

# Maize-Weekly Fundamental Report

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### WEEKLY DIGEST AND OUTLOOK

As weeks pass by, the arrivals at the market are decreasing although the demand continues to rise. The arrivals in Davangere had decreased to 1400 MT during the reviewed. The overall number of arrivals at the benchmark market in Gulabbagh, Bihar, during this week is at 2400 MT, slightly up by 2% to 2350 MT.

Maize prices displayed a slightly firm price trend across the major spot markets in the nation, while arrivals have decreased as the week came to a close. This is due to decrease in arrivals as compared to same period last year while the demand is currently more. The average weekly price for bilty maize at Gulabbagh Market in Bihar stayed at Rs. 2,675 per quintal, which is slightly up compared to last week.

Corn on CBOT down by 6.00 USD to 249.8 USD per MT for Dec'22 contract, as compared to previous week.

**Outlook:**

AgriWatch predicts price movement of maize to be range bound during the coming weeks as fluctuations could take place upon discussion of ban in exports.

## WEATHER SCENARIO

Weather reports indicate that Andhra Pradesh is experiencing a light to moderate rainfall while in Karnataka and Telangana, there is very less rainfall and Tamil Nadu, rainfall is at excess. No rain is experienced in Madhya Pradesh, Maharashtra, or Bihar.

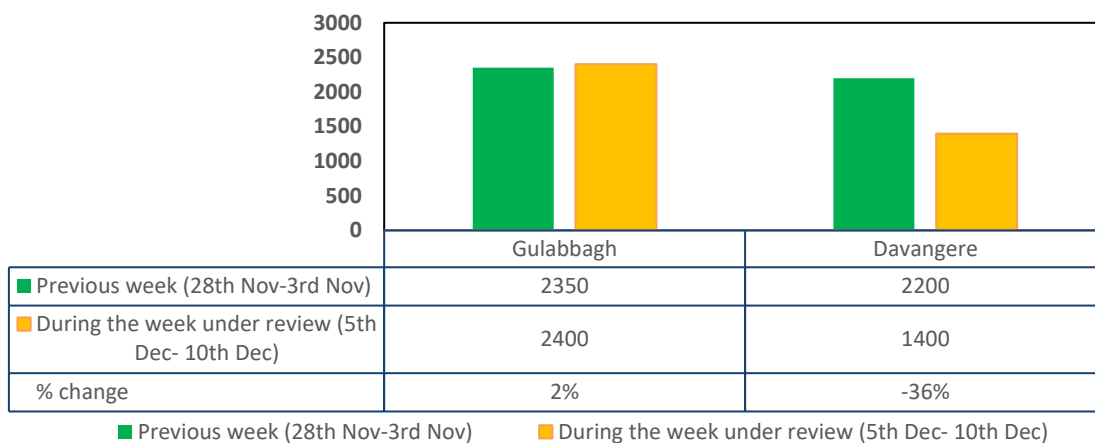
## DOMESTIC SCENARIO

### Maize Sowing Update

As per the latest update of Agriculture department, GOI, India marked a slight rise in Rabi Maize area coverage till 9<sup>th</sup> December 2022 as compared to same period last year. Maize has been sown in 10.48 lakh Ha. compared to 6.95 lakh Ha. same period last year, which is approximately 51% higher compared to last year for same time period.

### New Rabi Arrivals/Supply in Bihar Markets

#### Weekly Maize Arrivals

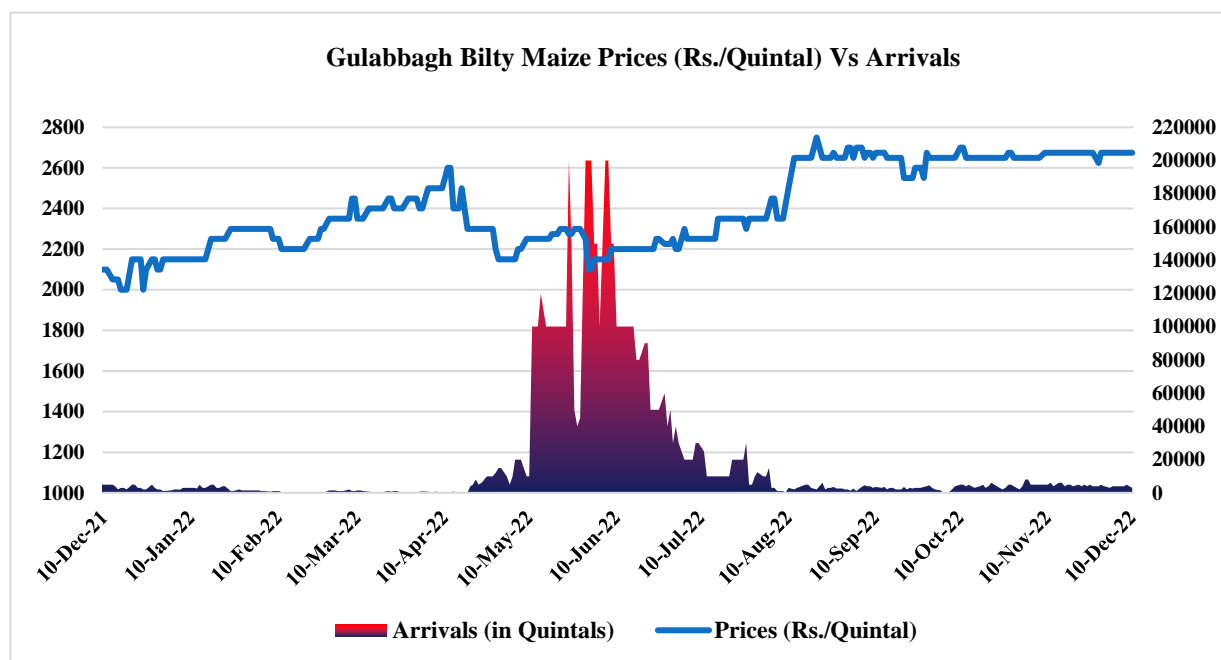


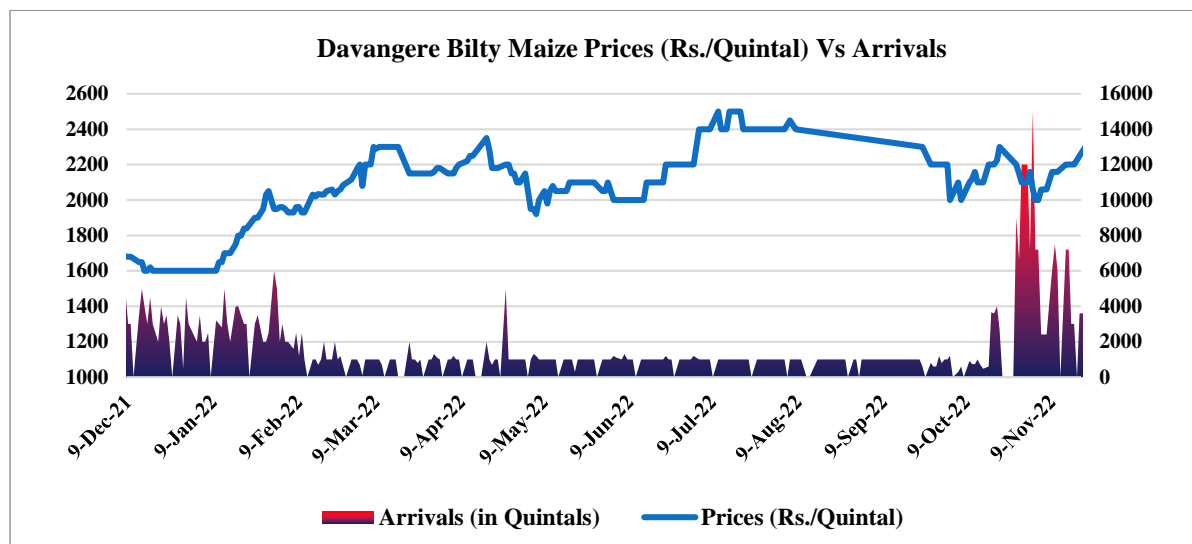
As weeks pass by, the arrivals at the market are decreasing although the demand continues to rise. The arrivals in Davangere had decreased to 1400 MT during the reviewed week compared to the previous week, which were at 2200 MT i.e., nearly by 36%. The overall number of arrivals at the benchmark market in Gulababagh, Bihar, during this week is at 2400 MT, slightly up by 2% to 2350 MT.

## Spot Price

Maize prices displayed a slightly firm price trend across the major spot markets in the nation, while arrivals have decreased as the week came to a close. This is due to decrease in arrivals as compared to same period last year while the demand is currently more.

Maize (Corn)Weekly Prices:						
Market	Grade	10-Dec-22	03-Dec-22	09-Nov-22	09-Dec-21	09-Dec-20
Naugachia	Bilty	2450	2500	2350	2100	1550
Delhi	Hybrid Maize (U.P.)	2325	2300	2350	1920	1550
Davangere	Loose	Closed	Closed	2160	1680	1380
Shimoga	Bilty	NR	2361	NR	1700	NR
Ranebennur	Bilty	NR	NR	2400	1760	NR
Bagalkot	Hybrid/Local	NR	2189	2169	1715	1460
Gadag	Local	NR	2160	2019	1620	1356
Nizamabad	Bilty	Closed	Closed	2200	1850	1500
Khanna	Bilty	2350	2300	2230	1910	1530
Sangli	Feed	2344	2301	2264	1905	1552
Ahmedabad	Feed	2900	NR	2200	1880	1525
	Starch	2300	NR	2300	1900	1550





The fresh arrivals were last week purchased at Davangere's benchmark market for an average price of between Rs. 1800 and Rs. 2300 same as last week. For Namakkal and Bengaluru, the average price were Rs. 2400 and Rs. 2325, respectively which is also flat with the previous week. This is due to low arrivals and demand at the market. However, for the week under review, the average weekly price for bilty maize at Gulabbagh Market in Bihar stayed at Rs. 2,675 per quintal, which is slightly up compared to last week.

## Domestic Demand and Trade

The arrivals at the various markets are still ongoing. However, maize prices have begun to rise again. Strong demand for maize kept the prices firm despite the peak arrival season. Despite the peak arrival season, prices for maize remained stable due to the strong demand from stockists, merchants, exporters, and feed producers. Additionally, this year's maize rail rake traffic is still robust. The domestic demand for maize is anticipated to increase this year by 2.3% year over year to 28.8 million MT, driven by an increase in feed demand of 2.5% to 17 million MT and an increase in food and industrial demand of 2% to 11.7 million MT. Therefore, a large increase in maize demand along with firm pricing for replacement feed grains would maintain an optimistic outlook for maize prices.

## Exports

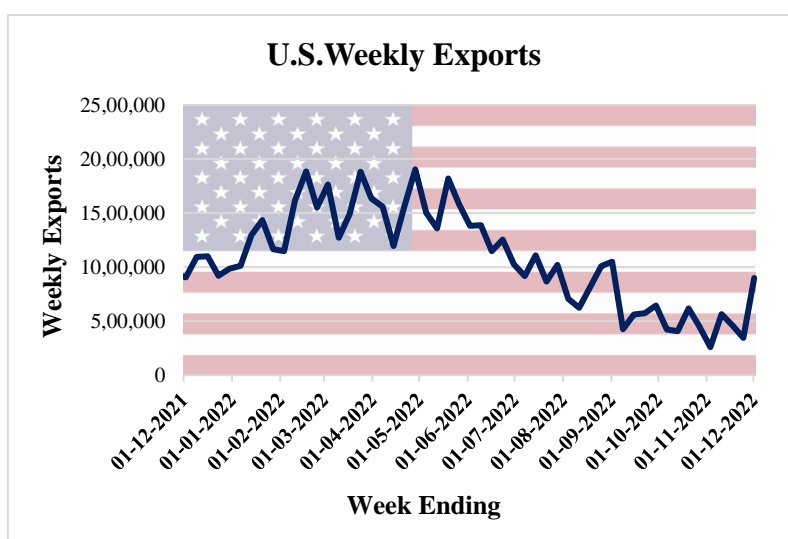
As per the Trade sources India exported around 5,17,625 MT of Maize during November 2022 with the average FOB of around 375 USD/MT. Also, out of this around 1,76,693 MT of Maize was exported to Bangladesh with an average FOB of around 317 USD/MT and 50,172 MT of Maize was exported to Nepal with an average FOB of around 309 USD/MT.

Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.82.20)				
	Argentina	Brazil	US	India
FOB	306.00	286.67	305.0	300.44
C&F	356.00	341.67	365.00	335.44

As Argentina and Brazil begin their new crop harvest, the South East Asian countries' demand for maize from India would decline and shift to South American corn. India would not be competitive for exports to Southeast Asia because Brazil and Argentina both provide corn at FOB rates of \$287.25 per metric ton (MT), while India offers \$305/MT and Vietnam CIF quotes is at \$330.75/MT. On the other hand, India's maize crop supply is not severely limited this year. The anticipated 21.31 million MT crop of maize for the Kharif season was 2% less than the 21.77 million MT yield from the previous year.

## INTERNATIONAL SCENARIO

U.S. Maize exports have reached at 6.67 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 0.90 MMT for the period of 24<sup>th</sup> November 2022 to 1<sup>st</sup> December 2022. Exports of 900,100 MT were primarily to China (474,900 MT), Mexico (344,200 MT), Japan (39,300 MT), Canada (24,400 MT), and Taiwan (6,300 MT).



Corn on CBOT down by 6.00 USD to 249.8 USD per MT for Dec'22 contract, as compared to previous week. However, AgriWatch expects that for upcoming week Corn on CBOT would trade weak to a bearish trend.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	10-Dec-22	03-Dec-22	Change
Corn CBOT Prices	Dec-22	249.89	255.89	-6.00
	Mar-23	253.53	260.03	-6.50
	May-23	254.02	259.54	-5.52
	July-23	252.25	257.47	-5.22

### **DOMESTIC OUTLOOK**

AgriWatch predicts price movement of maize to be range bound during the coming weeks as fluctuations could take place upon discussion of ban in exports. Additionally, the poultry and starch industry have started to purchase maize from various markets as their older stocks are coming to an end. Once the arrivals reduce, it is expected for the prices to surge again during later stages until the arrival of Rabi maize.

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