
Domestic Market Updates:

- Spot prices remained rangebound at most of the significant markets. Prices at both Gulabghat and Davangere market remained unchanged today.
- As per the 2nd advance estimates of production of major agricultural crops released by the Union Ministry of Agriculture and Farmers Welfare on 14th February, 2023, the production of maize has been revised to 34.61 MMT up from the target of 33.2 MMT. Rabi maize production revised up from the target of 10.1 MMT to 10.78 MMT due to increased acreage in key rabi maize producing states amid favourable weather conditions whereas kharif maize production has been also revised from the target of 23.10 MMT to 23.83 MMT.
- Now there is lull demand in markets amid lower arrivals. Farmers expect higher prices in the coming days, which is why this has happened. Davangere arrivals increased by 13% to 3720 tonnes this week, from 3360 tonnes previous week. The benchmark market in Gulabghat, Bihar, has received 2100 MT altogether this week which is tremendously higher by 75% compared to 1200 MT previous week.
- As of latest data released on 2nd February, 2023 by India's Agriculture Department, GOI indicates that the country would have somewhat more Rabi Maize land covered this year than at the same time last year. Maize has currently been planted on 22.67 lakh hectares (ha), or around 16% more land, than at this time last year, when 19.48 lakh hectares were used for this purpose.
- As per sources, weather issues have reduced the quality of Ukraine's corn crop. Ukraine is now in the middle of a protracted winter harvest. Large temperature changes make it difficult for farmers to work and reduce quality of maize thus calculating probable weather-related losses by 10% or 15%. Last month, it was claimed that due to a decrease in the harvestable land brought on by Russia's invasion, Ukraine's maize production could drop from 41.9 million tonnes in 2021 to 22–23 million tonnes in 2022.
- As per reports, the maize harvest has accelerated in the Tirupur district's Udumalai and Kudimangalam districts of Tamil Nadu, and farmers there are distressed as a result of the decline in prices. The price of maize is low in local markets when it is purchased in large quantities by chicken feed producers from other states like Bihar, Andhra Pradesh, Karnataka, etc. However, the yield in those states dropped last season for a variety of reasons, including rain damage. Maize commanded high prices in the neighborhood markets as a result. Due to the extensive harvesting taking place in the region, the availability of resources has grown and the price has begun to decline. Currently, a quintal of maize worth Rs. 2,800 is available for Rs. 2,300. Farmers worry that prices may decrease further if the supply rises because the harvest has only just begun.

Spot Prices at Key market

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		15-Feb-23	14-Feb-23	Change	15-Feb-23	14-Feb-23	Change
New Delhi	Hybrid	2350	2350	Unch	NA	NA	-
Koppal	Loose	2160	2160	Unch	1000	1000	Unch
Davangere	Loose	2200	2200	Unch	750	1200	-450
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	2100	2155	-55	78	165	-87
Gadag	Local	2000	2040	-40	12	35	-23
Hubli	Local	2110	2110	Unch	5	95	-90
Shimoga	Hybrid/Local	NR	NR	-	NR	NR	-
Nizamabad	Bilty	NA	NA	-	160	NA	-
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	2359	2357	2	NA	NA	-
Naugachia	Bilty	2150	2150	Unch	NA	NA	-
Kolkata	Mill Delivery	2500	2500	Unch	NA	NA	-
Gulabbagh	Local	2250	2250	Unch	2000	3000	-1000
	Bilty	2550	2550	Unch			
Ahmedabad	Feed	2400	2380	20	5000	NA	-
	Starch	2350	2350	Unch			
Khanna	Local	2350	2300	50	900	900	Unch
	Bilty	2420	2360	60			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	2050	2075	-25	50	50	Unch

International Market Updates:

- U.S. Maize exports have reached at 13 million metric tonne (MMT) for 2022-23 Marketing Year, with the exports of 0.39 MMT for the period of 26th January 2023 to 2nd February 2023. Exports of 394,900 MT were down 34 percent from the previous week and 40 percent from the prior 4-week average. The destinations were primarily to Mexico (283,900 MT), Costa Rica (33,200 MT), Canada (26,300 MT), Hong Kong (15,300 MT), and Nicaragua (12,200 MT).
- As per February, 2023 WASDE report, Brazil, Ukraine, Paraguay, Turkey, and Indonesia are expected to export more corn than Argentina. Based on observed shipments to date, Brazil's exports are increased for the marketing year beginning in March 2022, while Argentina's exports are decreased. The EU will import more corn in 2022–2023, somewhat offsetting losses in

Indonesia and Malaysia. In comparison to last month, foreign corn ending stocks are down, with decreases for Ukraine and Indonesia partially offsetting rises for Brazil and Canada. With 295.3 million tonnes, global corn ending inventories are down 1.1 million tonnes.

- As of 8th February, 2023, China surpassed traditional importers like Japan, Iran, and Spain to become the top destination for Brazilian maize exports by volume in January. Following Beijing's approval of Brazilian sales of the commodity in late November, Brazil sold 983,684 tonnes of corn to China during the time, marking the second consecutive full month of corn trading activity.
- As per news reports, in 2023, the world corn market is expected to see a period of elevated prices as the conflict in Ukraine continues to hinder the nation's capacity to export grain. Industries like the animal feed sector maintain a steady demand for the commodity. Although production has grown by about 11% over the past five years, it has not yet caught up to demand, which is currently at 14%. Late planting in the United States and dry weather in Latin America, which could damage their maize production, are further causes of price increases. The U.S. and China both have increasing demand. Only 126,727 MT of corn were purchased by China from Ukraine as compared to 1.26 MT in 2021. Between January and May, grain shipments to China from all origins decreased by 2.9%. The disruption of Ukraine's grain exports also had an impact on prices. 15% of the world's grain exports come from this nation. The Black Sea route, which has been severely disrupted by the war, was used to ship the majority of the corn. Road and rail lines to Europe have far lower shipping capacities.
- According to a contract that China and the Republic of Brazil signed in 2022, China has now received its first supply of grain. 68 thousand tonnes of the produce were just delivered to Guangdong province in safety (South China).
- According to news reports, following a decline in the maize production due to drought, Kenya's imports of are now more than doubled to 519,611.30 tonnes in the first nine months of 2022. During the same time period last year, the nation imported 214,100.9 tonnes of maize. This is the country's largest import of maize since 2017. The lack of the dietary staple has caused retail prices of maize flour to soar, leaving 5.1 million people in need of food assistance.
- According to reports, a record maize crop in Brazil is anticipated to be harvested in 2022–2023, which typically drives down prices, but the forecast of strong demand on global markets points to continued port differentials. With an expected increase in planted area to 22.3 ha from 21.6 ha, the overall corn crop for 2022–23 is predicted to be 125.8 MT, significantly higher than the estimated 113.1 MT for the crop in 2021–22. Brazilian corn exports are predicted by market participants to reach 44–46 MT in 2023.

- Closing price of Corn on CBOT went down by 1.08 USD to 268.59 USD per MT as compared to previous day's closing price for Mar-23 contract.

CBOT Corn Daily Futures Price Listing (USD/MT) as on 14 th February 2023					
Contract Month	Open	High	Low	Close	Change
Mar-23	269.28	270.95	268.39	268.59	-1.08
May-23	268.10	269.57	267.41	267.61	-0.98
Jul-23	263.08	264.36	262.59	262.88	-0.59
Sep-23	240.74	241.62	240.15	241.33	0.49
Dec-23	234.64	235.72	234.14	235.32	0.39

Outlook and Recommendation:

- Arrivals from late kharif crop have started in Tamil Nadu which will lead to correction of prices.
- In many mandis prices are going down due to low demand and tight supply as well as the inferior quality of maize is also responsible for it.
- However, on the long run, prices will only subside by end of march to beginning of May.
- Exports also are on the weaker side due to disparity even with the neighboring countries.

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