

Maize-Weekly Fundamental Report

Contents

Weekly Digest and Outlook

Domestic Scenario

- Kharif Maize Sowing
- Spot Market Supply and Arrivals
- Spot Price
- Domestic demand and Trade
- Exports

International Scenario

Domestic Outlook

WEEKLY DIGEST AND OUTLOOK

An overall range bound to slightly firm movement witnessed in Maize prices across the major spot markets of the country, on the account of reduced supply to markets.

Average weekly prices at Gulabbagh market in Bihar were higher by around 2% at Rs. 2,392 per quintal as compared to previous week's average weekly prices of Rs. 2,350 per quintal.

Sources say that demand of Maize from poultry sector in Northern parts of the country happens to be sluggish on the account Sarawan fasting going season. However, Davangere is supplying feed Maize to Tamil Nadu and Bengaluru at the delivery rate of Rs. 2,700 per quintal and Rs. 2,660 per quintal respectively.

Corn on CBOT fell by 2.36 USD to 242.61 USD per MT for Sep'22 contract, as compared to previous week, on the account fair supply from U.S.

Outlook:

AgriWatch expects, steady to Range-bound price movement of Maize during the coming week in domestic market on the account of mixed trend in the demand of poultry Maize along with limited supply of stuff in the markets across the country.

WEATHER SCENARIO

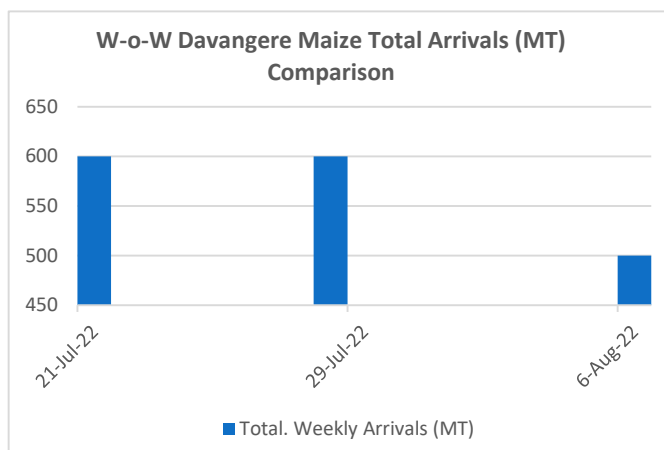
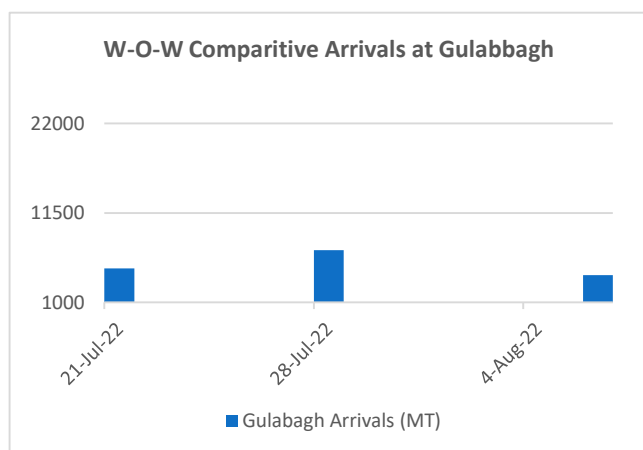
There have been heavy monsoon showers over various parts of Karnataka, Andhra Pradesh, Kerala, Maharashtra, Northern parts of the country including Delhi/NCR region. Rising concerns related to already sown crop health. Crop damage due to water logging has been observed in Maharashtra, A.P and M.P. Damage is serious in A.P and Maharashtra. However, for the upcoming week IMD has predicted heavy to isolated heavy rain showers in Southern Karnataka and A.P.

DOMESTIC SCENARIO

Maize Sowing Update

As per the latest update of Agriculture department, GoI, India marked a slight decline in Maize area coverage till 5th August 22 as compared to same period last year. Till last week Maize has been sown in 75.74 lakh Ha. compared to 76.33 lakh Ha. same period last year, which is approximately 1.2 % less compared to last year for same time period. As per the report, largest area coverage under Maize was in M.P at around 15.60 Lakh hectares as compared to 15.58 Lakh hectares during same period last year.

New Rabi Arrivals/Supply in Bihar Markets

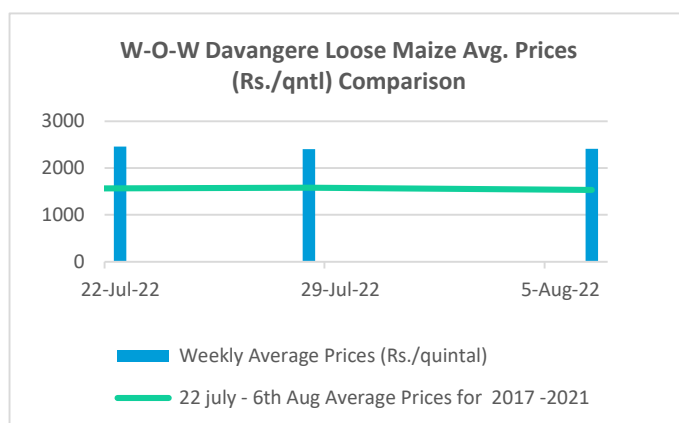
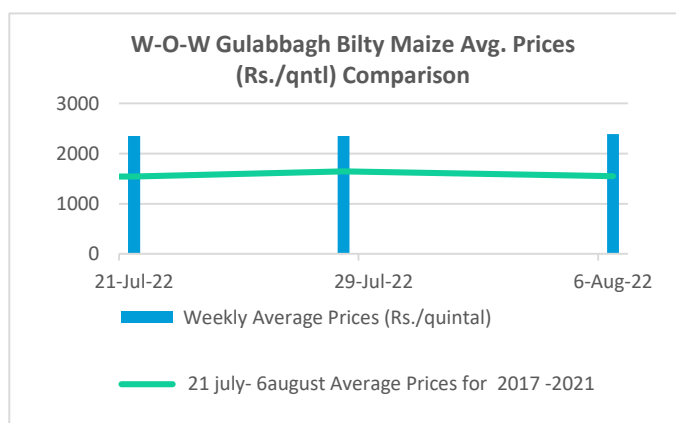


Arrivals of Maize at various spot markets around the country have been in alignment with the normal arrivals during this season. After continues steady arrivals for previous three weeks arrivals in Davangere decreased to 500 MT from 600 MT as compared to that of week before that. Also there was a further decline in total arrivals during week under review as compared to previous week at bench mark market Gulabghagh, Bihar.

Spot Price

An overall range bound to slightly firm movement witnessed in Maize prices across the major spot markets of the country, on the account of reduced supply to markets.

Maize (Corn) Weekly Prices:						
Market	Grade	6-Aug-22	30-Jul-22	6-Jul-22	5-Aug-21	5-Aug-20
Naugachia	Bilty	2300	2300	2250	1900	1175
Delhi	Hybrid Maize (U.P.)	2350	2250	2200	1800	1250
Davangere	Loose	2450	2400	2400	1900	1300
Shimoga	Bilty	NA	NA	2160	NA	1300
Ranebennur	Bilty	NR	NR	2450	NR	1375
Bagalkot	Hybrid/Local	2289	2041	2470	NA	1246
Gadag	Local	1544	1659	2210	NR	NA
Nizamabad	Bilty	Closed	Closed	2450	1900	Closed
Khanna	Bilty	2050	NA	1900	1670	1125
Sangli	Feed	2680	2564	2685	2111	1476
Ahmedabad	Feed	2650	2400	2340	2100	1350
	Starch	2500	2300	2350	2100	1350



Maize prices throughout the week displayed range bound to slightly firm sentiment on the account of slight decline in the demand of Maize from poultry sector particularly in Northern markets of the country due to srawan fasting along with limited arrivals in the market. Also, at bench mark market Davangere, Karnataka Maize traded at steady rates for the week under review compared with the average weekly prices of previous week. Average weekly prices at Gulabgach market in Bihar were higher by around 2% at Rs. 2,392 per quintal as compared to previous week's average weekly prices of Rs. 2,350 per quintal.

Domestic Demand and Trade

As per trade sources, the demand from feed industry and starch industry reportedly remained in mixed zone during the past week. Flow of supplies have reduced in major spot markets, the previously stocked stuff is being released in the Southern as well as Northern markets of the country. Sources say that demand of Maize from poultry sector in Northern parts of the country happens to be sluggish on the account Sarawan fasting going season. However, Davangere is supplying feed Maize to Tamil Nadu and Bengaluru at the delivery rate of Rs. 2,700 per quintal and Rs. 2,660 per quintal respectively.

Exports

As per the Trade sources India exported around 1,49,630 MT of Maize during June 2022 with the average FOB of around 307.99 USD/MT. Also, out of this around 88,910 MT of Maize was exported to Bangladesh with an average FOB of around 330.44 USD/MT and 58,362 MT of Maize was exported to Nepal with an average FOB of around 288.53 USD/MT.

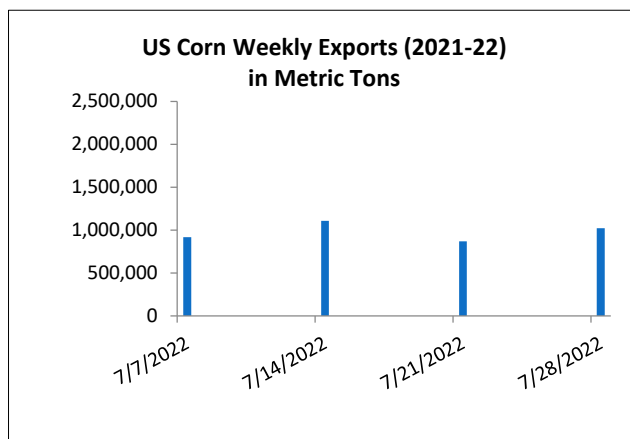
Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.79.32)				
	Argentina	Brazil	US	India
FOB	270.50	281.25	297.50	330.12
C&F	320.50	336.25	357.50	365.13

According to the latest updates, India is facing a challenge concerning exports of Indian Maize to significant export destinations like Thailand and Vietnam. The primary reason for this can be attributed to the fact that the current price at which Maize is being traded-in domestic markets in India is leading to uncompetitive prices of Indian Maize in the international market when compared to that of its competitors like Argentina and Brazil.

INTERNATIONAL SCENARIO

As per U.S Corn planting report as of USDA as on date 1 August 2022, 61 % of Corn was in good to excellent condition which is same as that to past week and 2 % down from the same time period during last year. Also, 80 % of Corn crop was in silking stage and 21 % of Corn crop was in dough stage till 1 August 2022.

U.S. Maize exports have reached at 56.41 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.02 MMT for the period of 21st July 2022 – 28th July 2022, these exports were up by 18 percent from previous week and up by 4 percent from prior 4-week average, to the destinations China (414,100 MT), Mexico (328,000 MT), Japan (158,800 MT), Canada (41,200 MT), and Honduras (21,300 MT).



Corn on CBOT fell by 2.36 USD to 242.61 USD per MT for Sep'22 contract, as compared to previous week, on the account of fair supply from U.S. However, AgriWatch expects that for upcoming week Corn on CBOT would trade weak to range bound.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	05-Aug-22	29-July-22	Change
Corn CBOT Prices	Sep-22	240.25	242.61	-2.36
	Dec-22	240.15	244.08	-3.93
	Mar-23	243.3	246.54	-3.24
	July-23	245.07	248.02	-2.95

DOMESTIC OUTLOOK

AgriWatch expects, steady to Range-bound price movement of Maize during the coming week in domestic market on the account of mixed trend in the demand of poultry Maize along with limited supply of stuff in the markets across the country.

At present, considering the overall scenario, current revival and progress of SW Monsoon, expected increase in sowing area under Maize, in medium to long term it is advisable to gradually liquidate stocks at higher price levels while in very-short to short term one can expect some increase in prices amid improved demand and finishing Rabi supplies.

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.