

# 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**

The arrival of maize at several spot markets across the nation has been consistent with the seasonal trend. Additionally, there was a decline in total arrivals at benchmark market Gulabghat, Bihar, from the previous week's 1650 tonnes to 1600 tonnes during the week under review.

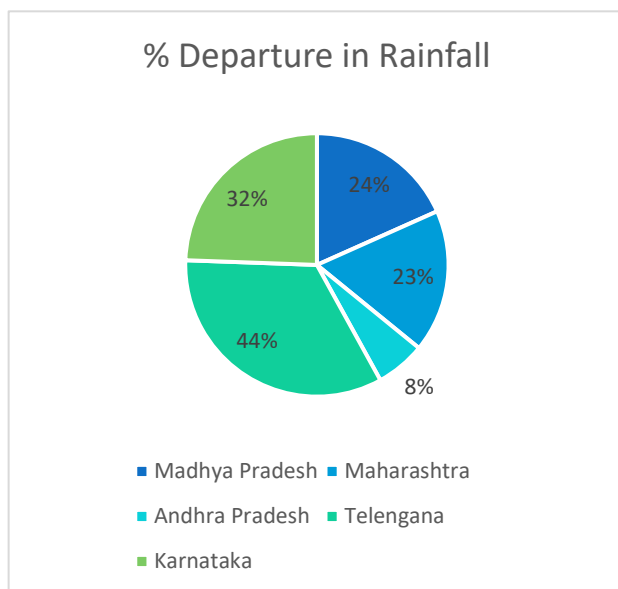
Maize prices throughout the week displayed almost a steady sentiment on the account of slight decline in the demand of Maize from poultry sector particularly in southern markets like Tamil Nadu due to the beginning of sowing season. Also, at benchmark market Davangere, Karnataka arrivals have slowly 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 0.20 USD to 266.42 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

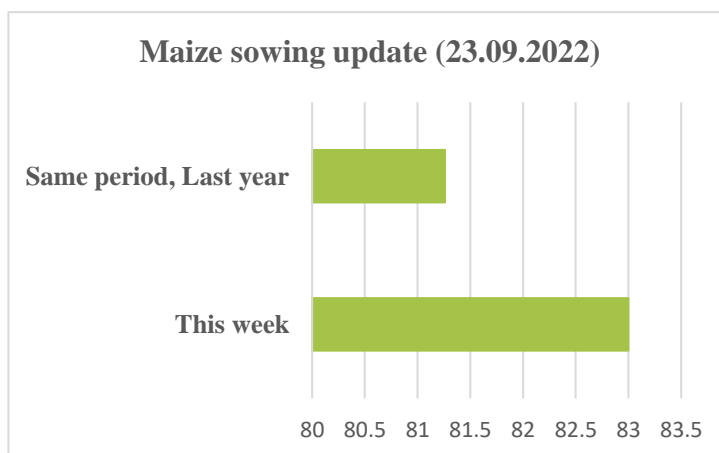


MET. SUBDIVISION	Week End (07-09-2022)	Week 2 End (14-09-22)
WEST MADHYA PRADESH	E	E
EAST MADHYA PRADESH	N	N
MADHYA MAHARASHTRA	E	E
MARATHWADA	E	E
VIDARBHA	E	E
COASTAL AP and YANAM	N	N
TELANGANA	E	E
RAYALASEEMA	E	E
COASTAL KARNATAKA	N	N
N. I. KARNATAKA	E	E
S. I. KARNATAKA	LE	LE

## DOMESTIC SCENARIO

### Maize Sowing Update

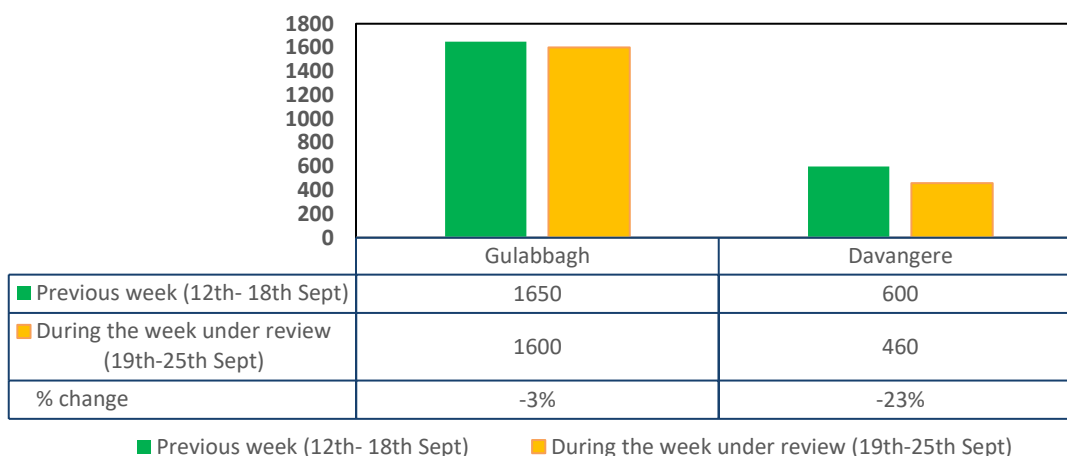
As per the latest update of Agriculture department, GOI, India marked a slight rise in Maize area coverage till 23<sup>rd</sup> September 22 as compared to same period last year. Till last week Maize has been sown in 83 lakh Ha. compared to 81.26 lakh Ha. same period last year, which is approximately 2% more



compared to last year for same time period. As per the report, largest area coverage under Maize was in M.P at around 16.14 Lakh hectares as compared to 15.13 Lakh hectares during same period last year.

## New Rabi Arrivals/Supply in Bihar Markets

### Weekly Maize Arrivals

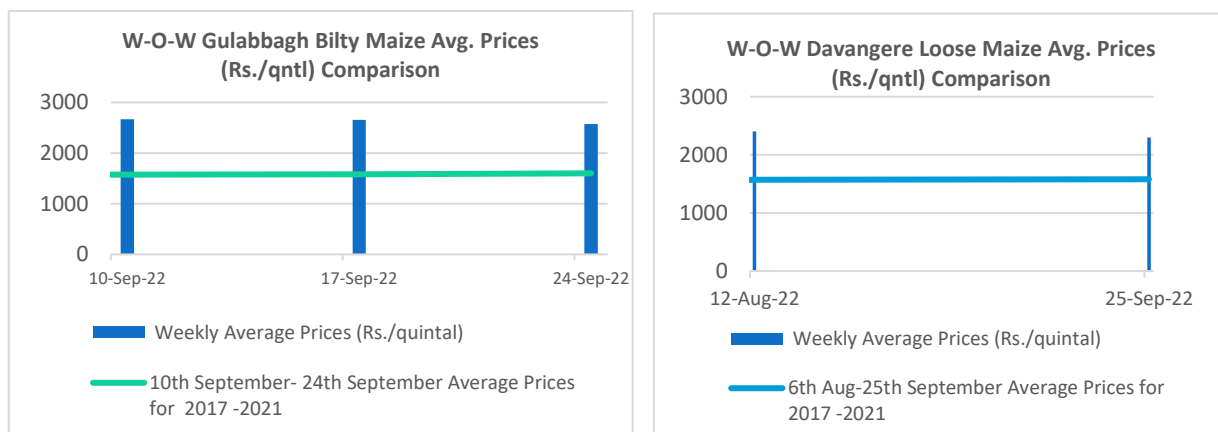


The arrival of maize at several spot markets across the nation has been consistent with the seasonal trend. When compared to the previous week's arrivals at Davangere, which were at 600 MT, the arrivals reduced to 460 MT for the week under review. Additionally, there was a decline in total arrivals at benchmark market Gulababagh, Bihar, from the previous week's 1650 tonnes to 1600 tonnes during the week under review.

### 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	24-Sep-22	17-Sep-22	24-Aug-22	23-Sep-21	23-Sep-20
Naugachia	Bilty	2400	2450	2500	1830	1300
Delhi	Hybrid Maize (U.P.)	2500	2400	2450	1850	1300
Davangere	Loose	Closed	NA	NR	1900	1350
Shimoga	Bilty	NR	2500	NR	2000	NA
Ranebennur	Bilty	NR	NA	NR	NA	1400
Bagalkot	Hybrid/Local	NR	NA	NA	1715	1000
Gadag	Local	NR	2165	NA	NR	1215
Nizamabad	Bilty	Closed	Closed	2700	1900	1375
Khanna	Bilty	2050	2075	2150	1840	1150
Sangli	Feed	2433	2640	2799	2077	1479
Ahmedabad	Feed	2600	2550	2550	2000	1320
	Starch	2550	2500	2550	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 due to the beginning of Navrathri 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 Banglore. Average weekly prices at Gulabghat market in Bihar were at Rs. 2,598 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

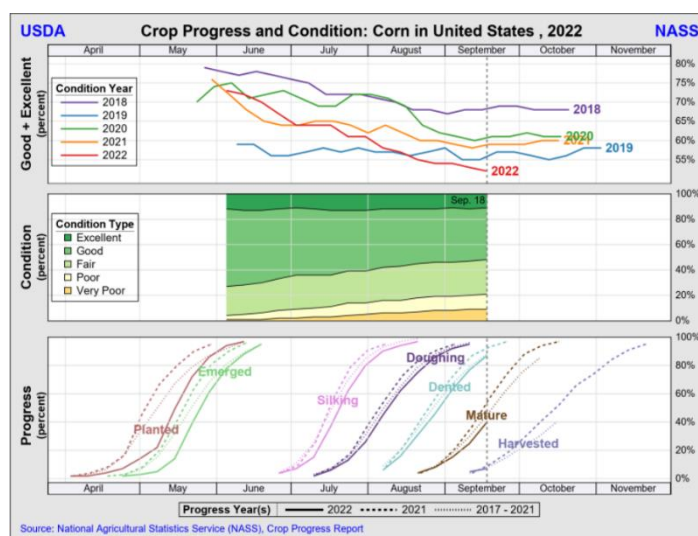
to Nepal with an average FOB of around 325.80 USD/MT. The latest data is awaited.

Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.81.52)				
	Argentina	Brazil	US	India
FOB	296.50	290.50	325.75	330.59
C&F	346.50	345.50	387.75	365.59

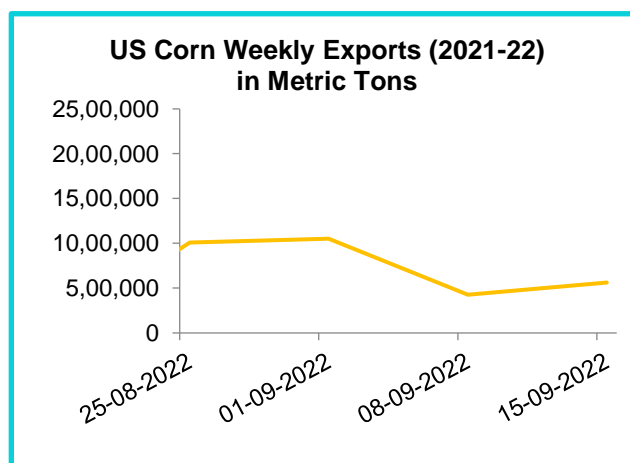
According to the latest updates, India is facing a challenge concerning exports of Indian Maize to significant export destinations like Thailand and Vietnam. The primary reason for this can be attributed to the fact that the current price at which Maize is being traded-in domestic markets in India is 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 19th September 2022, 41% of Corn was in good and 12% was in excellent condition which was almost in par for past week and was 45% good and 14% excellent for same time period during last year. Also, 92% corn at denting stage and 25% of Corn crop was in mature stage till 19<sup>th</sup> September 2022.



U.S. Maize exports have increased to 1.02 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 0.56 MMT for the period of 8<sup>th</sup> Sep 2022 – 15<sup>th</sup> Sep 2022. The exports are to Mexico (259,000 MT), China (142,300 MT), Japan (137,000 MT), Venezuela (13,200 MT), and Jamaica (7,200 MT).



Corn on CBOT down by 0.20 USD to 266.42 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	25-Sep-22	18-Sep-22	Change
Corn CBOT Prices	Sep-22	266.42	266.62	-0.20
	Dec-22	268.39	268.89	-0.50
	Mar-23	268.59	269.08	-0.49
	July-23	266.03	266.72	-0.69

## 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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