

Maize-Weekly Fundamental Report

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WEEKLY DIGEST AND OUTLOOK

Even while demand is still increasing, there are fewer new arrivals each week. Davangere arrivals increased even further to 870 tonnes compared to the previous week, when they were 372 tonnes. The benchmark market in Gulabbagh, Bihar, has received 2700 MT altogether this week compared to 1900 MT previous week.

Maize prices displayed a slight down trend during the previous week in major markets as new arrivals are declining and low-quality maize is being sold from old stocks. The Davangere benchmark market sold arrivals (loose) for an average price that ranged from Rs. 2100 to Rs. 2380.

Corn on CBOT up by 4.82 USD to 267.11 per MT for Dec'22 contract, as compared to previous week.

Outlook:

AgriWatch expects prices to trade range-bound in the coming days due to fluctuation in arrivals at the market.

WEATHER SCENARIO

According to weather forecasts, Andhra Pradesh is seeing a significant quantity of rainfall in some areas, particularly around the coastal zone. The last week's weather in Karnataka has been clear. In several areas of Tamil Nadu, there is heavy rainfall accompanied by thunderstorms, which might even cause crop destruction. There is a severe lack of rain in places like Bihar, while there are no signs of rainfall in Maharashtra and Madhya Pradesh.

DOMESTIC SCENARIO

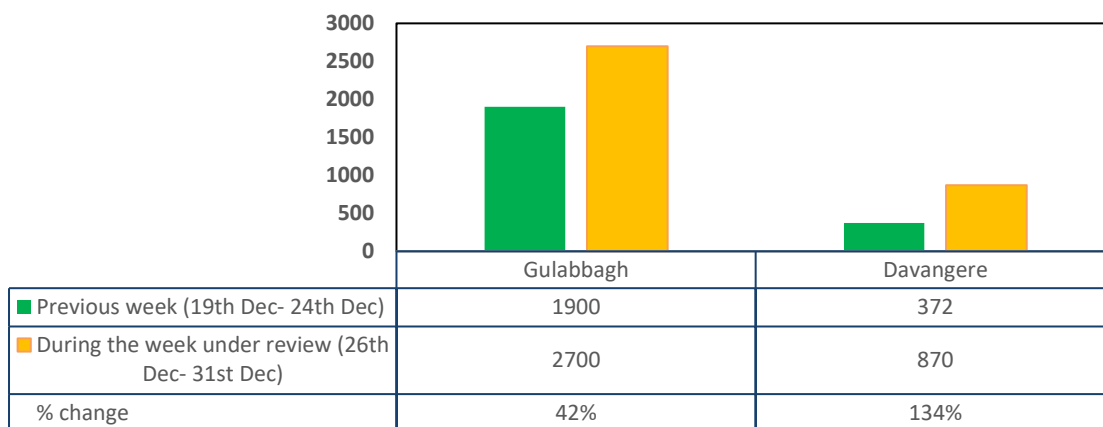
Maize Sowing Update

According to the most recent report from the Agriculture Department of GOI, India's Rabi Maize area coverage until December 31st 2022 will have slightly increased compared to the same time previous year. In comparison to the same period last year, when maize was sown on 14.56 lakh hectares, it has now been planted on 17.64 lakh ha, or around 21% more land.

Rabi Maize Area in Lakh ha as on 30th Dec-2022						
States	Normal Area (3yrs average)	2022	2021	% Over 2021	% Over normal area	% Area shares as on 30-Dec-22
Bihar	5.05	5.43	4.94	9.92	7.5	30.17
Maharashtra	3.62	2.98	2.25	32.4	-17.83	16.53
Tamil Nadu	1.77	1.87	1.85	1.3	5.6	10.39
West Bengal	2.39	1.46	1.4	4.5	-38.85	8.13
Karnataka	1.38	1.1	0.83	32.53	-20.29	6.11
Gujarat	1.11	1	0.82	22.64	-9.73	5.57
Telangana.	1.55	0.98	0.73	33.51	-36.77	5.44
Andhra Pradesh	1.89	0.94	0.59	59.32	-50.26	5.22
Others	1.51	2.24	1.6	40.38	48.28	12.44
All India Total	20.28	18	15	20	-11.24	

New Rabi Arrivals/Supply in Markets

Weekly Maize Arrivals



■ Previous week (19th Dec- 24th Dec) ■ During the week under review (26th Dec- 31st Dec)

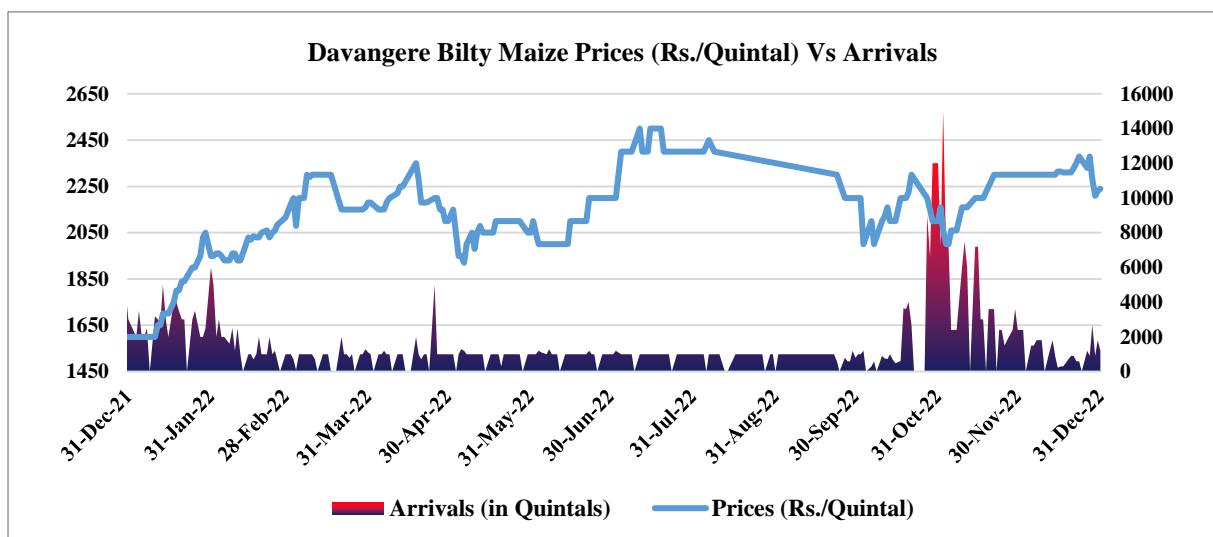
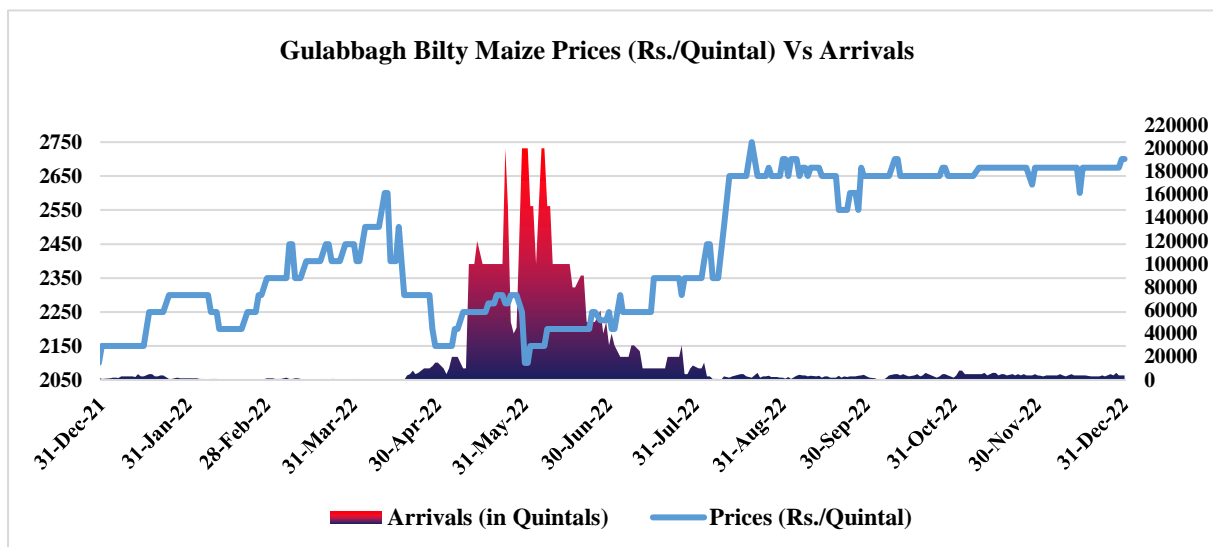
Even while demand is still increasing, there are fewer new arrivals each week. This is a result of farmers anticipating better prices in the upcoming days. Davangere arrivals increased even further to 870 tonnes compared to the previous week, when they were 372 tonnes. The benchmark market in Gulabbagh, Bihar, has received 2700 MT altogether this week compared to 1900 MT previous week.

Spot Price

Maize prices displayed a slight down trend during the previous week in major markets as new arrivals are declining and low-quality maize is being sold from old stocks. Farmers are hesitant to bring new arrivals to the market as they anticipate an increase in price in the coming weeks.

Maize (Corn)Weekly Prices:						
Market	Grade	31-Dec-22	24-Dec-22	30-Nov-22	30-Dec-21	30-Dec-20
Naugachia	Bilty	2400	2450	2450	2050	1550
Delhi	Hybrid Maize (U.P.)	2420	NR	2300	1900	1475
Davangere	Loose	2240	Closed	2300	1600	1320
Shimoga	Bilty	NR	NR	NR	1650	1350
Ranebennur	Bilty	NR	NR	NR	NR	NR
Bagalkot	Hybrid/Local	2251	NR	2189	1690	1400
Gadag	Local	2155	2209	2150	1620	NR
Nizamabad	Bilty	NR	Closed	NR	1850	NR
Khanna	Bilty	2300	2250	2300	1890	1450
Sangli	Feed	2428	2442	2288	1871	1540

Ahmedabad	Feed	2375	2375	NR	1850	1460
	Starch	2375	2375	NR	1870	1525



The Davangere benchmark market sold arrivals (loose) last week for an average price that was higher than the week before, ranging from Rs. 2100 to Rs. 2380. In Namakkal and Bengaluru, the average price was Rs. 2375 and Rs. 2308, respectively, showing a somewhat firmer movement than the previous week. However, the average weekly price for bilty maize increased from the previous week to Rs. 2,683 per quintal for the period under review at Gulabbagh Market in Bihar.

Domestic Demand and Trade

Arrivals at the various markets are reducing as weeks pass by. Due to decrease, markets are selling low quality maize available at the market from before at a lower price. Also, the farmers are anticipating that the prices will surge on the coming days and keeping the new stock of maize back. In Bihar, rabi sowing is still on and old arrivals are still selling at a flat price. The new arrivals are expected by beginning of April. By mid-Jan, Maharashtra will begin their spring sowing of maize which will bring more arrivals to the market. In fact, due to cotton prices reducing in the market, traders in Maharashtra are selling maize at the current high prices of 2100 to 2130 for good quality. Also, the poultry sector has recently switched to broken rice from maize due to the lower price of the former i.e., the demand for maize remains only for starch industry.

Exports

Approximately 5,17,625 MT of maize were exported from India in November 2022, with an average FOB of about 375 USD/MT, according to trade sources. Additionally, 50,172 MT of maize were shipped to Nepal and 1,76,693 MT of maize were exported to Bangladesh, with an

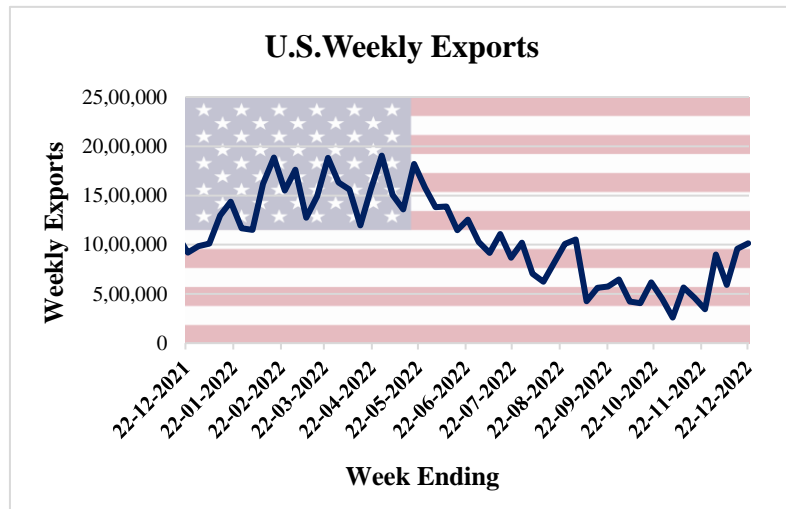
Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.82.63)				
	Argentina	Brazil	US	India
FOB	315.50	312.50	320.50	-
C&F	365.50	367.50	380.50	-

average FOB of roughly 317 USD/MT and around 309 USD/MT, respectively.

As per reports, the prices of domestic maize surging have affected its demand at an international level. Countries like Malaysia, Vietnam and to some extent Bangladesh who were frequent buyers of India maize have now shifted to South African, Ukraine and U.S. corn due to lower prices. Bangladesh had preferred to purchase maize via road and rail from Bihar but that was earlier restricted. Although the restriction has been removed, due to disparity, Bangladesh still does not import Indian maize. As of export curb, as maize is not an essential commodity and as domestic supply will be large by end of rabi harvest, there will be no ban on export of maize.

INTERNATIONAL SCENARIO

U.S. Maize exports have reached at 9.23 million metric tonne (MMT) for 2021-22 Marketing Year, with the exports of 1.01 MMT for the period of 15th December 2022 to 22nd December 2022. Exports of 1,012,500 MT were primarily to Mexico (441,600 MT), China (278,400 MT), Japan (124,200 MT), Colombia (45,400 MT), and Guatemala (33,700 MT).



Corn on CBOT

Corn on CBOT up by 4.82 USD to 267.11 per MT for Dec'22 contract, as compared to previous week. However, AgriWatch expects that for upcoming week Corn on CBOT would trade range bound.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	31-Dec-22	24-Dec-22	Change
Corn CBOT Prices	Dec-22	267.11	262.29	+4.82
	Mar-23	266.92	261.8	+5.12
	May-23	264.46	259.04	+5.42
	July-23	246.84	242.8	+4.04

DOMESTIC OUTLOOK

AgriWatch expects prices to trade range-bound in the coming days due to fluctuation in arrivals at the market. New arrivals will soon start to occur in Karnataka markets from Tamil Nadu. While in Maharashtra, stockists and traders are stocking up maize as the prices tend to surge after Makar Sankranti. On a long run, by end of march to April, on arrival of rabi maize, prices will go towards the lower side.

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