

# Maize Weekly Research Report

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**EXECUTIVE SUMMARY****DOMESTIC MAIZE MARKET SUMMARY**

Maize would trade with firm to steady sentiment in coming week since demand seems to be steady and market awaits the new crop, as previous season's stocks are over.

**MAIZE TRADE SCENARIO**

Sources revealed that Maize in Nizamabad market was being traded at Rs. 2,200 per quintal. Maize in market of Davangere, Karnataka was being traded between Rs. 2,250 to Rs. 2,400 per quintal. At Chhindwara market new maize with moisture between 13 % to 14 % was being traded between Rs. 2,500 per quintal to Rs. 2,510 per quintal.

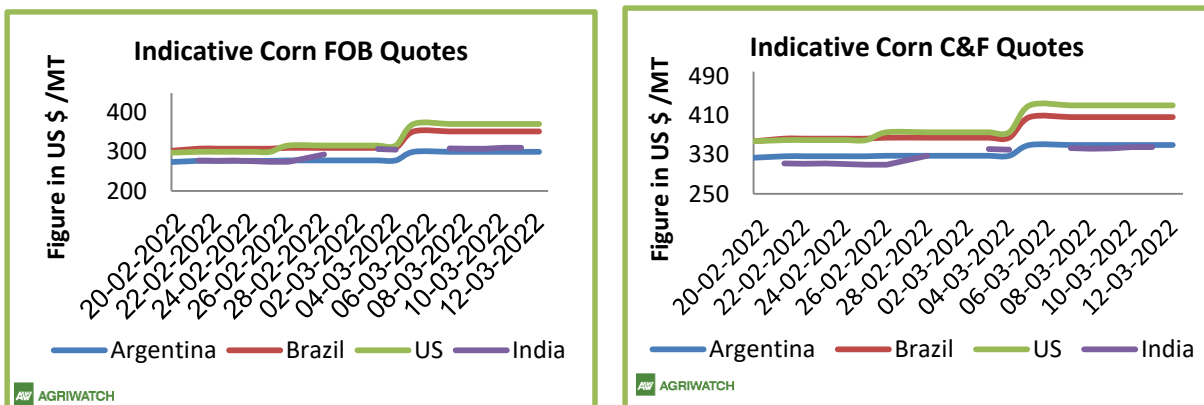
Good quality Maize with optimum moisture content was being traded in Bihar between Rs. 2,200 to Rs. 2,350 per quintal. Sourced from Bihar, Bangladesh and Nepal was buying Maize at Rs. 2,500 per quintal.

**INTERNATIONAL CORN MARKET SUMMARY**

Corn on CBOT increased by 2.56 USD/MT to 298.31 USD/MT for March '22 contract as compared to previous week, due to Ukraine-Russia tensions.

U.S. Maize exports have reached at 27.53 million metric tonne (MMT) for the 2021-22 Marketing Year, with the exports of 1.76 MMT for the period of 24<sup>th</sup> Feb 2022 – 3<sup>rd</sup> March 2022, these exports were down by 14 percent from the previous week and also from the prior 4-week average .

### EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.76.98)				
As on 09.03.2022	Argentina	Brazil	US	India
FOB	300.00	352.00	371.00	307.87
C&F	350.00	407.00	431.00	342.87

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

Corn prices in international market rose drastically over past week. In this scenario a supply pressure is being created on U.S, Brazil and Argentina. On the other hand, these countries are already expecting a lower corn crop due to dry weather conditions. So, there is a severe corn shortage in the international market in the upcoming season, with unexpectedly high corn prices. A further increase in FoB prices of all the countries including India, is expected due to increase in the prices of crude oils following more requirement of Bio-diesel and Ethanol in Countries like America. FOB and C&F rates are expected to increase.

### INDIAN EXPORTS FOR THE MONTH OF February'22

As per the trade sources, India exported around 2,44,521 MT of Maize in February 2022 at an average FoB of US\$ 305.84 per MT, out of which, 1,36,328 MT was exported to Vietnam at an average FoB of US\$ 271.77 per MT. And 57,990 MT was exported to Bangladesh at an average FoB of US\$ 306.30 per MT. Around 19,032 MT was exported to Malaysia at an average FoB of US\$ 290.89 per MT and approximately 24,757 MT was exported to Nepal at an average FoB of US\$ 304.50 per MT.

### VESSEL POSITION

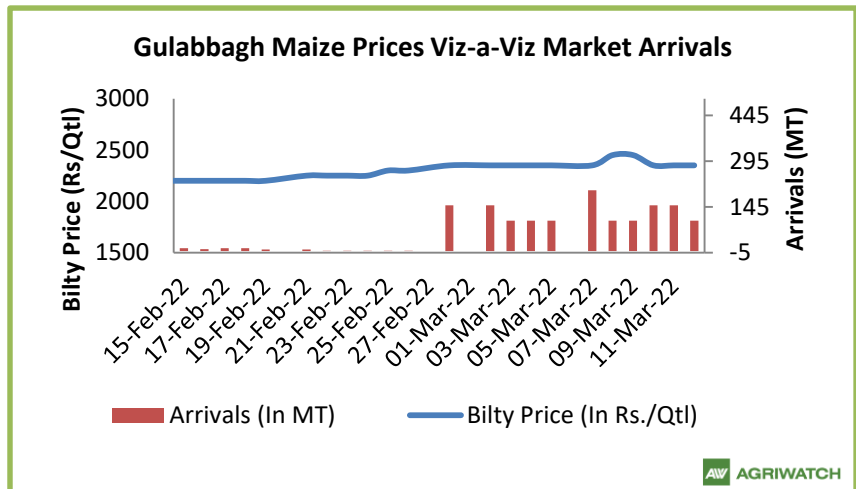
As per the source, 33,000 metric tonne (MT) of Maize Vessel KALIXENOS is waiting at berth for loading at Tuticorin port since 21st Feb 2022. Also, 36,000 MT of Maize Vessel OCEAN REEF has completed loading at Vizag port. And, 31,500 MT of Maize Vessel GOLDEN EAGLE has completed loading at Krishnapathnam port.

### CURRENT MARKET DYNAMICS

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

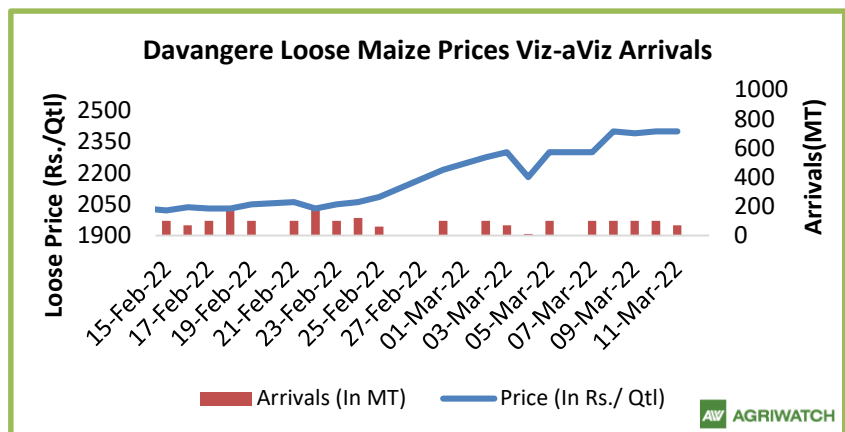
#### BIHAR:

In Gulabghat region of Bihar, maize is being traded between Rs. 2,350 per quintal to Rs. 2,450 per quintal (Bilty Price). Maize in Gulabghat would trade with sideways sentiment in the range of Rs. 2,300 – Rs. 2,550 per quintal for this week, with expectation of new Rabi arrivals by May 2022 and almost no arrivals of current season's crop in market.



#### KARNATAKA:

In Davangere region of Karnataka Market, loose maize is being traded between Rs. 2,300 to Rs. 2,400 per quintal. Maize in Davangere region would trade with sideways sentiments in the range of Rs. 2,350 - Rs. 2,550 per quintal, with steady to firm bias for this week, due to decreased arrivals.

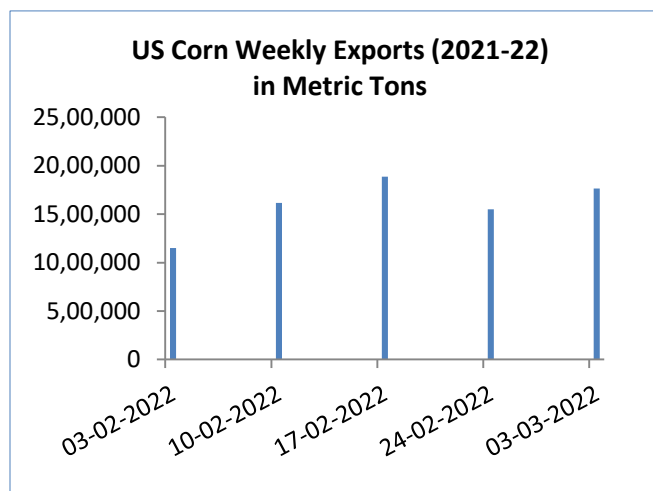


### DOMESTIC MAIZE OUTLOOK:

Maize would trade with firm to steady sentiment in coming week since demand seems to be steady and market awaits for the new crop, as previous season's arrivals have already reached market. 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. Along with this hike in international Maize prices would also provide support to domestic Maize market.

### **INTERNATIONAL MARKET HIGHLIGHT:**

U.S. Maize exports have reached at 27.53 million metric tonne (MMT) for the 2021-22 Marketing Year, with the exports of 1.76 MMT for the period of 24<sup>th</sup> Feb 2022 – 3<sup>rd</sup> March 2022, these exports were down by 14 percent from the previous week and also from the prior 4-week average, to the destinations like China (555,100 MT), Mexico (371,700 MT), Colombia (258,400 MT), Japan (205,100 MT), and Saudi Arabia (140,000 MT). However, rising crude oil prices amid Ukraine-Russia War may impact U.S Corn exports.



### **PREVIOUS UPDATES**

USDA in its March month report, decreased its World Maize Ending Stock Estimate by 1.25 MMT to 300.97 MMT for March '22/ 2021-22, and USDA also decreased its World Maize Production Estimates by 0.79 at 120.614 MMT for March '22/ 2021-22. USDA decreased its Ending Stock Estimates for U.S.A by 2.54 at 36.57 MMT for March '22/ 2021-22. Also USDA kept decreased its Ending Stock Estimates for Argentina by 1.40 MMT same at 1.02 MMT March '22/ 2021-22 and for Brazil USDA decreased its Ending Stock Estimates by 0.10 MMT to 5.22 MMT March '22/ 2021-22.

### **INTERNATIONAL CORN OUTLOOK:**

Corn on CBOT increased by 2.56 USD/MT to 298.31 USD/MT for March '22 contract as compared to previous week, due to Ukraine-Russia tensions. AgriWatch expects that ongoing conflict between Ukraine and Russia as well as dry weather-related conditions in Brazil and Argentina will support corn on CBOT.

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

Maize (Corn) Weekly Prices:						
Market	Grade	11-Mar-22	04-Mar-22	08-Feb-22	10-Mar-21	11-Mar-20
Naugachia	Bilty	2300	2300	2300	1350	NA
Delhi	Hybrid Maize(U.P.)	2500	2280	2230	1600	1700
Davangere	Loose	2300	2080	1960	1500	1350
Shimoga	Bilty	2000	2050	NA	NA	1400
Ranebennur	Bilty	NA	NA	NA	1505	NA
Bagalkot	Hybrid/Local	2185	2115	1935	NA	NA
Gadag	Local	NA	NA	NA	1440	1551
Nizamabad	Bilty	2200	2100	2000	Closed	Closed
Khanna	Bilty	2140	2080	2100	1380	1740
Sangli	Feed	2482	2308	2080	1699	1558
Ahmedabad	Feed	2375	2300	2100	1620	NA

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	10-Mar-22	03-Mar-22	Change
Corn CBOT Prices	Mar-22	298.31	295.75	2.56
	May-22	297.53	294.38	3.15
	July-22	285.81	276.96	8.85
	Sep-22	266.72	248.71	18.01
	Dec-22	256.58	240.93	15.65

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