

Maize Weekly Research Report

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EXECUTIVE SUMMARY

DOMESTIC MAIZE MARKET OUTLOOK

We expect Maize prices to remain sideways with firm bias in coming week amidst good domestic demand from feed and starch industry, as well as strong ongoing international demand.

INDIA MAIZE MARKET TRADE SCENARIO

Currently there are good parity for Bihar (Gulabgh) Maize for supply to Kolkata and Kanpur feed manufacturers and there are continuous supplies for these consuming centers.

Also, Maize is being supplied to poultry feed manufacturers from Nizamabad to southern states like Hyderabad, Maharashtra and Tamil Nadu at delivered rate of Rs. 2,500 to Rs. 2,600 per quintal.

According to sources Kolkata feed and starch producers are buying Maize from Bihar, between Rs. 2,500 to Rs. 2,650 per quintal.

INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 12.80 USD to 311.11 USD per MT for May'22 contract, as compared to previous week.

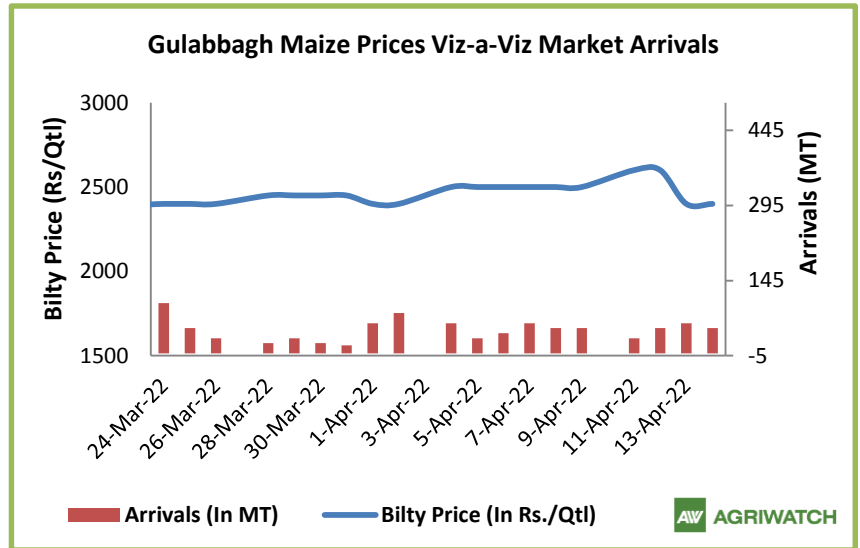
There was a continuous decline noticed in U.S corn exports over past two weeks.

DOMESTIC MARKET DYNAMICS

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

Gulabgh, BIHAR:

- Despite opening firm during the early part of the week (up by 4%) on revival of demand from feed manufacturers after Navratri, maize prices lost all the initial gains on some new arrivals and quality issue mainly higher moisture content to the tune to 13-16% in Gulabgh market. Maize prices remained in the range of Rs 2400-2600 per quintal (Bilty Basis) during the period.
- Maize prices in Gulabgh is likely to remain in the ranged manner during the coming week between Rs. 2,400 – Rs. 2,630 per quintal amid expectation of good domestic demand from feed and starch industry accompanied with increasing new rabi arrivals.



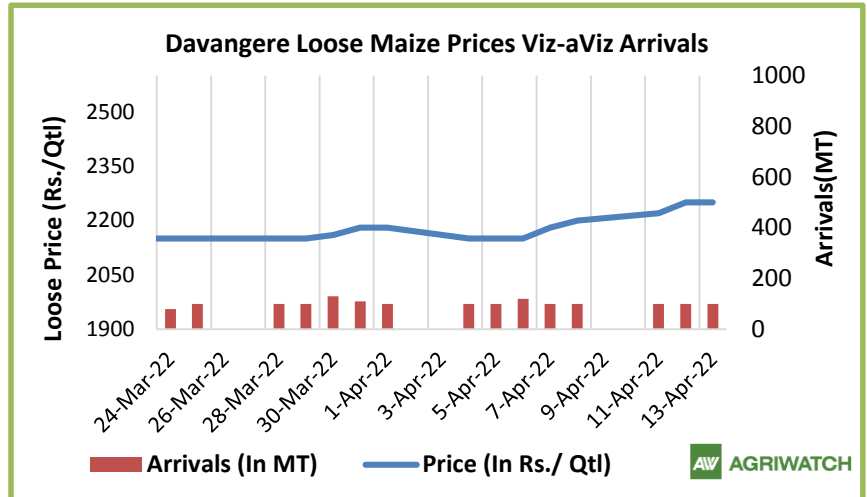
Parity/Disparity of Bihar Maize to Different Locations (Prices –Rs./Quintal)

Supply destination	Delivered Prices at consuming centers	Maize price at supply destination	Parity/Disparity
Kolkata	2454.5	2500	+45.5
Kanpur	2484.5	-	-

- Above table depicts the price parity or disparity of feed maize for current supply destinations sourced from Bihar. As referred from above rates we can infer that there exist a clear parity for Bihar maize to the Kolkata.
- As per the sources, export demand of Maize seems to be active from Vietnam and Malaysia. Orissa is mainly delivering Maize to fulfil demand of Vietnam and Malaysia.
- Maharashtra, Orissa and M.P awaits supply of Rabi Maize from Bihar to counter the Maize requirement.

Davangere, Karnataka:

- In Davangere, market Maize traded between Rs. 2,220 - Rs. 2,250 per quintal (Loose basis) up by almost 4% to 5% up as compared to past week. Currently, last year's stocks are coming to market.
- Demand of Maize in southern markets reportedly was good from starch as well as feed industry.
- Maize prices in Davangere expected to remain stable to slightly firm due to lower supplies and regular demand in southern markets.



MAIZE SPOT MARKET PRICES (RS. /QUINTAL

Maize (Corn) Weekly Prices:						
Market	Grade	15-Apr-22	8-Apr-22	15-Mar-22	14-Apr-21	14-Apr-20
Naugachia	Bilty	2450	2400	2400	1450	Closed
Delhi	Hybrid Maize(U.P.)	2600	2550	2500	1600	Closed
Davangere	Loose	Closed	2200	2300	Closed	1450
Shimoga	Bilty	NA	2160	2000	Closed	Closed
Ranebennur	Bilty	NA	2340	Closed	Closed	Closed
Bagalkot	Hybrid/Local	NA	2285	2205	Closed	Closed
Gadag	Local	NA	2125	1720	Closed	Closed
Nizamabad	Bilty	Closed	2450	2300	Closed	Closed
Khanna	Bilty	2450	2450	2250	1550	Closed
Sangli	Feed	2458	2456	2400	Closed	Closed
Ahmedabad	Feed	2650	2550	Closed	1650	Closed

DOMESTIC MAIZE OUTLOOK:

- AgriWatch expects Maize prices to remain sideways with firm bias in coming week amidst good domestic demand from feed and starch industry, as well as strong export demand.
- New Rabi arrivals pace in Bihar are very less currently as the crop is delayed almost by 15-20 days. The supplies are expected to gradually improve from April end onwards which may keep a check on prices to some extent. However, overall fundamentals are strong so, any major fall / decline in prices are ruled out.
- Any decline in prices would give a buying opportunity with expectation of a good return in short to medium term.

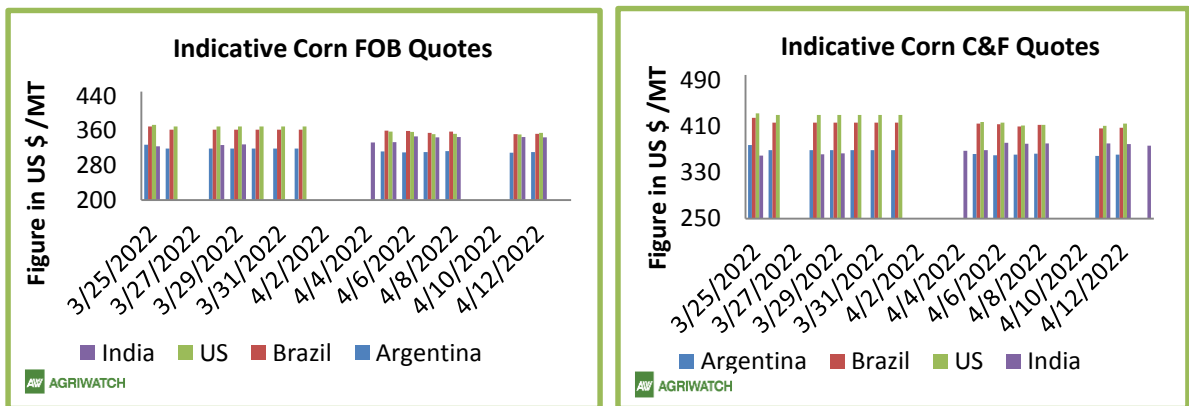
INDIAN MAIZE EXPORTS

- 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.
- After observing ongoing international demand, ongoing exports and seasonality of Indian Maize exports, on an average approximately 2,00,000 MT Maize exports likely during March'22.

VESSEL POSITION

- As per the source, 33,000 Maize Vessel DARYA JAMUNA was expected to arrive at Vizaq port by 14th April, 2022. Also 39,000 MT Maize Vessel MEGALOHARI was expected to arrive at Vizaq port by 14th April 2022. And, 52,100 MT of Maize Vessel OCEAN REEF is waiting at berth of Vizaq port for loading since 11th April 2022.

EXPORT PARITY TREND

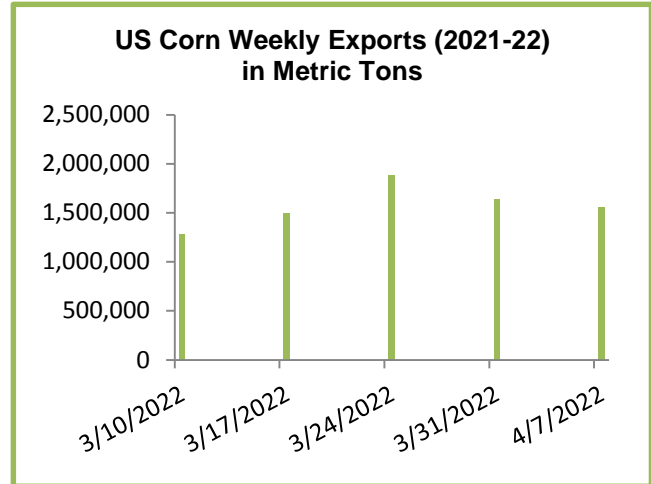


Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.76.01)				
As on 06.04.2022	Argentina	Brazil	US	India
FOB	311.00	353.00	355.00	344.69
C&F	361.00	408.00	415.00	379.69

- As evident from the above chart and table, there has been a reasonable export parity for Indian Maize with respect to U.S and Brazil, while Argentina remains the close competitor especially after relaxation of pesticides norms on Argentine Corn by EU.

INTERNATIONAL MARKET HIGHLIGHTS:

- U.S. Maize exports have reached at 35.37 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.56 MMT for the period of 1st April 2022 – 7th April 2022, these exports were down by 5 percent from the previous week and down by 2 percent from the prior 4-week average, to the destinations like China (471,500 MT), Mexico (399,100 MT), Japan (153,700 MT), Colombia (133,600 MT), and Canada (121,000 MT). As the result of reduced Corn imports by EU.



Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	14-Apr-22	08-Apr-22	Change
Corn CBOT Prices	May-22	311.11	298.31	12.80
	July-22	308.55	295.36	13.19
	Sep-22	294.77	283.06	11.71
	Dec-22	311.11	298.31	12.80

- Corn on CBOT rose by 12.80 USD to 311.11 USD per MT for May'22 contract, as compared to previous week, , on the account of speculations related to tight global supplies and increased tensions related to Ukraine-Russia situation, worsening the worldwide corn supply.

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