

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET SUMMARY

AgriWatch expects Maize prices to trade sideways with mixed bias in coming week amidst shifting of demand towards substitute commodities like Jowar. However, prevailing shortage in the market would provide support to Maize.

MAIZE TRADE SCENARIO

Maize prices in benchmark Nizamabad market was being traded at Rs. 2,300 per quintal and poultry feed quality is being supplied to Hyderabad and Tamil Nadu at Rs. 2,400 to Rs. 2,450 per quintal (delivered basis). Loose Maize prices in Davangere and Karnataka was being traded at Rs. 2,150 per quintal during the week under review.

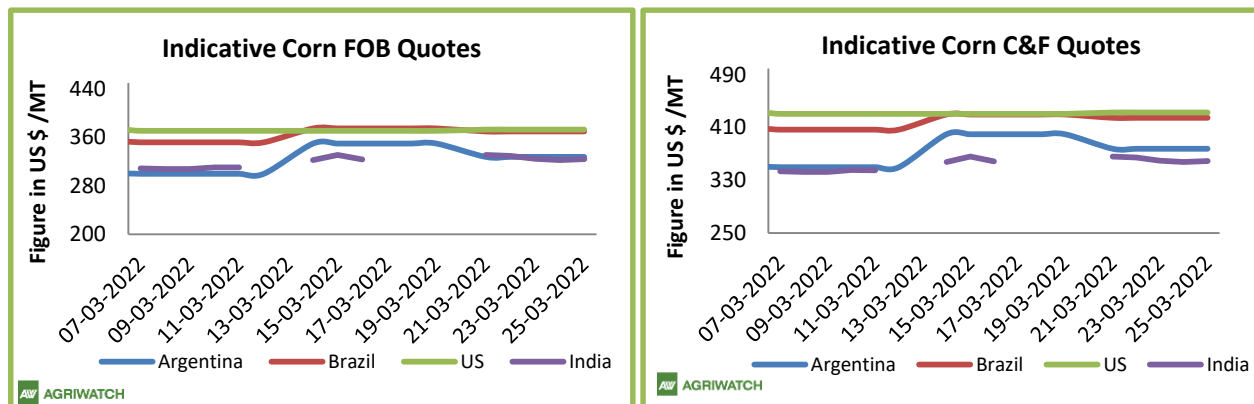
Good quality Maize with optimum moisture content is being traded in Bihar between Rs. 2,400 to Rs. 2,500 per quintal. While the average quality Maize supplied to Kolkata and Siliguri for poultry industry between Rs. 2,550 per quintal to Rs. 2,650 per quintal. At Chhindwara market maize is being traded between Rs. 2,100 per quintal to Rs. 2,170 per quintal.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT increased by 14.86 USD/MT to 263.08 USD/MT for March '22 contract as compared to previous week, after no improvements in Ukraine-Russia situation.

U.S. Maize exports have reached at 30.29 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.49 MMT for the period of 11th March 2022 – 17th March 2022, these exports were up by 17 percent from the previous week but down by 8 percent also from the prior 4-week average.

EXPORT PARITY TREND



Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.76.53)				
As on 24.03.2022	Argentina	Brazil	US	India
FOB	328.00	370.00	373.00	322.75
C&F	378.00	425.00	433.00	357.75

As evident from the above chart and table, there has been a reasonable export parity for Indian maize, while Argentina remains the close competitor.

Corn prices in international market and freight rates cooled down over past week. Market has been volatile and Corn buyers are looking for other alternates, since supply pressure of corn in international market is very clear due to damage to the port in Ukraine, field distortions and disruption in international supply chain.

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

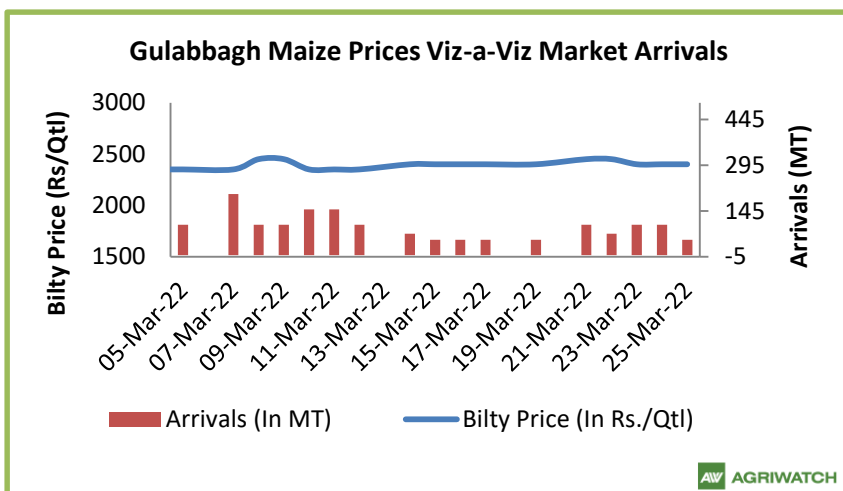
According to the sources, 33,000 metric tonnes (MT) of Maize Vessel KALIXENOS has completed loading at Tuticorin port. Also, 36,000 MT of Maize Vessel OCEAN REEF has completed loading at Vizag port and, 31,500 MT of Maize Vessel GOLDEN EAGLE has completed loading at Krishnapathnam port.

CURRENT MARKET DYNAMICS

A sideways to firm tone witnessed in most of the major Maize cash markets during the week under review. The various key spot markets dynamics are as under:

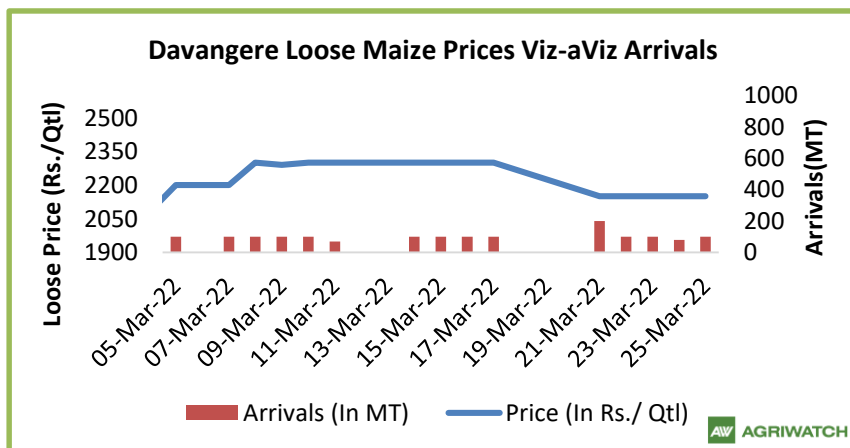
BIHAR:

In Gulabghat market, Maize is being traded at Rs. 2,400 per quintal (Bilty Price). Maize in Gulabghat would trade with steady to sideways sentiment in the range of Rs. 2,300 – Rs. 2,550 per quintal for this week, due to stable demand, however lower availability of Maize will continue to support the Maize market.



KARNATAKA:

In Davangere market of Karnataka, loose maize is being traded at Rs. 2,150 per quintal. Maize in Davangere likely trade sideways between the range of Rs. 2,100 - Rs. 2,300 per quintal, this week due to shifting of feed producing buyers from maize to other substitutes.

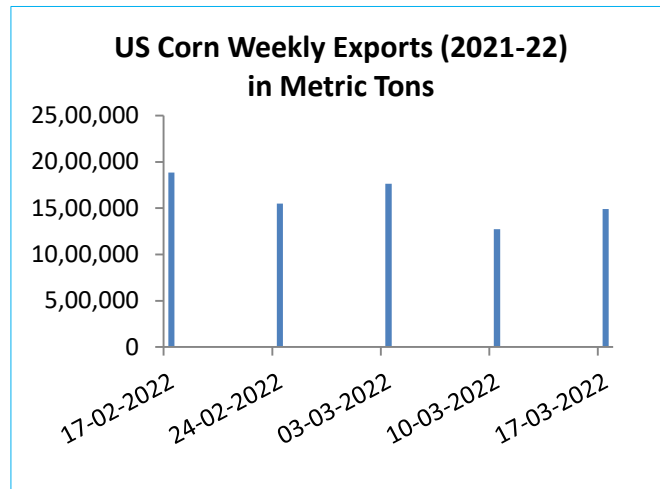


DOMESTIC MAIZE OUTLOOK:

AgriWatch expects Maize prices to trade sideways with mixed bias in coming week amidst shifting of demand towards substitute like Jowar. However, prevailing shortage in market would provide support to Maize. In long term prices are again expected to attain a firm trend since at present average to lower quality stock has already been sold at lower prices. With start of new good quality supply in market demand of Maize would revive again at higher prices. Also, due to international crisis export demand of Indian Maize seems good which would provide support to domestic Maize market.

INTERNATIONAL MARKET HIGHLIGHT:

U.S. Maize exports have reached at 30.29 million metric tonne (MMT) for the 2021-22 Marketing Year, with the exports of 1.49 MMT for the period of 11th March 2022 – 17th March 2022, these exports were up by 17 percent from the previous week but down by 8 percent also from the prior 4-week average, to the destinations like China (477,900 MT), Japan (295,400 MT), Mexico (260,700 MT), Colombia (108,400 MT), and Canada (90,100 MT) .



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 also reduced its World Maize Production Estimates by 0.79 at 120.614 MMT for March '22/ 2021-22. USDA also reduced the Ending Stock Estimates for U.S.A by 2.54 at 36.57 MMT, Argentina by 1.40 MMT to 1.02 MMT and for Brazil it decreased its Ending Stock Estimates by 0.10 MMT to 5.22 MMT for March '22/ 2021-22.

INTERNATIONAL CORN OUTLOOK:

Corn on CBOT increased by 14.86 USD/MT to 263.08 USD/MT for March '22 contract as compared to previous week, after no improvements in Ukraine-Russia situation. However, in current dynamics stating clear expectations of higher or lower price movement of Corn on CBOT is quite unclear. Also, 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	25-Mar-22	17-Mar-22	22-Feb-22	24-Mar-21	25-Mar-20
Naugachia	Bilty	2500	2400	2250	1450	Closed
Delhi	Hybrid Maize(U.P.)	2550	2500	2220	1550	Closed
Davangere	Loose	2150	2300	2030	1500	Closed
Shimoga	Bilty	NA	2150	Closed	Closed	Closed
Ranebennur	Bilty	NA	NA	Closed	Closed	Closed
Bagalkot	Hybrid/Local	2115	NA	1940	1445	Closed
Gadag	Local	NA	NA	2000	NA	Closed
Nizamabad	Bilty	2300	NA	1900	1500	Closed
Khanna	Bilty	2350	2230	2125	1450	Closed
Sangli	Feed	2343	2397	2179	1693	Closed
Ahmedabad	Feed	2500	Closed	2160	1600	Closed

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	24-Mar-22	16-Mar-22	Change
Corn CBOT Prices	Mar-22	263.08	248.22	14.86
	May-22	294.57	287.39	7.18
	July-22	286.8	274.4	12.40
	Sep-22	268.69	254.71	13.98
	Dec-22	262.78	247.92	14.86

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