canada (122,900 MT). As per the reports there were some cancelations of export for china in the past week. Agriwatch expects that due to pressure on freight prices in U.S due to cool weather U.S corn exports should remain stable.



PREVIOUS UPDATES

USDA in its January month report, 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 6.50 USD/MT to 242.80 USD/MT for March '22 contract as compared to previous week, after the round of strong technical selling. However, Agriwatch expects that Corn on CBOT would be supported in near future by the dry weather conditions prevailing in South America.



ANNEXURE

MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	04-Feb-22	28-Jan-22	04-Jan-22	03-Feb-21	04-Feb-20
Naugachia	Bilty	2300	2250	2150	1400	NA
Delhi	Hybrid Maize(U.P.)	2200	2100	1900	1480	2000
Davangere	Loose	1950	2030	1600	1300	1800
Shimoga	Bilty	1960	NA	NA	1330	NA
Ranebennur	Bilty	NA	NA	NA	NA	1820
Bagalkot	Hybrid/Local	1950	1980	1690	1445	1770
Gadag	Local	NA	NA	1645	1390	1910
Nizamabad	Bilty	2000	2000	1850	1550	2050
Khanna	Bilty	2080	2050	1880	1400	1920
Sangli	Feed	2109	2155	1888	1522	1898
Ahmedabad	Feed	2150	2150	1900	1500	1900

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	04-Feb-22	27-Jan-22	Change
Corn CBOT Prices	Mar-22	242.80	249.30	-6.50
	May-22	243.00	248.12	-5.12
	July-22	241.33	244.97	-3.64
	Sep-22	228.24	228.04	0.20
	Dec-22	223.71	223.12	0.59

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2022 Indian Agribusiness Systems Ltd.

