

# Maize-Weekly Fundamental Report

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**WEEKLY DIGEST AND OUTLOOK**

An overall slightly firm movement witnessed in Maize prices across the major spot markets of the country, on the account of slight increase in supply to markets

Average weekly prices at Gulabghat market in Bihar were at Rs. 2,658 per quintal which is less than the previous week's average weekly prices.

Maize prices throughout the week displayed almost a steady sentiment on the account of slight decline in the demand of Maize from poultry sector particularly in southern markets like Tamil Nadu due to the beginning of sowing season. Also, at benchmark market Davangere, Karnataka arrivals have slowly started although the newly arrived moisture content is between 15 to 18%. Older stocks are being sold still at a price of Rs. 2650 whereas the new arrivals are sold at Rs.2550 to Namakkal and Bangalore.

Corn on CBOT down by 8.37 USD to 266.62 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

Rainfall in Madhya Pradesh and Maharashtra, ranged from heavy to very heavy. The drought-stricken regions of Bihar, West Bengal, and Uttar Pradesh experienced very heavy rains in numerous districts and extremely heavy rains at a few stations.

MET. SUBDIVISION	Week End (07-09-2022)	Week 2 End (14-09-22)
WEST MADHYA PRADESH	E	E
EAST MADHYA PRADESH	N	N
MADHYA MAHARASHTRA	E	E
MARATHWADA	E	E
VIDARBHA	E	E
COASTAL AP and YANAM	N	N
TELANGANA	E	E
RAYALASEEMA	E	E
COASTAL KARNATAKA	N	N
N. I. KARNATAKA	E	E
S. I. KARNATAKA	LE	LE

## DOMESTIC SCENARIO

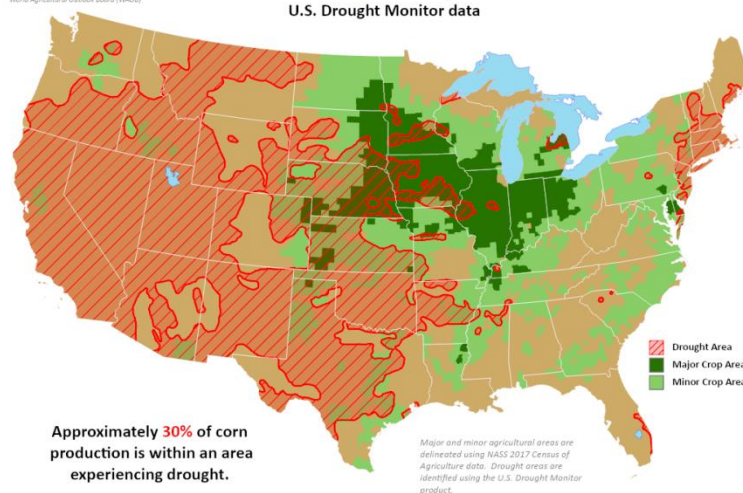
### Maize Sowing Update

As per U.S Corn planting report as of USDA as on date 12th September 2022, 53% of Corn was in good to excellent condition which was lower for past week and was 58% for same time period during last year. Also, 97% of Corn crop was in silking stage, along with 85% corn at dented stage and 95% of Corn crop was in dough stage till 12th September 2022.

USDA United States Department of Agriculture  
This product was prepared by the USDA Office of the Chief Economist (OCE)  
World Agricultural Outlook Board (WAOB)

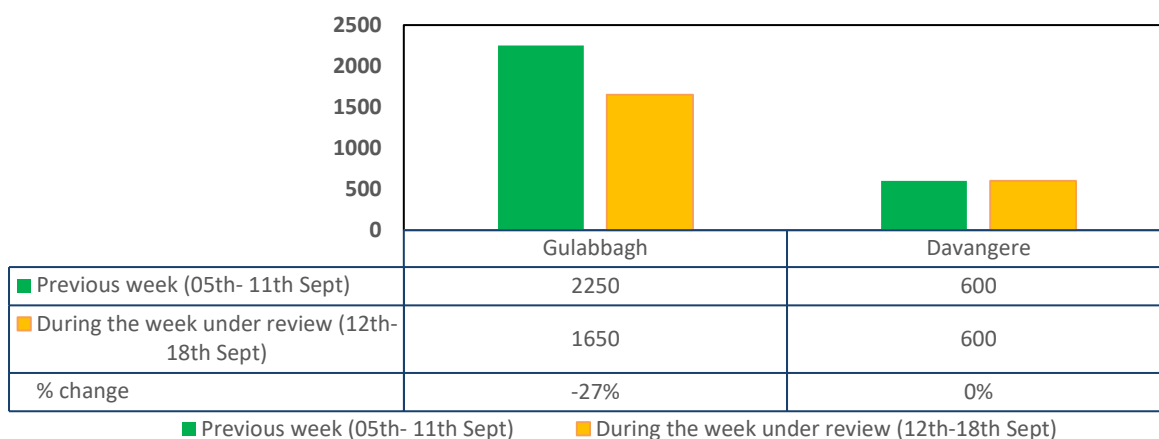
### Corn Areas in Drought

Reflects September 13, 2022  
U.S. Drought Monitor data



## New Rabi Arrivals/Supply in Bihar Markets

### Weekly Maize Arrivals

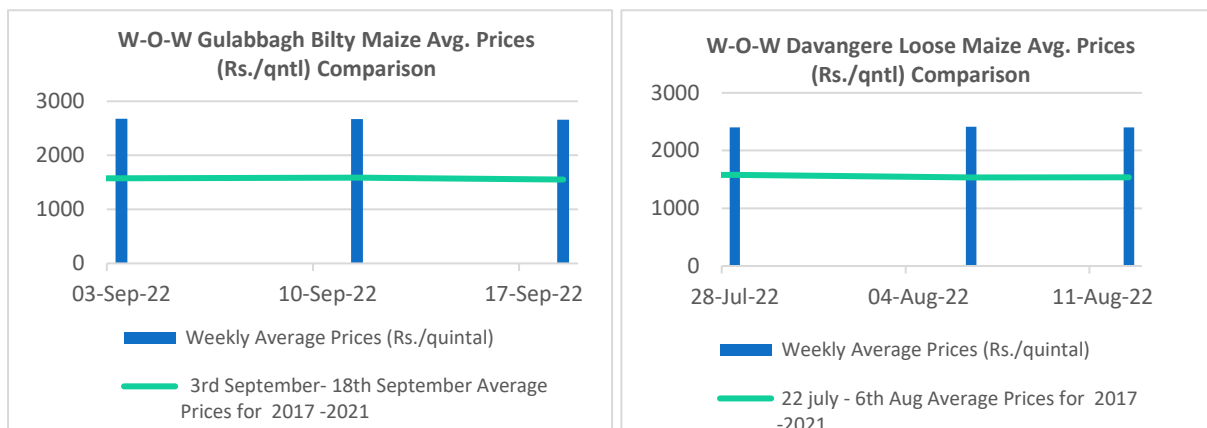


Arrivals of Maize at various spot markets around the country have been in alignment with the normal arrivals during this season. The arrivals for previous week arrivals in Davangere was at par with the previous week at 600 MT. Also, there was an decrease in total arrivals of 1650 tons during week under review as compared to previous week of 2250 tons at bench mark market Gulababagh, Bihar.

### Spot Price

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

Maize (Corn)Weekly Prices:						
Market	Grade	17-Sep-22	10-Sep-22	17-Aug-22	16-Sep-21	16-Sep-20
Naugachia	Bilty	2450	2450	2450	1825	1300
Delhi	Hybrid Maize (U.P.)	2400	2400	2500	1850	1280
Davangere	Loose	NA	NA	NA	1950	1400
Shimoga	Bilty	2500	NA	NA	NA	1350
Ranebennur	Bilty	NR	NR	2520	NA	1400
Bagalkot	Hybrid/Local	NA	NR	NR	1900	1275
Gadag	Local	2165	NA	NA	NA	1200
Nizamabad	Bilty	Closed	Closed	2500	1900	1375
Khanna	Bilty	2075	2190	2100	1800	1150
Sangli	Feed	2640	2616	2746	2097	1447
Ahmedabad	Feed	2550	2450	Closed	2000	1300
	Starch	2500	2450	Closed	2000	1350



Maize prices throughout the week displayed almost a steady sentiment on the account of slight decline in the demand of Maize from poultry sector particularly in southern markets like Tamil Nadu due to the beginning of srawan season. Also, at bench mark market Davangere, Karnataka arrivals have slowly started although the newly arrived moisture content is between 15 to 18%. Older stocks are being sold still at a price of Rs. 2650 whereas the new arrivals are sold at Rs.2550 to Namakkal and Bangalore. Average weekly prices at Gulabghat market in Bihar were at Rs. 2,658 per quintal which is less than the previous week's average weekly prices.

## Domestic Demand and Trade

As per trade sources, Flow of arrivals begin at several states like Andhra Pradesh and Telengana. However, the pressure of arrivals is expected to begin from the end of October. The crop conditions in states like Maharashtra, Madhya Pradesh and Karnataka seems to be in good condition. No export demands are noticed. As the 100% parboiled broken rice is currently available in the market, it is being used in as an alternate in the feed industry resulting in pressure on price of maize. Also, cattle and poultry feed demands have started to reduce due to the beginning of festival seasons. The prices are expected to decrease to Rs.2000- Rs.2100 till mid-October. Stockists would begin offloading the old stock from warehouse before the new arrivals begin in bulk volume.

## Exports

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.

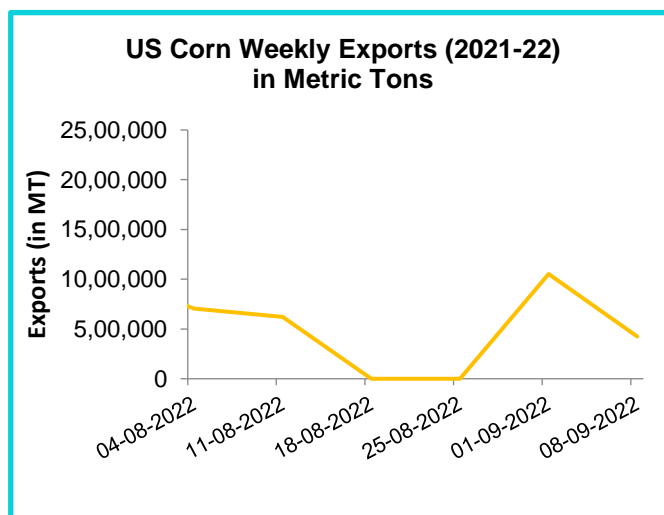
Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.79.66)				
	Argentina	Brazil	US	India
<b>FOB</b>	299.67	294.83	327.00	337.73
<b>C&amp;F</b>	347.50	356.33	382.50	372.73

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 6th September 2022, 54% of Corn was in good to excellent condition which was same for past week and was 59% for same time period during last year. Also, 97% of Corn crop was in silking stage, along with 72% corn at dented stage and 94% of Corn crop was in dough stage till 6 September 2022.

U.S. Maize exports have lowered to 0.46 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 0.42 MMT for the period of 1<sup>st</sup> Sep 2022 – 8<sup>th</sup> Sep 2022. The exports are to the Mexico (153,900 MT), China (137,100 MT), Honduras (71,100 MT), Nicaragua (18,900 MT), and El Salvador (15,400 MT).



Corn on CBOT down by 8.37 USD to 266.62 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	18-Sep-22	10-Sep-22	Change
Corn CBOT Prices	Sep-22	266.62	274.99	-8.37
	Dec-22	268.89	269.67	-0.78
	Mar-23	269.08	271.35	-2.27
	July-23	266.72	271.35	-4.63

## 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.

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