

Maize Monthly Research Report

Contents

- ❖ Review and Outlook
- ❖ India Maize balance sheet
- ❖ Consumption Break-Up
- ❖ Kharif Maize Sowing
- ❖ Domestic Market Dynamics
 - Arrivals
 - Domestic Price Scenario
 - India Maize Trade Scenario
 - India Maize Export Scenario
 - India Maize Export Parity
- ❖ International Market Scenario
- ❖ Domestic Price Outlook

REVIEW AND OUTLOOK:

In the domestic markets, Maize prices traded in November 2022 were more on the upward side compared to October 22' because arrivals were down from the same time last year. Average monthly loose prices for Kharif Maize at benchmark market Gulabghat were at Rs.2448 per quintal for the month of November 22'. As of November 22', the monthly average price for loose Maize in Davangere, Karnataka was Rs. 2194 per quintal, up from Rs. 2143 per quintal on October 22'.

Corn prices on the CBOT decreased by 7.38 USD to 260.62 USD per MT for the December 22 contract as the production is on upside. This is due to the fact that the supply is more than use of Corn keeping the ending stocks also at a higher note.

OUTLOOK

According to AgriWatch, Maize prices are expected to trade at a fairly firm trend throughout December, as there is less supply on the markets than during the same time last year. Additionally, the demand from stockists, exporters, the poultry business, and the starch sector is growing daily, which may contribute to the price increase.

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 ongoing 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

RABI MAIZE SOWING UPDATES

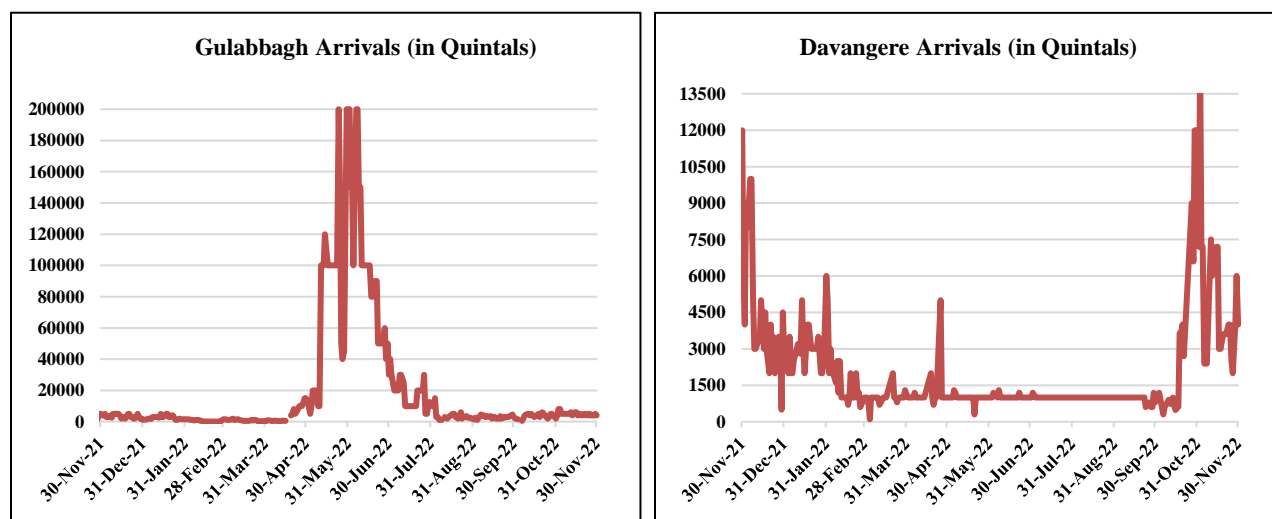
As per the latest update of Agriculture department, GOI, India marked a slight fall in Rabi Maize area coverage till 2nd December 2022 as compared to same period last year. Maize has been sown in 8.97 lakh Ha. compared to 5.92 lakh Ha. same period last year, which is approximately 52% higher compared to last year for same time period.

DOMESTIC MARKET DYNAMICS

In the domestic markets, Maize prices traded in November 2022 were more on the upward side compared to October 22' because arrivals were down from the same time last year. By November, demand from exporters, stockists, the poultry sector, and the starch industry had also begun to rise. Due to favorable weather, Maize has begun to attain the ideal amount of moisture

ARRIVALS:

Even though they couldn't keep up with arrivals compared to the same period previous year, kharif Maize continued to flood the marketplaces throughout the month of November 22. According to trader sources, the total number of quintals arriving in November at the benchmark market in Davangere was 1,15,000, up from 62,810 quintals on October 22. However, on November 21', there were a total of 1,82,000 quintals brought into the market, which is 37% more than at this time.



DOMESTIC PRICE SCENARIO:

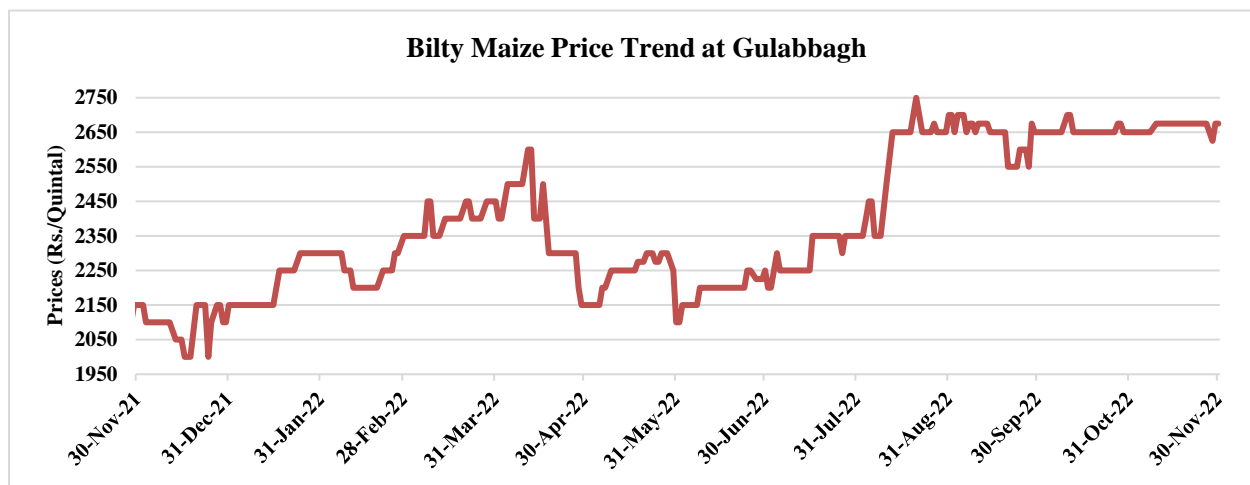
Overall prices during November-22 traded firm with month proceeding due to reduction in arrivals as compared to same period last year with high demand.

MONTHLY SPOT PRICE COMPARISON

Month-wise Average prices of Maize at various markets					
Market	2022-November	2022-October	2021-November	% Change from Prev. Month	% Change from Prev. Year
Delhi	2286	2324	1840	-2%	24%
Davangere (Loose Price)	2194	2143	1623	2%	35%
Shimoga	2214	2150	2025	3%	9%
Bagalkot	2170	2160	1627	0%	33%
Gadag	2076	2114	1544	-2%	34%

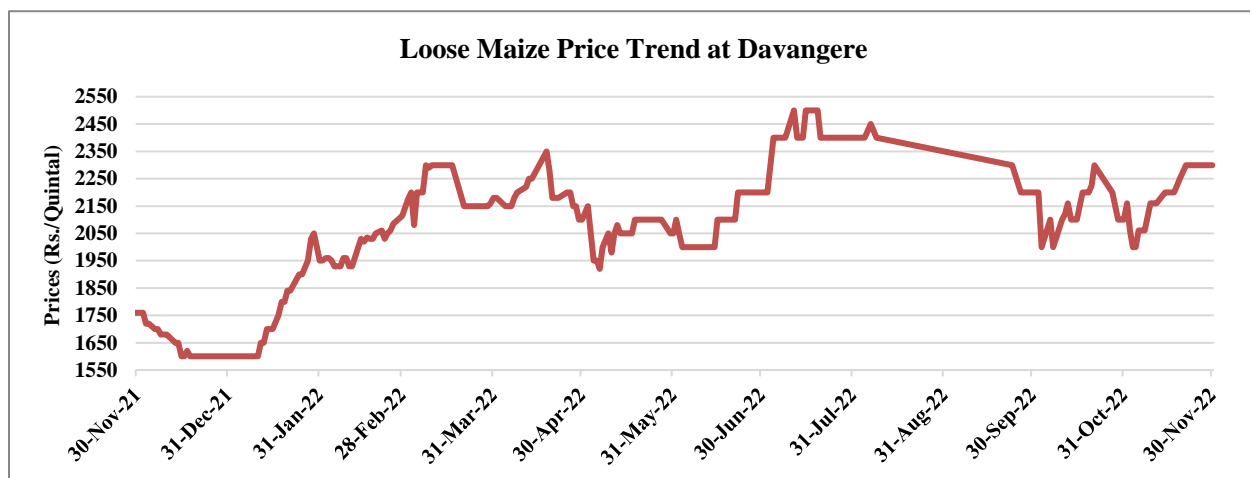
December, 2022

Nizamabad (Bilty Price)	2193	2145	1854	2%	18%
Khanna	2289	2149	1827	7%	25%
Sangli (NCDEX Quality)	2268	2363	1883	-4%	20%
Gulabbagh (NCDEX Quality)	2461	2445	1856	1%	33%
Naugachia	2398	2378	1835	1%	31%
Erode (NCDEX Quality)	2329	2356	1948	-1%	20%



Average monthly loose prices for Kharif Maize at benchmark market Gulabbagh were at Rs.2448 per quintal for the month of November 22' which is slightly higher compared to monthly average price of October 22' at Rs.2437 per quintal. The quintal price for Gulabbagh was recorded as the highest was Rs. 2,450. (Loose Maize). The closing price on November 22 was Rs. 2450 per quintal, the same as it was on October 22.

As for bilty prices for Maize, the monthly average for November 22' was at Rs. 2667 per quintal as compared to Rs. 2657 in October 22'. Prices for bilty at Gulabbagh are predicted to stay between Rs. 2,675 and Rs. 2,700 per quintal for the upcoming month.



December, 2022

As of November 22', the monthly average price for loose Maize in Davangere, Karnataka was Rs. 2194 per quintal, up from Rs. 2143 per quintal on October 22'. The highest prices ever were Rs. 2300 per quintal. While it was Rs. 2100 on October 22, the closing price for November 22 was at Rs. 2300. For the forthcoming month, Davangere loose price forecast ranges between Rs. 2,300 per quintal to Rs. 2,500 per quintal.

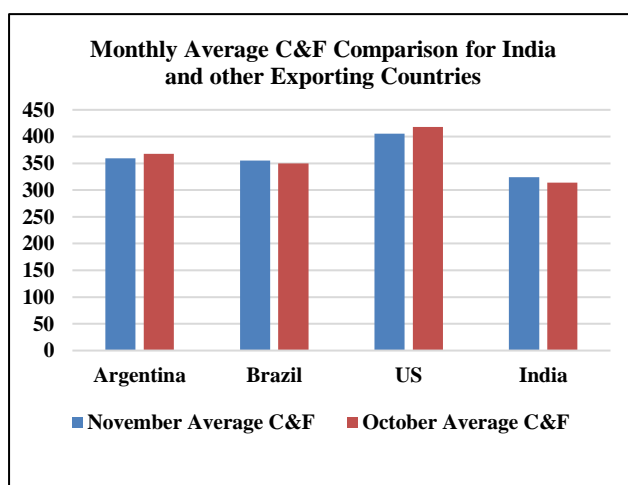
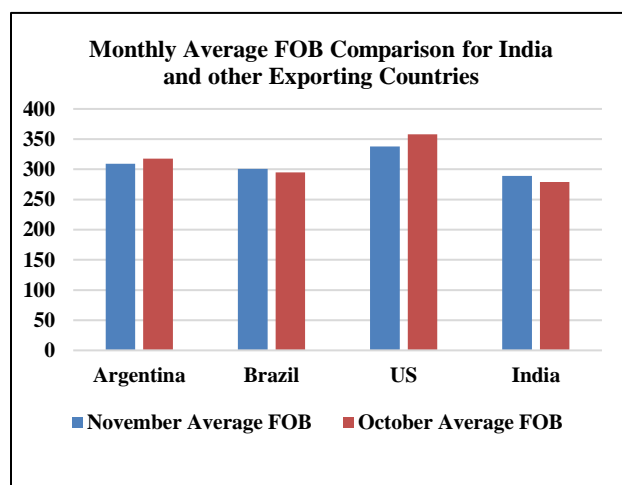
INDIA MAIZE TRADE SCENARIO:

For the month November 22', demand of Maize has been moving on the upward side. As per trade sources, the demand from Exporters, stockists, feed industry and starch industry have started to increase. This is due to the old stocks getting exhausted and due to clear weather, the moisture content of Maize has also started to reach its optimum level. Racks of Maize are being sent to various ports of India for exports such as Vishakhapatnam, Chennai and Mangalore. As the Maize grown in India is of non-GM origin, EU finds an interest in its purchase although price is a huge constrain. Major Maize exporting countries for India are Bangladesh, Nepal, Vietnam, Malaysia, Thailand and Sri Lanka. The margin for exports is good while the parity with the countries like Bangladesh is stable. The average FOB quotes for the month of November are at 289.16 USD which is lower compared to fellow major exporters U.S., Argentina and Brazil.

INDIA MAIZE EXPORT SCENARIO:

As per the Trade sources India exported around 2,28,890 MT of Maize during October 2022 with the average FOB of around 327 USD/MT. Also, out of this around 1,06,201 MT of Maize was exported to Bangladesh with an average FOB of around 323 USD/MT and 11,302 MT of Maize was exported to Nepal with an average FOB of around 310 USD/MT.

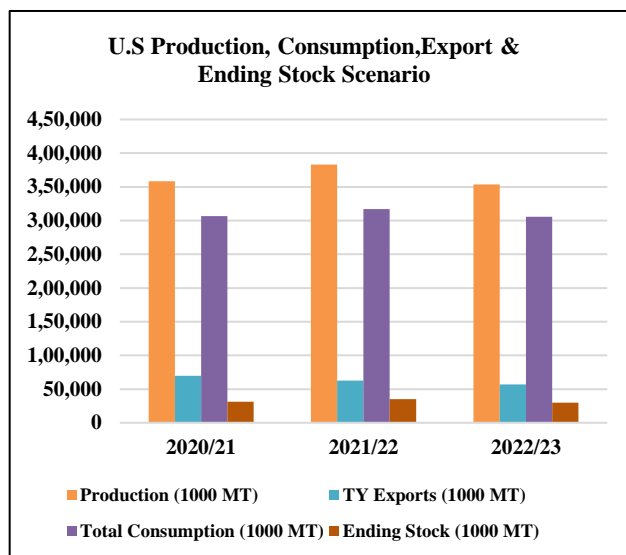
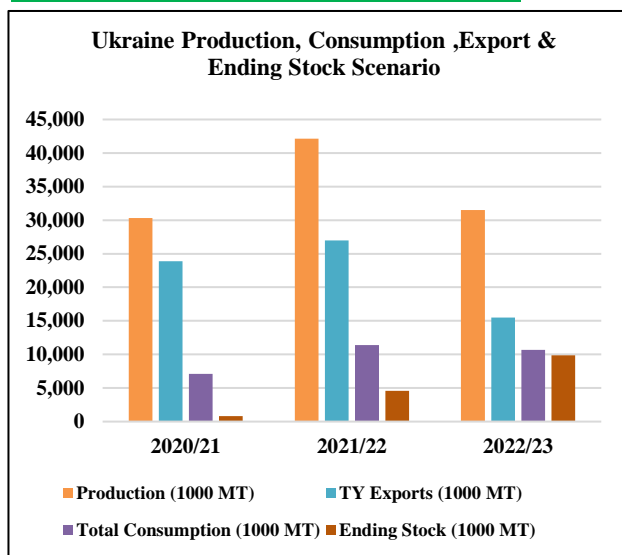
INDIA MAIZE EXPORT PARITY: (USD/MT)



December, 2022

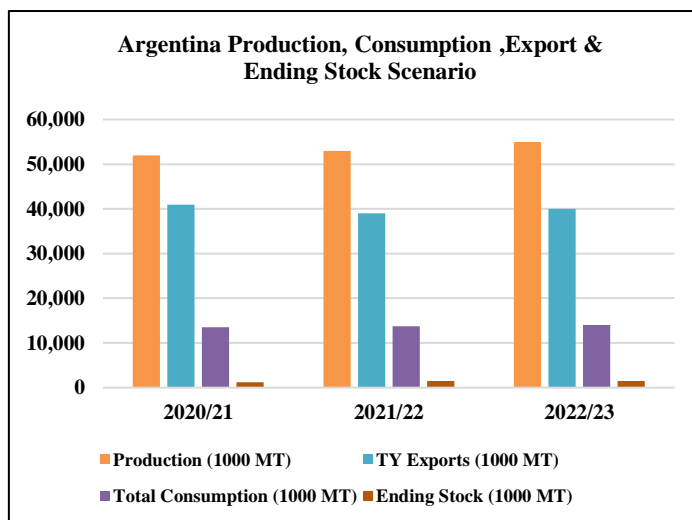
As per latest insights, exporters are actively purchasing from the markets due to high demand for Maize from various countries. Rake loading is continuously happening to various ports. FOB and C&F quotes are also lower in India compared to its competing countries. India usually exports to Bangladesh, Nepal, Vietnam and Malaysia.

INTERNATIONAL MARKET SCENARIO



The USDA predicted a greater production and larger ending stockpiles in the United States in its November report. 13.93 billion bushels of Maize were produced, an increase of 35 million from the previous month. Due to an increase in crop size, poultry and other uses have expanded. Due to a supply that exceeds demand, the ending stockpiles are 10 million bushels higher. The predicted global production for 2022–2023 is lower. Additionally, stocks and exports are quite modest. At 300.8 million tonnes, the world's Maize ending stockpiles are down by 0.4 million.

As per U.S Corn planting report as of USDA as on date 21st November 2022, 94% of Corn crop was in harvest stage.



U.S. Maize exports have reached at 5.77 million metric tonnes (MMT) for 2021-22 Marketing Year, with the exports of 0.34 MMT for the period of 17th November 2022 to 24th November 2022. Exports of 344,500 MT were primarily to Mexico (193,100 MT), China (77,100 MT), Japan (25,100 MT), Canada (17,800 MT), and Honduras (8,300 MT).

Maize CBOT Monthly Futures Price Listing (\$/MT)				
	Contract Month	November 30 ,2022	October 31 ,2022	Change
Corn CBOT Prices	Dec-22	260.62	268.00	-7.38
	Mar-23	262.59	270.36	-7.77
	May-23	261.90	270.16	-8.26
	Jul-23	259.73	267.9	-8.17

Corn prices on the CBOT decreased by 7.38 USD to 260.62 USD per MT for the December 22 contract as the production is on upside. This is due to the fact that the supply is more than use of corn keeping the ending stocks also at a higher note.

DOMESTIC PRICE OUTLOOK:

According to AgriWatch, Maize prices are expected to trade at a fairly firm trend throughout December, as there is less supply on the markets than during the same time last year. Additionally, the demand from stockists, exporters, the poultry business, and the starch sector is growing gradually, which may contribute to the price increase. In fact, some stockists are already buying Maize from the markets because there is little chance that the price would go down. Additionally, as the days go by, Kharif Maize will become less and less accessible. Due to the lack of output, concern over a lack of supply on the market, and frequent instances of unfavourable weather, there is also an emerging likelihood of price increases on a global scale.

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