

Maize Monthly Research Report

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REVIEW AND OUTLOOK:

Maize trading on October 22, in contrast to September 22, in domestic marketplaces was such that prices were gradually moving to the lower sides as there were more frequent market arrivals. The monthly average price for loose maize decreased by 1.6% in the benchmark market Gulabbagh for Kharif Maize and for bilty maize, the prices have slightly increased by 0.7% to Rs.2657 per quintal.

Due to a fall in the world production and ending stock projections provided by the USDA in its October 22 monthly report, corn prices on the CBOT increased by 4.43 USD to 268 USD per MT for the contract expiring in December of this year. The generally limited global corn supply for the upcoming season, according to Agriwatch, should prevent any further drops in corn prices in the short term.

OUTLOOK

Agriwatch anticipates that throughout November, maize will trade relatively weakly and may subsequently acquire a solid bias for December 22. Additionally, demand from the starch, feed, and export industries is anticipated to drive down the market price of maize.

INDIA MAIZE BALANCE SHEET

Maize Year-(Oct-Sep)	2021-22	2022-23*
Opening Stocks (MMT)	2.31	3.02
Production (MMT)	32.9	29.9
Imports (MMT)	0.29	0.25
Total Supply (MMT)	35.52	33.13
Export (MMT)	3.40	1.72
Domestic Consumption (MMT)	29.10	29.5
Total Demand (MMT)	32.50	31.22
Ending Stock (MMT)	3.02	1.91
Stock to Use Ratio	9.29%	6.12%

*AgriWatch Estimates

Current forecasts for the current marketing year predict that this year will end with ending stocks and an opening stock for the following year of 3.02 MMT. Currently, the supply-demand situation appears to be constrained, which would support the local maize market overall.

CONSUMPTION BREAK UP

(Quantity in MMT)

Consumption Break Up	2021-22	2022-23
Poultry & Cattle Feed	14.18	18.84
Starch & Brewery	4.71	6.28
Human Consumption	1.90	2.39
Seed	0.27	0.30
Shortage & Wastage	0.98	1.50
Storage & Moisture Loss	0.71	0.60
Total Domestic Consumption	22.75	29.9

KHARIF MAIZE SOWING UPDATES

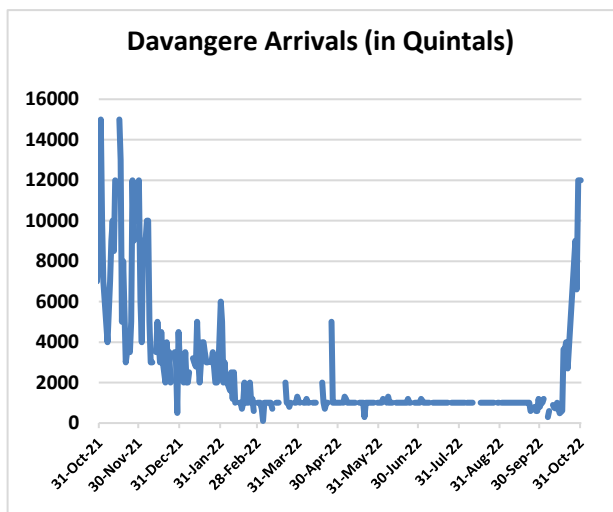
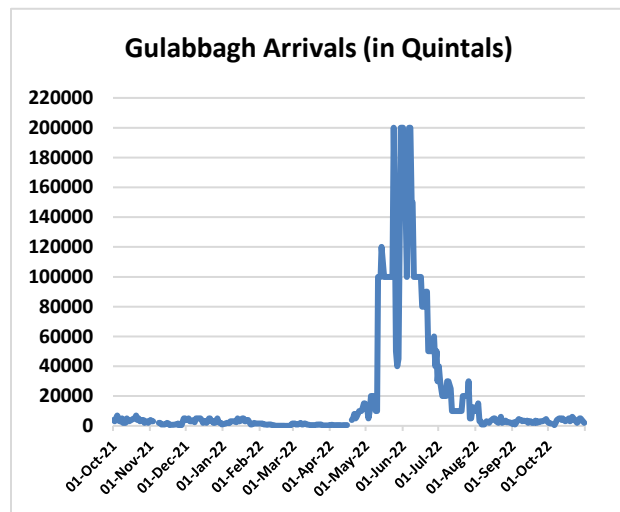
As per the latest update of Agriculture department, GOI, India marked a slight fall in Rabi maize area coverage till 4th November 2022 as compared to same period last year. Maize has been sown in 1.56 lakh Ha. compared to 2.76 lakh Ha. same period last year, which is approximately 43% lower compared to last year for same time period.

DOMESTIC MARKET DYNAMICS

Maize trading on October 22, in contrast to September 22, in domestic market places was such that prices were gradually moving to the lower sides as there were more frequent market arrivals. The monthly average price for loose maize decreased by 1.6% in the benchmark market Gulabbagh for Kharif Maize and for bilty maize, the prices have slightly increased by 0.7% to Rs.2657 per quintal. While in Davangere market, the prices of loose maize have begun to reduce and have decreased by 1.5% to Rs.2143 per quintal.

ARRIVALS:

Since Kharif harvesting was drawing to a conclusion as time pass by, the quantity of Kharif Maize arrivals recorded across several spot markets in the country have increased during the period of October 22. In some of the bench mark market like Davangere, arrivals have increased from week to week and by the end of the month, have reached to 12000 quintal. Similar is the case of Gulabbagh market in Bihar with 5000 quintals by end of month.

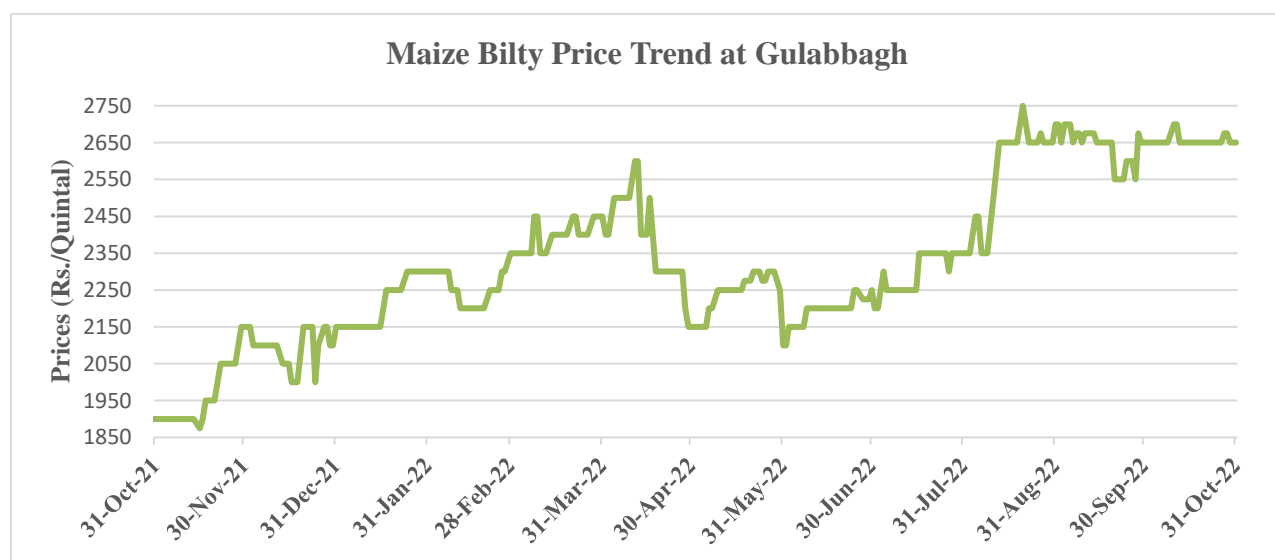


DOMESTIC PRICE SCENARIO:

Overall prices during October-22 bearish with month proceeding due to continuous increase in arrivals at the various markets.

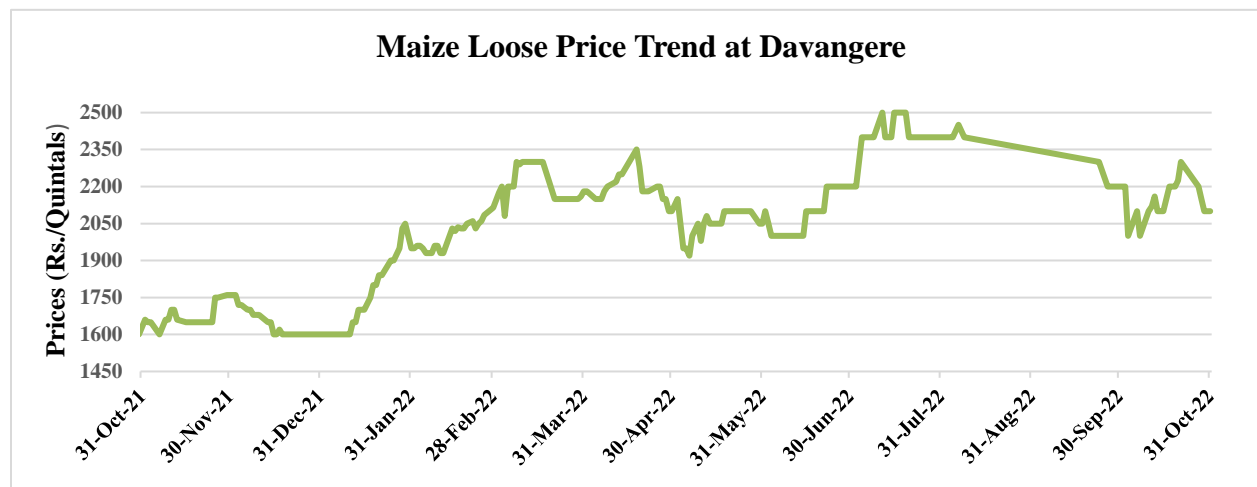
Monthly Spot Price Comparison

Month-wise Average prices of Maize at various markets					
Market	2022-October	2022-September	2021-October	% Change from Prev. Month	% Change from Prev. Year
Delhi	2324	2430	1840	-4%	26%
Davangere(Loose Price)	2143	2217	1623	-3%	32%
Shimoga	2150	2258	2025	-5%	6%
Bagalkot	2160	2009	1627	8%	33%
Gadag	2114	1943	1544	9%	37%
Nizamabad (Bilty Price)	2145	2447	1854	-12%	16%
Khanna	2149	2161	1827	-1%	18%
Sangli (NCDEX Quality)	2363	2617	1883	-10%	25%
Gulabbagh(NCDEX Quality)	2445	2491	1856	-2%	32%
Naugachia	2378	2437	1835	-2%	30%
Erode (NCDEX Quality)	2356	2486	1948	-5%	21%



Average monthly prices for Kharif Maize at benchmark market Gulabbagh were 1% higher than they were the prior month this year. The quintal price for Gulabbagh that was recorded as the highest was Rs. 2,700. (Bilty Maize). The closing price on October 22 was Rs. 2650, the same as it was on September 22. Prices

for bilty at Gulabbagh are predicted to stay between Rs. 2,350 and Rs. 2,700 per quintal for the upcoming month.



Average monthly costs at Davangere, a benchmark market, for loose maize were approximately 3% lower than they had been the month before this year. The quintal price for Davangere was recorded at Rs. 2,300. (Loose Maize). In contrast to September 22, when it was Rs. 2200, the closing loose price for October 22 was Rs. 2100. The predicted range for loose prices in Davangere for the upcoming month is Rs. 2,150 per quintal to Rs. 2,500 per quintal.

INDIA MAIZE TRADE SCENARIO:

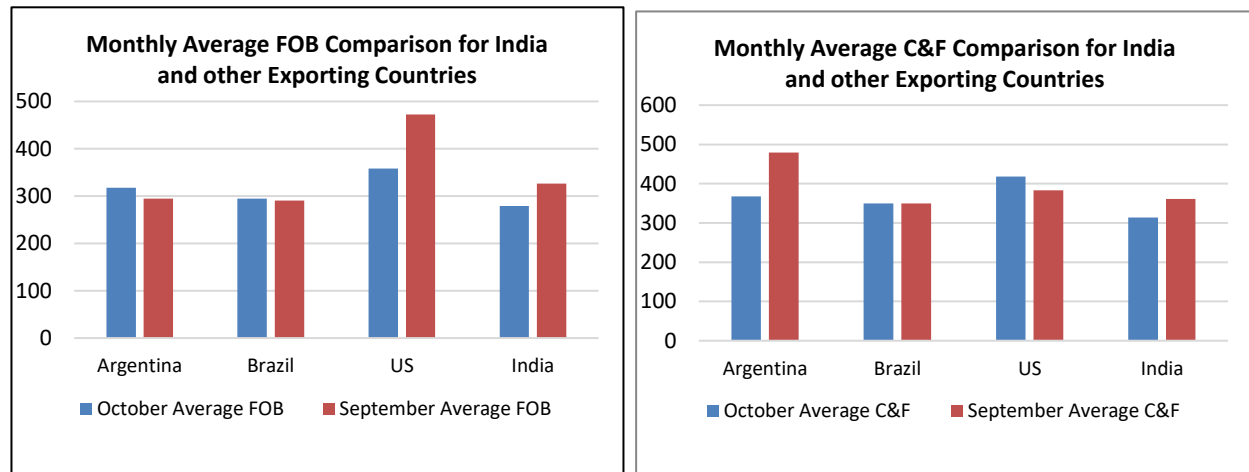
For the October-22 a weak demand of Maize was observed in domestic industry. As per trade sources, the demand from feed industry and starch industry reportedly on the lower side during the past month. This was due to the moisture content in the newly arrived maize. As the poultry sector had maize stock in abundance, their demand for fresh arrivals were comparatively lower. Exports of maize from India will begin by end of November to December in full fledge mostly to neighboring countries like Bangladesh, Nepal, Vietnam, Sri Lanka and Middle-East. The margin for exports is good while the parity with the respective countries is also stable.

INDIA MAIZE EXPORT SCENARIO:

As per the Trade sources India exported around 1,97,506 MT of Maize during August 2022 with the average FOB of around 346.01 USD/MT. Also, out of this around 1,44,415 MT of Maize was exported to Bangladesh with an average FOB of around 318.07 USD/MT and 24,965 MT of Maize was exported to Nepal with an average FOB of around 325.80 USD/MT. The latest data is awaited.

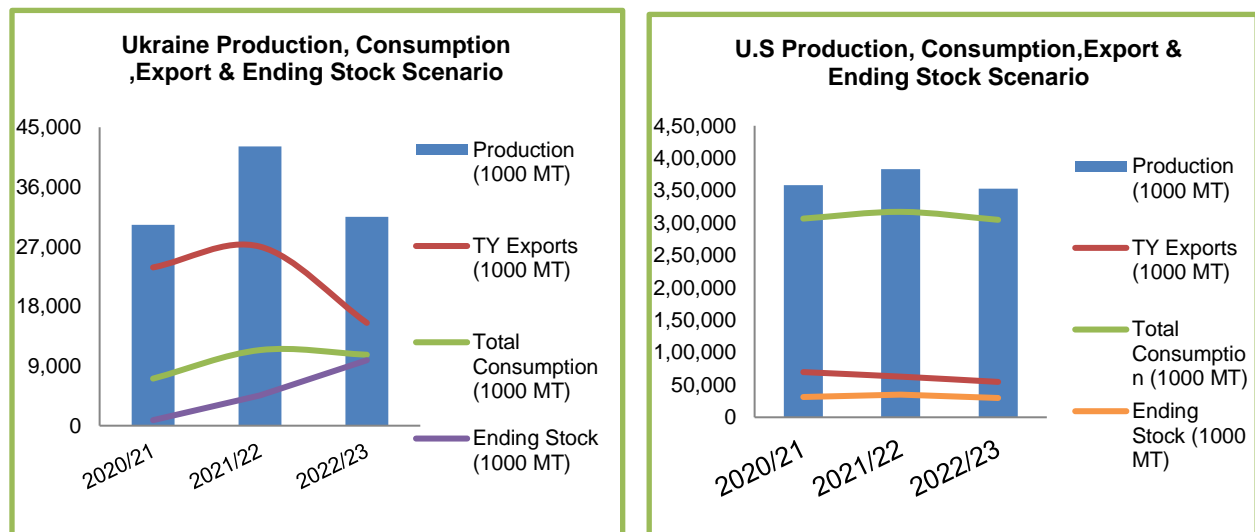
November, 2022

INDIA MAIZE EXPORT PARITY: (USD/MT)



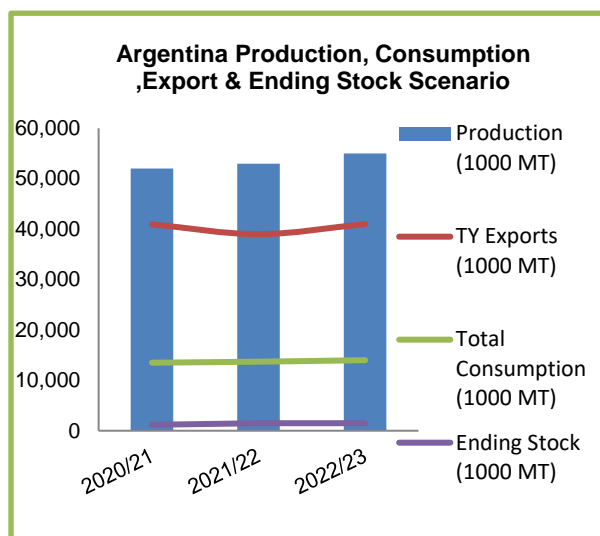
According to the most recent information, India's current crop is of a respectable size and there has been an increase in harvesting activity in the main growing regions. By December, the exports are also anticipated to begin. In addition, other nations' FOB and C&F prices are falling as well since they anticipate higher output this marketing year than the world's largest producer, the United States. According to data from October, American exports have fallen by 125 million bushels.

INTERNATIONAL MARKET SCENARIO



November, 2022

In its October report, the USDA decreased its estimates for the world's ending stocks of maize by 2% to 301.19 MMT for October '22/ 2022-23 and the world's production of maize by 4% to 1168.30 MMT for the same period. USDA maintained its Maize Ending Stock Estimates for Ukraine and Argentina at 29.77 MMT (down 15%) and 1.49 MMT, respectively, for October '22/ 2022-23, whereas USDA dropped its Maize Ending Stock Estimate for the United States by 15% to 29.77 MMT.



As per U.S Corn planting report as of USDA as on date 23rd October 2022, 42% of Corn was in good and 11% was in excellent condition which was in par for past week and was 45% good and 15% excellent for same time period during last year. Also, 97% corn at matured stage and 61% of Corn crop was in harvest stage.

U.S. Maize exports have reached at 3.69 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 0.40 MMT for the period of 13th October 2022 to 20th October 2022. Exports were primarily to Mexico (316,400 MT), China (218,600 MT), Japan (55,600 MT), Jamaica (7,200 MT), and Canada (6,000 MT).

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	October 31 ,2022	September 31 ,2022	Change
Corn CBOT Prices	Dec-22	268.00	263.57	4.43
	Mar-23	270.36	266.13	4.23
	May-23	270.16	266.72	3.44
	Jul-23	267.90	264.75	3.15

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DOMESTIC PRICE OUTLOOK:

Agriwatch anticipates that throughout November, maize will trade relatively weakly and may subsequently acquire a solid bias for December 22. Additionally, demand from the starch, feed, and export industries is anticipated to drive down the market price of maize. Agriwatch anticipates that during the month of December 22 the price of maize (loose) in Davangere would trade between Rs. 1,800 and Rs. 2,200 per quintal.

AgriWatch comprehends that after the prices have stabilised, stock purchases will begin. Old stockholders should surrender their shares at the current price or cling onto them for at least three to four months to receive greater pricing.

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