

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 drastically to 474 tonnes during the reviewed week compared to the previous week, which were at 840 tonnes. The overall number of arrivals at the benchmark market in Gulabbagh, Bihar, during this week is at 2500 MT, up from previous week of 2400 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 flat from last week.

Corn on CBOT up by 7.18 USD to 249.89 per MT for Dec'22 contract, as compared to previous week.

Outlook:

In the upcoming weeks, AgriWatch anticipates maize price movement to be range-bound due to potential swings brought on by discussions of an export ban.

WEATHER SCENARIO

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

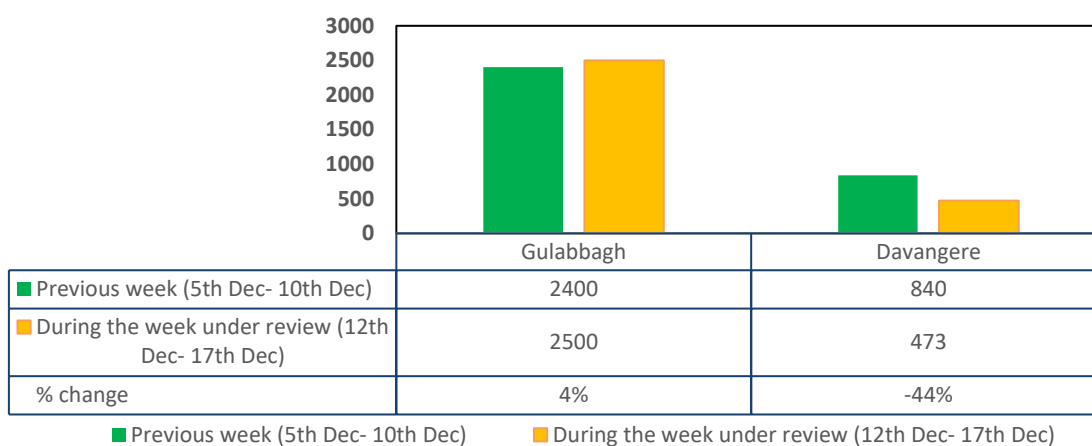
DOMESTIC SCENARIO

Maize Sowing Update

As per the latest update of Agriculture department, GOI, India marked a slight rise in Rabi Maize area coverage till 16th December 2022 as compared to same period last year. Maize has been sown in 13.47 lakh Ha. compared to 10.98 lakh Ha. same period last year, which is approximately 23% higher compared to last year for same time period.

New Rabi Arrivals/Supply in Bihar Markets

Weekly Maize Arrivals

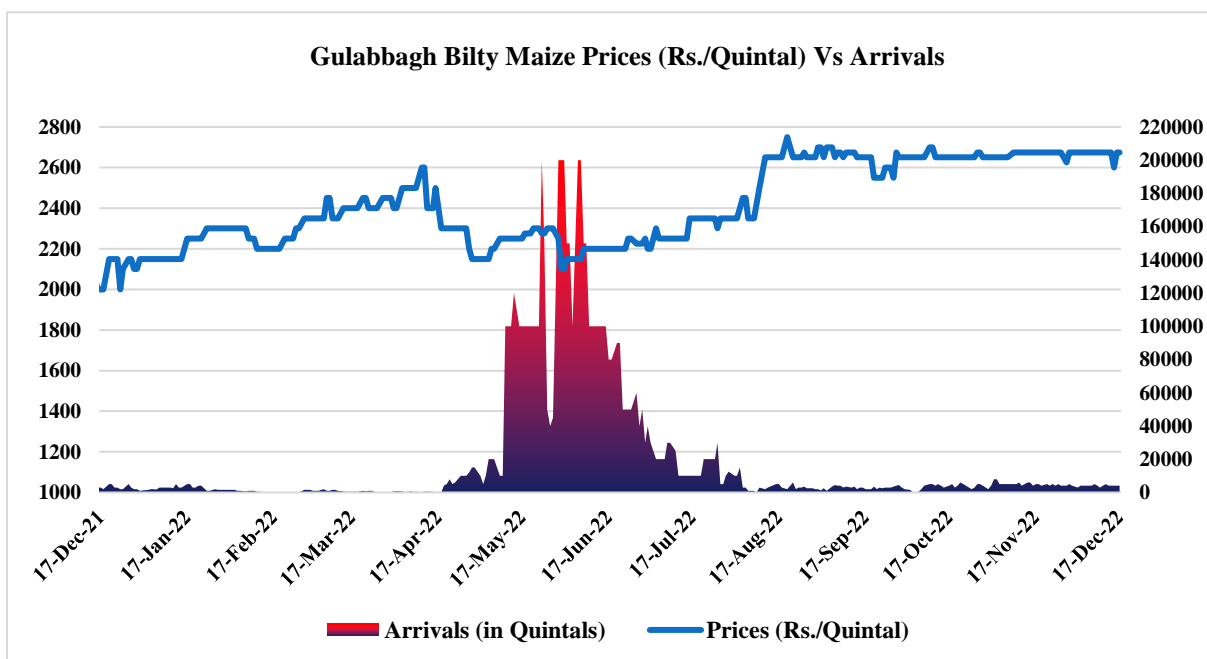


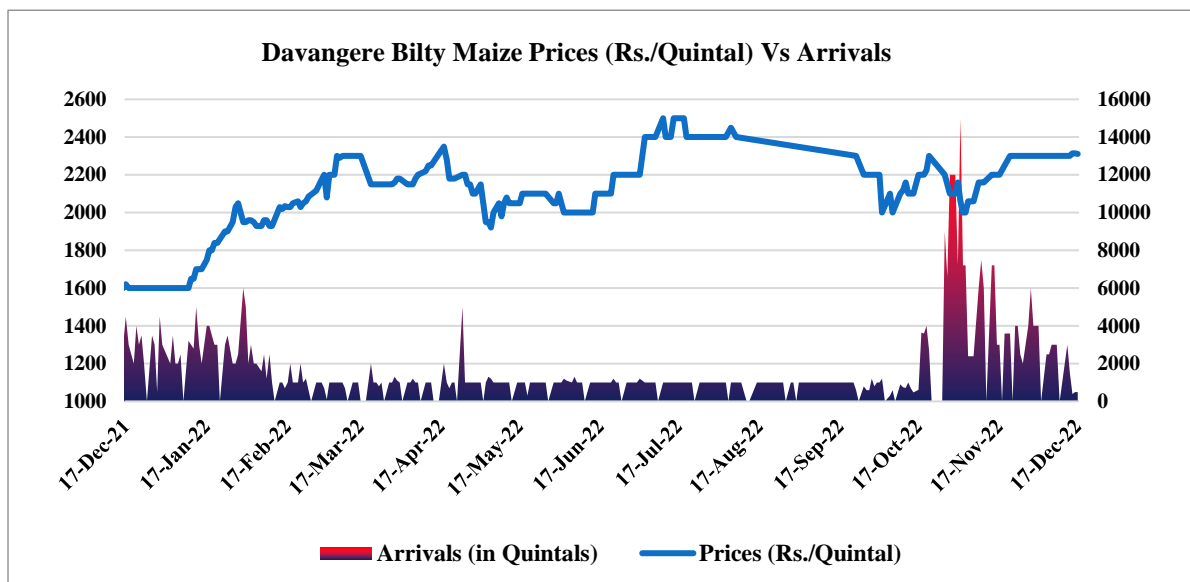
As weeks pass by, the arrivals at the market are decreasing although the demand continues to rise. The arrivals in Davangere had decreased drastically to 474 tonnes during the reviewed week compared to the previous week, which were at 840 tonnes. This happened due to very heavy rainfall that occurred in Davangere the previous week and arrivals were not reaching the market. The overall number of arrivals at the benchmark market in Gulabbagh, Bihar, during this week is at 2500 MT, up from previous week of 2400 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. Export demand is also on the higher end.

Maize (Corn)Weekly Prices:						
Market	Grade	17-Dec-22	10-Dec-22	16-Nov-22	16-Dec-21	16-Dec-20
Naugachia	Bilty	2450	2450	2450	2025	1550
Delhi	Hybrid Maize (U.P.)	2400	2325	2300	1850	1560
Davangere	Loose	2310	Closed	2200	1600	1390
Shimoga	Bilty	NR	NR	2200	1650	NR
Ranebennur	Bilty	NR	NR	2150	NR	NR
Bagalkot	Hybrid/Local	2179	2170	2170	1700	1445
Gadag	Local	2206	2160	2080	1650	1370
Nizamabad	Bilty	Closed	Closed	2200	1850	1500
Khanna	Bilty	2300	2350	2350	1850	1500
Sangli	Feed	2354	2344	2247	1870	1519
Ahmedabad	Feed	NR	2290	NR	1850	1550
	Starch	NR	2300	NR	1800	1550





The fresh arrivals (loose) were last week purchased at Davangere's benchmark market for an average price of between Rs. 2300 and Rs. 2315 same as last week. For Namakkal and Bengaluru, the average price were Rs. 2450 and Rs. 2350, respectively which has shown slightly firm movement compared 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 Gulabghat Market in Bihar stayed at Rs. 2,675 per quintal, which is flat from 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.

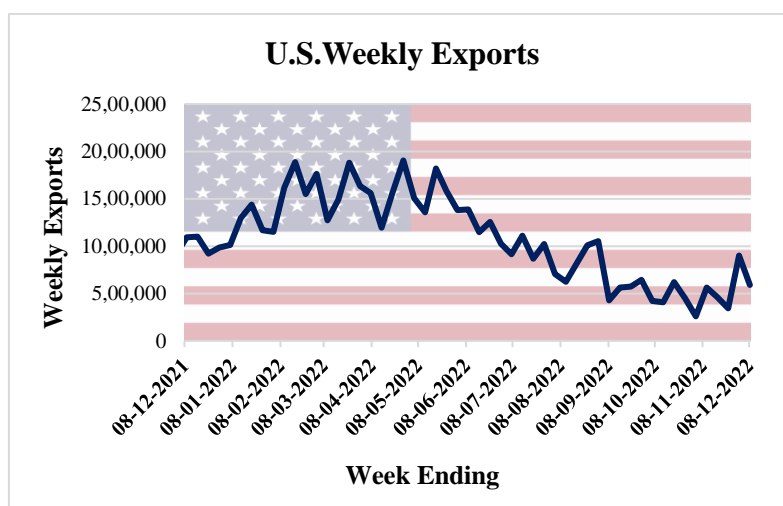
Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.82.20)				
	Argentina	Brazil	US	India
FOB	310.00	294.00	310.00	300.44
C&F	360.00	349.00	370.00	335.44

The South East Asian nations' demand for Indian maize would diminish as Argentina and Brazil started harvesting their new crops, and they would switch to South American corn instead. Brazil and Argentina both offer maize at FOB rates of \$287.25 per metric ton (MT), while India offers \$305/MT and Vietnam CIF bids are at \$330.75/MT, making India uncompetitive for exports to Southeast Asia. On the other hand, this year's maize crop supply in India is not significantly constrained. For the Kharif season, a maize crop of 21.31 million MT was projected, which was 2% less than the 21.77 million MT production from the previous year.

INTERNATIONAL SCENARIO

U.S. Maize exports have reached at 7.26 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 0.59 MMT for the period of 1st December 2022 to 8th December 2022. Exports of 590,500 MT were primarily to China (207,700 MT, including 77,000 MT - late),

Mexico (155,500 MT), Honduras (98,100 MT), Japan (60,300 MT), and Costa Rica (35,600 MT).



Corn on CBOT up by 7.18 USD to 249.89 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	17-Dec-22	10-Dec-22	Change
Corn CBOT Prices	Dec-22	257.07	249.89	+7.18
	Mar-23	257.27	253.53	+3.74
	May-23	255.21	254.02	+1.19
	July-23	240.25	252.25	-12.00

DOMESTIC OUTLOOK

In the upcoming weeks, AgriWatch anticipates maize price movement to be range-bound due to potential swings brought on by discussions of an export ban. In addition, because their older inventories are running out, the poultry and starch industries have begun to buy maize from different markets. Price increases are anticipated later on till the arrival of Rabi maize as the arrivals start to decline.

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