

# Maize Weekly Research Report

## Contents

- ❖ Executive Summary
- ❖ Maize Trade Scenario
- ❖ International Corn Market Summary
- ❖ Domestic Market Dynamics
- ❖ Domestic Maize Outlook
- ❖ Indian Maize Export
- ❖ Vessel Position
- ❖ Export Parity Trend
- ❖ Internationals Market: Highlights/Outlook

### EXECUTIVE SUMMARY

#### DOMESTIC MAIZE MARKET OUTLOOK

We expect Maize prices to remain sideways in coming week amidst increasing arrival of Rabi Maize especially in Bihar and continuing good domestic demand from feed and starch industry besides regular export demand.

#### INDIA MAIZE MARKET TRADE SCENARIO

Gujarat starch manufacturers are buying Maize from Gulabghat, Bihar between Rs. 2,300 to Rs. 2,350 per quintal delivered basis Besides regular buying and enquiries from Uttar Pradesh feed and starch producers. Meanwhile, new Rabi arrivals in Bihar mainly in Gulabghat market increasing pace while old supplies are nil or negligible.

#### INTERNATIONAL CORN MARKET SUMMARY

Corn on CBOT rose by 3.54 USD to 314.65 USD per MT for May'22 contract, as compared to previous week on account of speculations related to tight global supplies and increased tensions related to Ukraine-Russia situation.

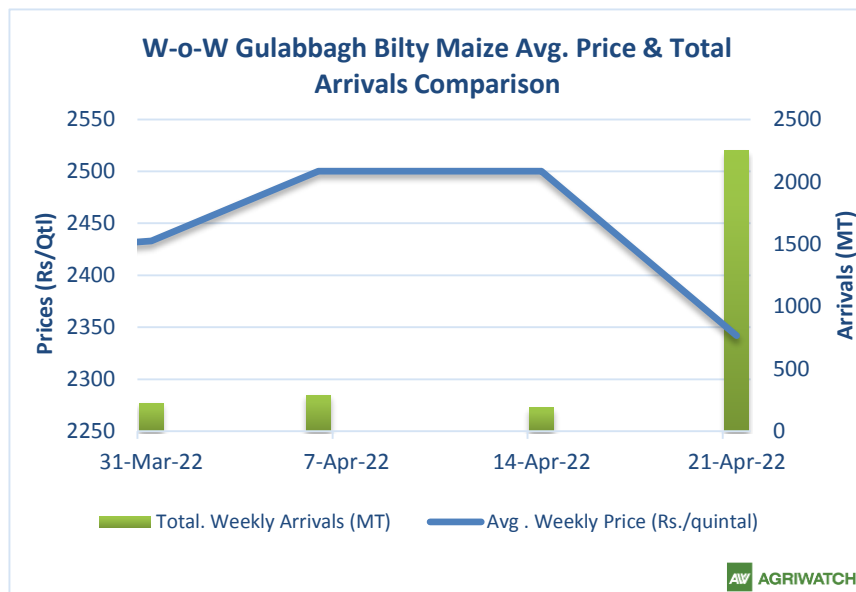
U.S. Maize exports have reached at 36.56 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.19 MMT for the period of 8th April 2022 – 11th April 2022, these exports were down by 23 percent from the previous week and down by 27 percent from the prior 4-week average.

### DOMESTIC MARKET DYNAMICS

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

#### Gulabghat, BIHAR:

- During the past week Maize prices traded at the average price of Rs. 2,342 per quintal, which was lower by 6 % as compared to the average prices of Maize during previous week.
- Reason attributed for the decline of prices was increased supply of New Rabi Maize in the market despite good domestic demand for Bihar Maize.
- For the coming week prices are expected to remain sideways.



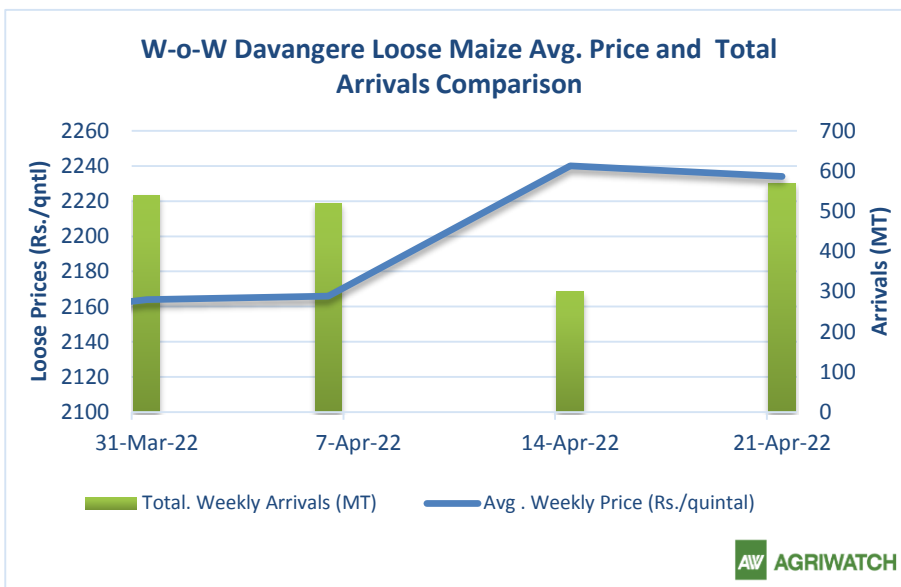
#### **Parity/Disparity of Bihar Maize to Different Locations (Prices –Rs./Quintal)**

Supply destination	Delivered Prices at consuming centers	Maize price at supply destination	Parity/Disparity
Gujarat	2350.0	2550	+200
Kolkata	2454.5	2500	+45.5

- Above table depicts the price parity or disparity of feed and starch Maize for current supply destinations sourced from Bihar. As depicted from above table we can infer that there exists a clear parity for Bihar feed Maize to the Kolkata and Bihar starch Maize Gujarat.
- Maharashtra, Orissa and M.P awaits supply to increase in Bihar to counter the Maize requirement.

## Davangere, Karnataka:

- In Davangere, market Maize traded at an average of Rs. 2,234 per quintal (Loose basis) at par with the past week, on the account of good supply and demand.
- Demand of Maize in southern markets reportedly was good from starch as well as feed industry.
- Maize prices in Davangere expected to remain mostly stable with slightly firm bias due current balance between supply and demand scenario.



## MAIZE SPOT MARKET PRICES (RS. /QUINTAL)

Maize (Corn) Weekly Prices:						
Market	Grade	22-Apr-22	15-Apr-22	22-Mar-22	22-Apr-21	22-Apr-20
Naugachia	Bilty	2350	2450	2400	1500	Closed
Delhi	Hybrid Maize(U.P.)	2550	2600	2500	Closed	Closed
Davangere	Loose	2180	Closed	2150	1610	1300
Shimoga	Bilty	NA	Closed	2150	Closed	1300
Ranebennur	Bilty	NA	2290	Closed	Closed	Closed
Bagalkot	Hybrid/Local	2290	Closed	2200	1560	1285
Gadag	Local	NA	Closed	Closed	1280	Closed
Nizamabad	Bilty	2250	Closed	2350	Closed	Closed
Khanna	Bilty	2500	2450	2370	1600	Closed
Sangli	Feed	2503	2458	2386	1757	Closed
Ahmedabad	Feed	2525	2650	2450	Closed	Closed

### DOMESTIC MAIZE OUTLOOK:

- We expect Maize prices to remain sideways in coming week amidst increasing arrival of Rabi Maize especially in Bihar and continuing good domestic demand from feed and starch industry besides regular export demand. However, overall fundamentals like are strong so, any major fall / decline in prices are ruled out.
- Any further decline in prices would give a buying opportunity with expectation of a good return in short to medium term.

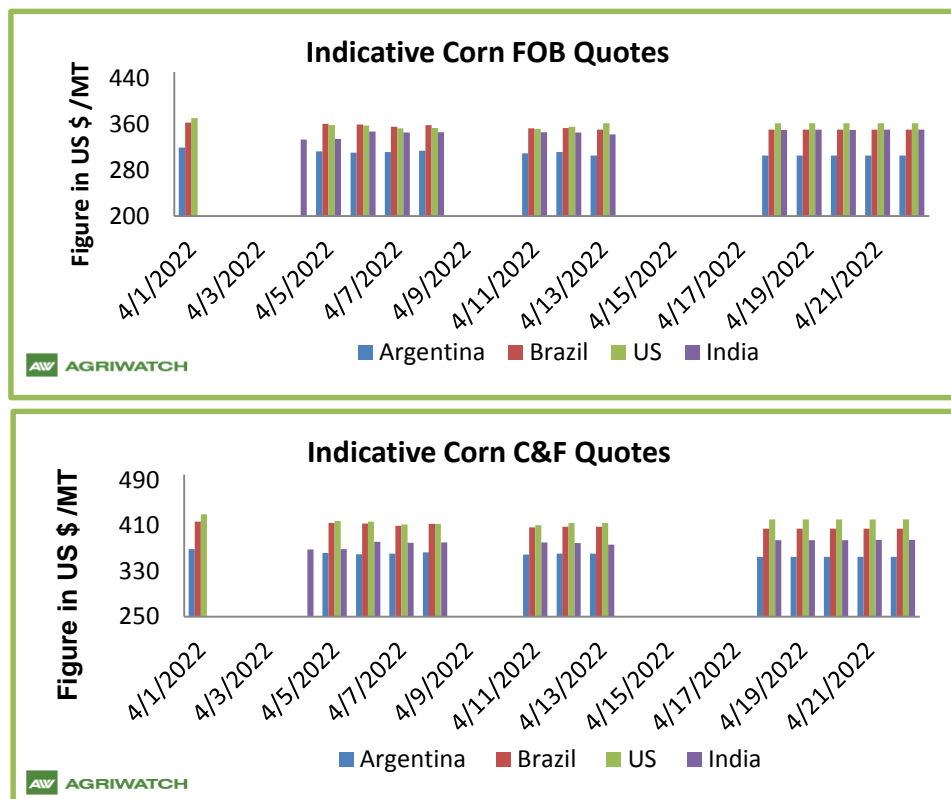
### INDIAN MAIZE EXPORTS

- 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 April '22.

### VESSEL POSITION

- As per the source, 33,000 Maize Vessel DARYA JAMUNA is waiting at berth of Vizaq port to complete loading since 17th April 2022. Also 52,100 MT of Maize Vessel OCEAN REEF is waiting at berth of Vizaq port for loading since 11th April 2022. And 39,000 MT Maize Vessel MEGALOHARI has completed loading.

### EXPORT PARITY TREND

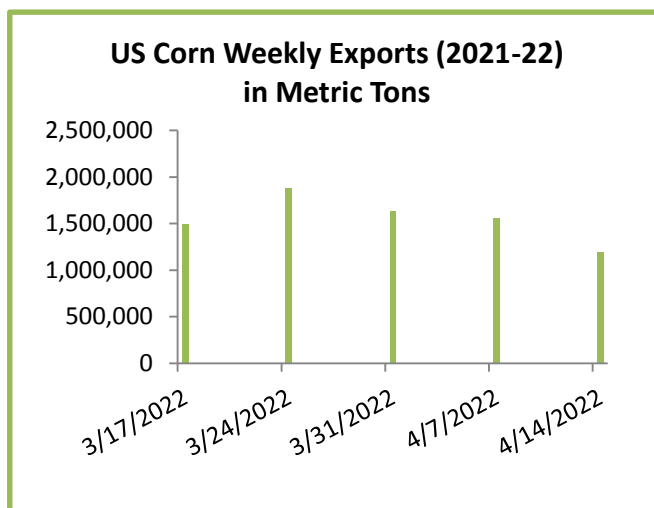


Indian C&F Rate to Thailand vs. other Countries (\$1=Rs.76.34)				
As on 19.04.2022	Argentina	Brazil	US	India
<b>FOB</b>	305.00	350.00	361.00	349.75
<b>C&amp;F</b>	355.00	405.00	421.00	384.75

- 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. However, poor weather conditions prevailing in Argentina might reduce it's exports of Corn.

#### INTERNATIONAL MARKET HIGHLIGHTS:

- As per U.S Corn planting report as of 17th April 2022, corn planting stood at 4%, which is lower by 3% as compared to last year and lower by 2 % as compared to four year's average as well.
- U.S. Maize exports have reached at 36.56 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.19 MMT for the period of 8<sup>th</sup> April 2022 – 11<sup>th</sup> April 2022, these exports were down by 23 percent from the previous week and down by 27 percent from the prior 4-week average, to the destinations like China (402,400 MT), Mexico (275,900 MT), Japan (104,300 MT), Indonesia (67,200 MT), and South Korea (61,900 MT). As the result of reduced Corn imports by EU and China.



Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	21-Apr-22	14-Apr-22	Change
Corn CBOT Prices	May-22	314.65	311.11	3.54
	July-22	313.08	308.55	4.53
	Sep-22	297.43	294.77	2.66
	Dec-22	290.83	311.11	-20.28

- Corn on CBOT rose by 3.54 USD to 314.65 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. AgriWatch expects that on the account of slowed U.S Corn plantings and disrupted exports from Black Sea region and poor Argentine weather conditions would continue to support Corn on CBOT.

**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.