

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 Gulabghat market in Bihar were higher by around 5.3% at Rs. 2,675 per quintal as compared to previous week's average weekly prices of Rs. 2,538 per quintal.

Sources say that demand of Maize from poultry sector in Northern parts of the country happens to be sluggish despite the end of Sarwan fasting season. However, Davangere is supplying feed Maize to Namakkal in Tamil Nadu and Bengaluru at the delivery rate of Rs. 1,750 per quintal and Rs. 1.750 per quintal respectively.

Corn on CBOT rose by 2.37 USD to 247.73 USD per MT for Sep'22 contract, as compared to previous week, on the account of fair supply from U.S.

Outlook:

AgriWatch expects, steady to Range-bound price movement of Maize during the coming week in domestic market since domestic demand remains sluggish along with negligible market supply. Also, international demand happens to remain weak due to higher prices of Indian Maize as compared to its competitors.

WEATHER SCENARIO

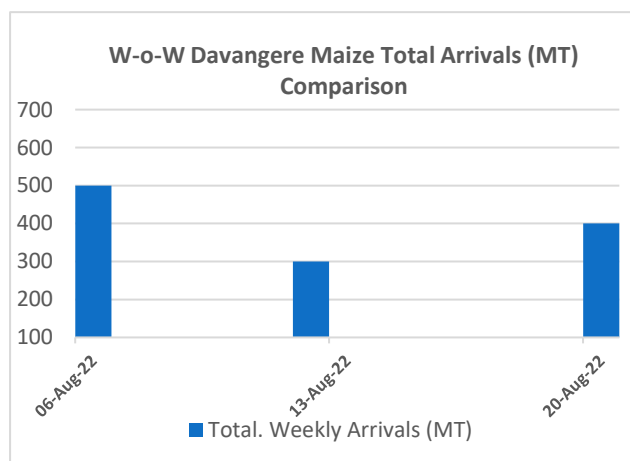
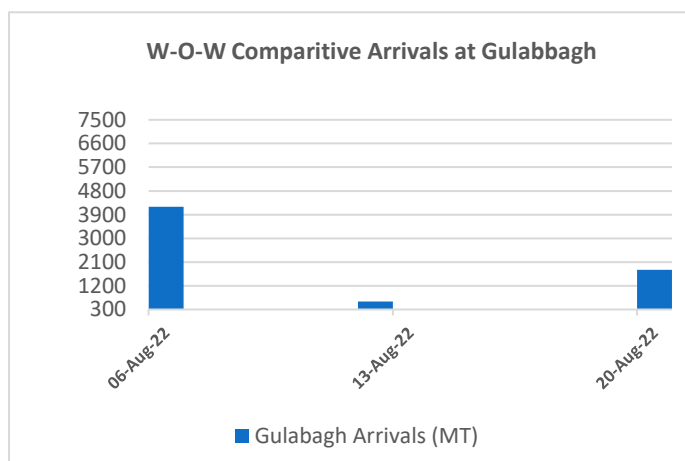
The majority of Bihar, Karnataka, Andhra Pradesh, Kerala, and Maharashtra, as well as the whole Northern states and NCR area of the country, have so far been affected by the ongoing monsoon, according to the most current statistics. The majority of the country's central and eastern regions are experiencing monsoon rainstorms. However, forecasters predict that South Indian regions, particularly Karnataka and coastal Andhra Pradesh, might get significant rainfall during the next several days. Rising concerns related to already sown crop health.

DOMESTIC SCENARIO

Maize Sowing Update

As per the latest update of Agriculture department, GoI, India marked a slight rise in Maize area coverage till 19th August 22 as compared to same period last year. Till last week Maize has been sown in 80.18 lakh Ha. compared to 79.00 lakh Ha. same period last year, which is approximately 1.5% more compared to last year for same time period. As per the report, largest area coverage under Maize was in M.P at around 15.90 Lakh hectares as compared to 15.58 Lakh hectares during same period last year.

New Rabi Arrivals/Supply in Bihar Markets

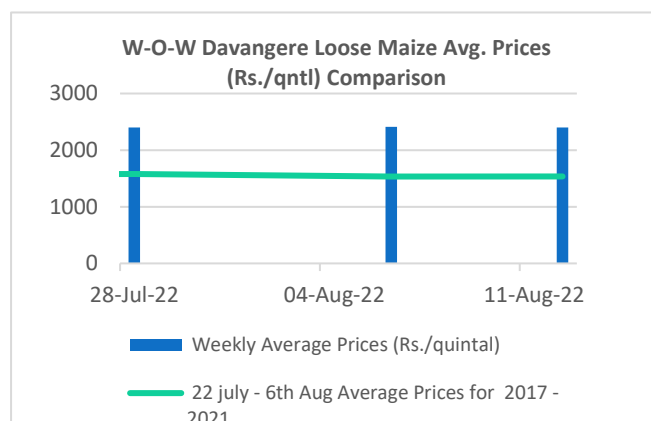
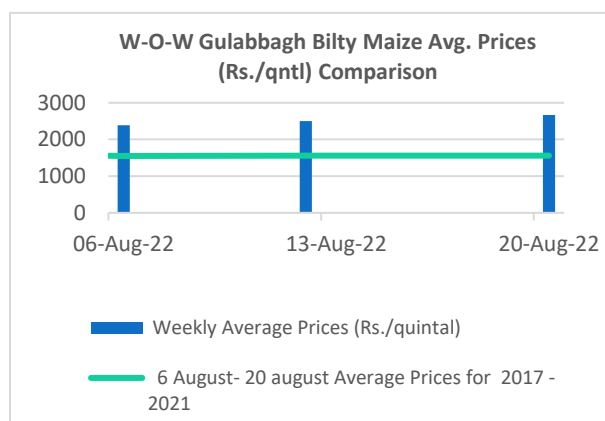


Arrivals of Maize at various spot markets around the country have been in alignment with the normal arrivals during this season. After continues steady arrivals for previous weeks arrivals in Davangere increased again to 400 MT from 300 MT as compared to that of week before that. Also, there was a further increase 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	20-Aug-22	13-Aug-22	20-Jul-22	19-Aug-21	19-Aug-20
Naugachia	Bilty	2400	2400	2300	1850	1225
Delhi	Hybrid Maize (U.P.)	2450	2450	2100	1825	1225
Davangere	Loose	NA	Closed	2400	1850	1300
Shimoga	Bilty	NA	NA	2600	2100	1400
Ranebennur	Bilty	NR	0	2400	0	1310
Bagalkot	Hybrid/Local	NA	NA	0	0	0
Gadag	Local	NA	2029	0	0	0
Nizamabad	Bilty	Closed	Closed	2450	1915	Closed
Khanna	Bilty	2100	2000	1950	1750	1130
Sangli	Feed	2788	2727	2631	2043	1446
Ahmedabad	Feed	Closed	2625	NR	2100	1350
	Starch	Closed	2550	NR	2100	1380



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 despite the end of 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 5.2% at Rs. 2670 per quintal as compared to previous week's average weekly prices of Rs. 2,538 per quintal.

Domestic Demand and Trade

As per trade sources, the demand from feed industry and starch industry reportedly remained higher during the week under review. Flow of arrivals have increased in major spot markets with an arrival of 100 tonnes per day in Davangere market; the previously stocked stuff is being released from the warehouses of the country. However, Davangere is supplying feed Maize to Nammakkal in Tamil Nadu and Bengaluru at the delivery rate of Rs. 1,750 per quintal and Rs. 1,650 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.

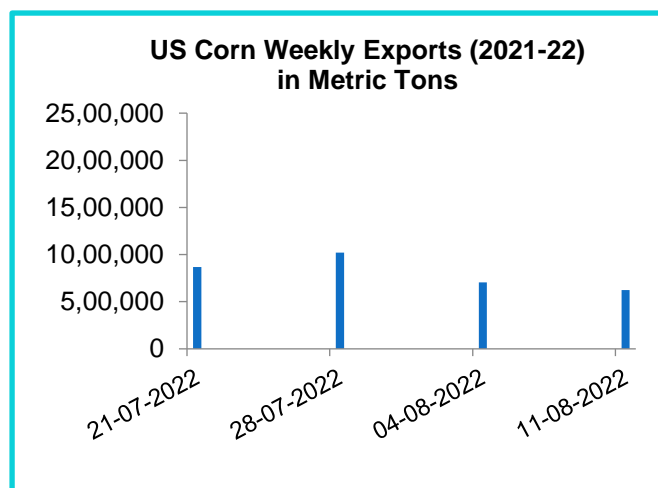
Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.79.53)				
	Argentina	Brazil	US	India
FOB	275.60	289.40	300.40	335.16
C&F	327.80	348.00	360.40	370.16

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 15 August 2022, 57 % of Corn was in good to excellent condition which was 58% till past week and was 62% for same time period during last year. Also, 98% of Corn crop was in silking stage, along with 20% corn at dented stage and 71% of Corn crop was in dough stage till 15 August 2022.

U.S. Maize exports have reached at 57.74 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 0.6 MMT for the period of 8th Aug 2022 – 11th Aug 2022, these exports were down by 12 percent from previous week and down by 33 percent from prior 4-week average, to the destinations China (273,500 MT), Mexico (271,300 MT), Trinidad and Tobago (25,100 MT, including 200 MT - Late), Panama (24,200 MT), and Honduras (14,700 MT).



Corn on CBOT fell by 2.37 USD to 247.73 USD per MT for Sep'22 contract, as compared to previous week, on the account 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	20-Aug-22	12-Aug-22	Change
Corn CBOT Prices	Sep-22	246.45	247.73	-2.37
	Dec-22	245.36	247.13	1.09
	Mar-23	248.22	249.79	-0.49
	July-23	249.3	250.97	-2.65

DOMESTIC OUTLOOK

AgriWatch expects, steady to Range-bound price movement of Maize during the coming week in domestic market since domestic demand remains sluggish along with negligible market supply. Also, international demand happens to remain weak due to higher prices of Indian Maize as compared to its competitors.

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.

