

# Maize-Weekly Fundamental Report

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## WEEKLY DIGEST AND OUTLOOK

Maize cash markets witnessed mixed tone during the week under review on the account of sluggish domestic demand accompanied with decreased arrivals.

At bench mark Gulabbagh market, the average weekly prices rose to Rs. 2,175 per quintal from previous week's Rs. 2,200 per quintal.

As per trade sources, the demand from feed industry remained sluggish and also there existed a disparity with respect to the delivery prices within the states which lead to constrained domestic trade activities. However, exporters demand and demand from the starch industry remained fair enough.

In International market Corn on CBOT displayed a firm price sentiment as compared to previous week.

**Outlook:**

AgriWatch expects, Range-bound price movement of Maize during the coming week in domestic market on the account of average domestic demand and unwillingness of buyers to buy material at higher price end.

### WEATHER SCENARIO

As per the information we expect that as the Monsoon rains starts over the key growing region of NW and Central India the sowing would be initiated at various locations. The southwest monsoon has arrived already in parts of Kerala, Tamil Nadu, Karnataka and some parts of Andhra Pradesh, Telangana and Maharashtra. Good rainfall and distribution would help farmers to progress further with their sowing activity.

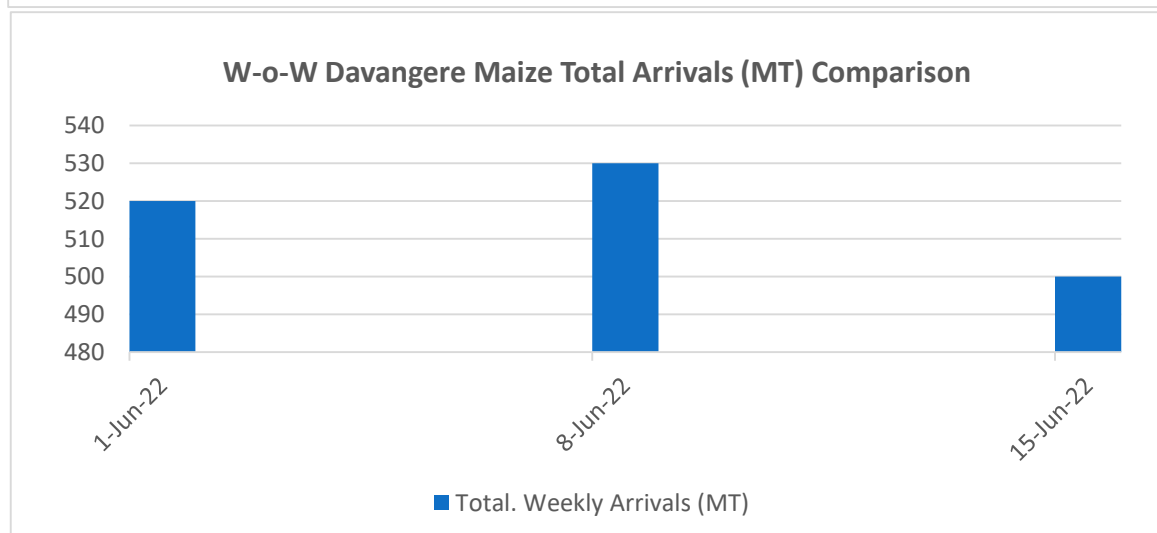
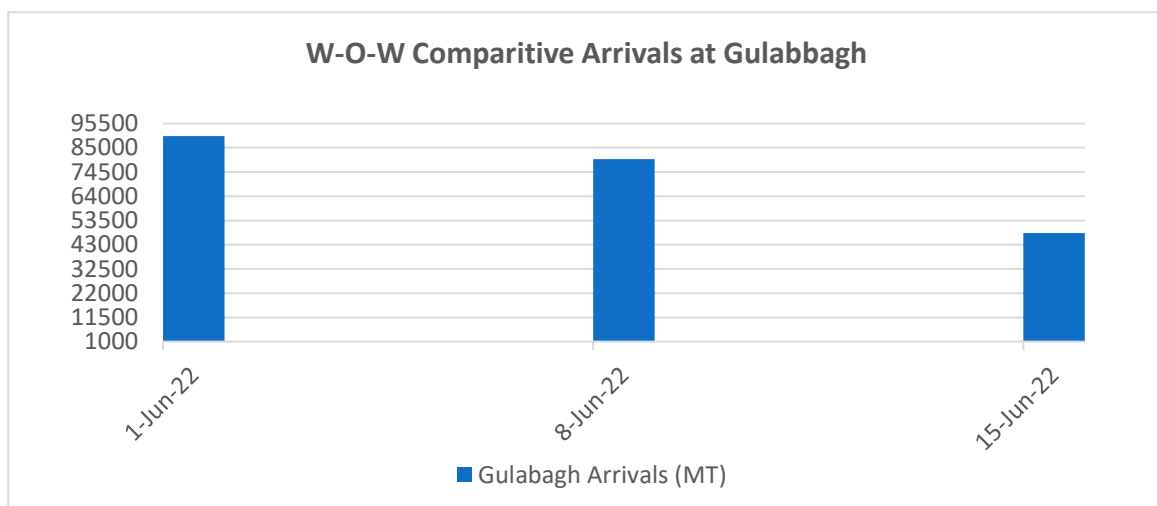
### DOMESTIC SCENARIO

#### Maize Sowing Update

According to official sources total area sown under Maize in Andhra Pradesh till as on date 15th June 2022 was around 357 hectare as compared to 409 hectare by last year for same time period. Also, around 2,17,093 hectare area has been sown under Maize in Telangana as compared to 1,84,924 hectare during same time period last year.

Seeing ongoing scenario there are chances of increase in area under Maize cultivation in the states like Maharashtra, Rajasthan, Karnataka and Punjab.

#### New Rabi Arrivals/Supply in Bihar Markets

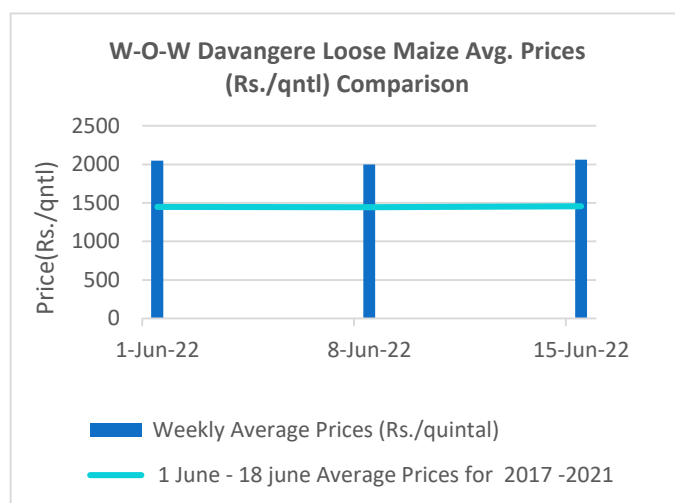
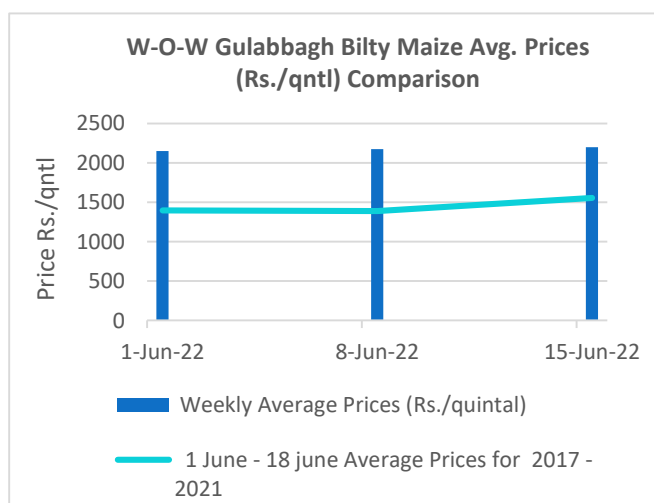


Arrivals of Maize at various Spot markets around the country registered a dip. Gulabbagh as well as Davangere, two major bench mark markets of the country witnessed a considerable amount of decline in the arrivals of Maize on the account of finished Rabi harvesting and ongoing Rain showers.

### Spot Price

An overall mixed to range-bound price movement witnessed in Maize prices across the major spot markets of the country.

Maize (Corn) Weekly Prices:						
Market	Grade	17-Jun-22	10-Jun-22	17-May-22	16-Jun-21	16-Jun-20
Naugachia	Bilty	2200	2250	2250	1450	1200
Delhi	Hybrid Maize (U.P.)	2100	2230	2485	1600	1350
Davangere	Loose	2100	2000	2050	1610	1400
Shimoga	Bilty	NA	NA	NA	NA	NA
Ranebennur	Bilty	NA	NA	NA	NA	1400
Bagalkot	Hybrid/Local	2220	2130	NA	1625	1355
Gadag	Local	2050	NA	2215	NA	1390
Nizamabad	Bilty	2150	2250	2150	1650	1400
Khanna	Bilty	1950	2100	2350	1400	1150
Sangli	Feed	2539	2456	2418	1923	1475
Ahmedabad	Feed	2375	2415	2550	1800	1400
	Starch	2375	2400	2550	1700	1450



Maize prices throughout the week displayed a mixed sentiment in on the account of sluggish demand and unwillingness of buyers to buy at high prices. Bench mark Gulabbagh market in Bihar and bench mark Davangere market in Karnataka displayed a slight increase in overall average prices of Maize for the week under review. Overall Maize prices continued to remain well above the 5 years average for the current time period.

### Domestic Demand and Trade

As per trade sources, the demand from feed industry remained sluggish and also there existed a disparity with respect to the delivery prices within the states which lead to constrained domestic trade activities. However, exporters demand and demand from the starch industry remained fair enough. As per the sources in M.P delivery rate of starch Maize sustains between Rs. 2,200 to Rs. 2,280 per quintal.

There is the demand for Maharashtra and Bihar sourced Maize in the Northern markets like Punjab, Haryana and Gujarat but due to prevailing disparity trade happens to be suspended between the source and target destination.

### Exports

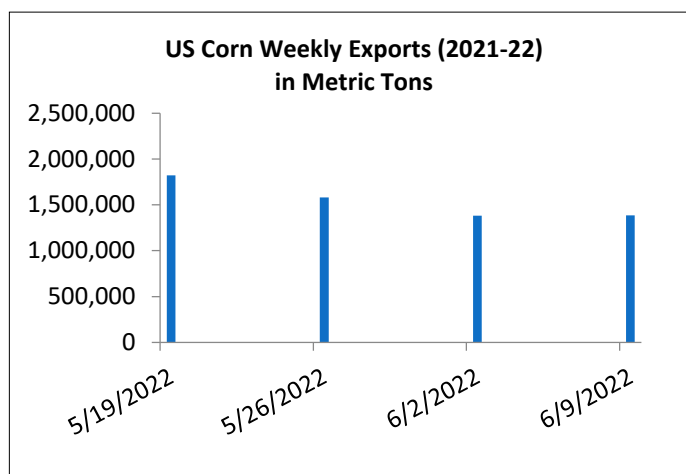
As per the Trade sources India exported around 93,773 MT of Maize during May 2022 with the average FOB of around 327.21 USD/MT. Also out of this around 52,359 MT of Maize was exported to Bangladesh with an average FOB of around 327.83 USD/MT and 34,790 MT of Maize was exported to Nepal with an average FOB of around 297.85 USD/MT.

Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.78.08)				
	Argentina	Brazil	US	India
<b>FOB</b>	302.67	326.33	343.67	299.68
<b>C&amp;F</b>	352.67	381.33	403.67	334.68

### INTERNATIONAL SCENARIO

As per U.S Corn planting report as of 13th June 2022, U.S corn planting stood at 97%, which is lower by 3% as compared to last year for same time duration but same when compared to four year's average as well. Also 88 % of Corn has emerged as compared to 95 % for the same time period during last year.

U.S. Maize exports have reached at 49.06 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.38 MMT for the period of 2nd June 2022 – 9<sup>th</sup> June 2022, these exports were same previous week but down by 10 percent form prior 4-week average, to the destinations Mexico (459,700 MT), China (412,900 MT), Japan (230,500 MT), South Korea (137,800 MT), and Canada (63,600 MT).



Corn on CBOT rose by 6.00 USD to 310.32 USD per MT for July'22 contract, as compared to previous week, as the result of concerns related to tight global supply on the account of hampered exports from Ukraine due to port and infrastructure destruction, continued dry weather in U.S and drought in the North-Eastern African continent. AgriWatch expects that for upcoming week Corn on CBOT would not suffer any severe dip on the account of assumptions pointing towards tight global Corn supply during upcoming season.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	16-June-22	09-June-22	Change
Corn CBOT Prices	July-22	310.32	304.32	6.00
	Sep-22	292.01	287.09	4.92
	Dec-22	289.36	282.17	7.19
	Mar-23	291.13	283.94	7.19

### DOMESTIC OUTLOOK

AgriWatch expects, Range-bound price movement of Maize during the coming week in domestic market on the account of average domestic demand and unwillingness of buyers to buy material at higher price end , also rain showers in coming week are expected to restrict trade activities with respect to domestic as well as export scenario.

Buying excess quantity of Maize under current prices would not be a wise discussion with respect to the expectation of a good return in medium to long term.

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