

# Maize-Weekly Fundamental Report

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**WEEKLY DIGEST AND OUTLOOK**

Even if the demand is still rising, fewer fresh arrivals are made each week. Davangere arrivals decreased to 101 tonnes compared to the previous week, when they were 870 tonnes. The benchmark market in Gulabghat, Bihar, has received 1610 MT altogether this week compared to 2700 MT previous week.

During the previous weeks, the price of maize exhibited a range-bound pattern. Last week, arrivals (loose) were sold at the Davangere benchmark market for an average price that was lower than the week before, ranging from Rs. 2080 to Rs. 2230.

Corn on CBOT down by 9.64 USD to 257.47 per MT for Mar'23 contract, as compared to previous week.

**Outlook:**

AgriWatch anticipates that prices will remain range-bound in the upcoming days as a result of shifting market arrivals.

## WEATHER SCENARIO

According to weather forecasts, Andhra Pradesh and Tamil Nadu will be experiencing a dry weather for a few days. Karnataka seems to be experiencing a cold wave in a few areas with probability of rains close to NIL. Similar is in the case of Bihar, Madhya Pradesh and Maharashtra.

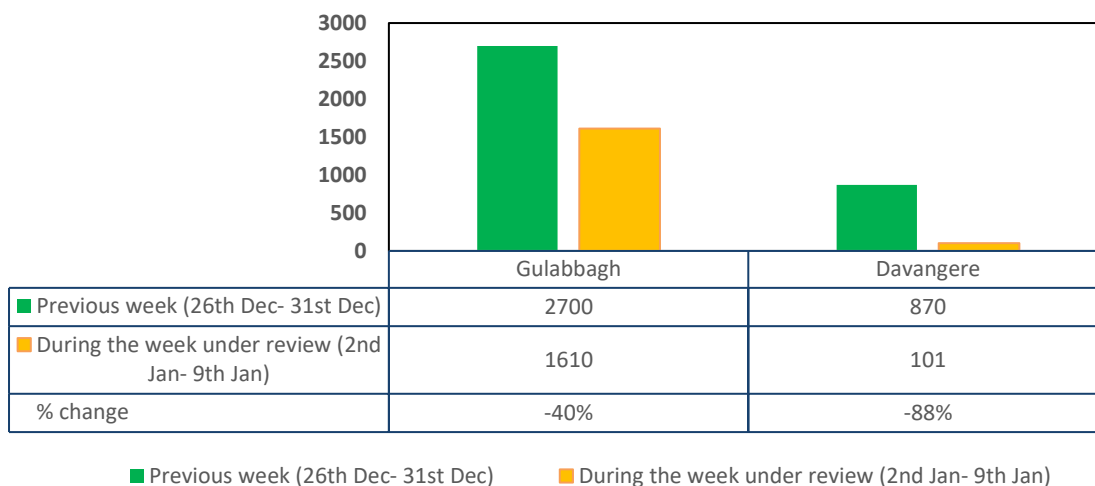
## DOMESTIC SCENARIO

### Maize Sowing Update

According to the most recent report from the Agriculture Department of GOI, India's Rabi Maize area coverage until January 6<sup>th</sup> 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 15.79 lakh hectares, it has now been planted on 19.21 lakh ha, or around 22% more land.

### New Rabi Arrivals/Supply in Markets

#### Weekly Maize Arrivals

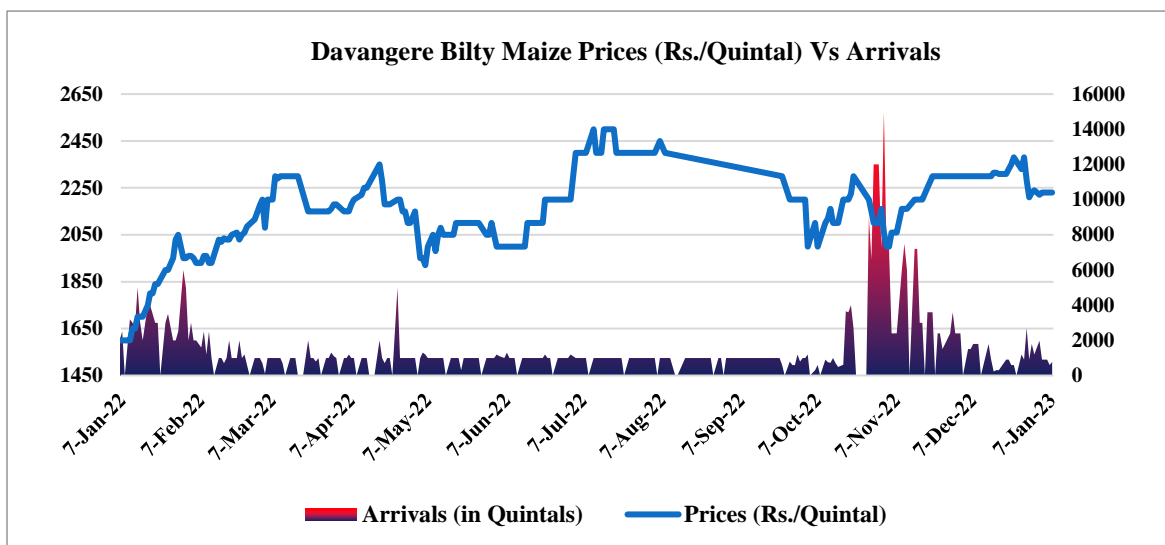


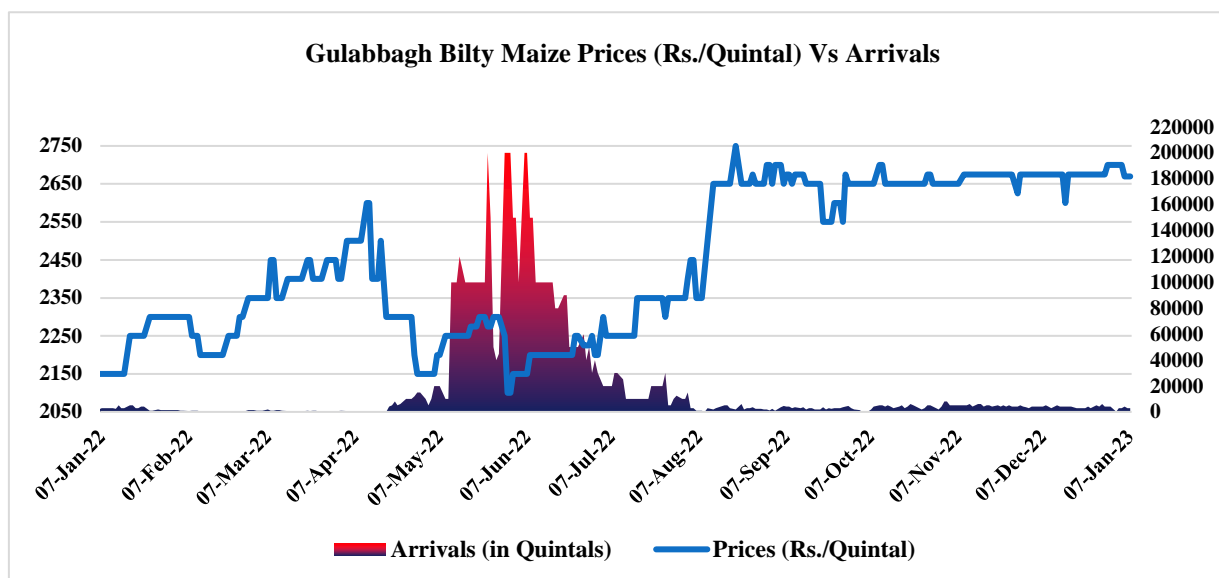
Even if the demand is still rising, fewer fresh arrivals are made each week. Farmers expect higher prices in the coming days, which is why this has happened. Davangere arrivals decreased to 101 tonnes compared to the previous week, when they were 870 tonnes. The benchmark market in Gulabbagh, Bihar, has received 1610 MT altogether this week compared to 2700 MT previous week.

## Spot Price

During the previous weeks, the price of maize exhibited a range-bound pattern. Farmers are reluctant to introduce new supplies to the market because they expect prices to rise during the next few weeks. However, in some mandis active purchasing by exporters are also ongoing.

Maize (Corn)Weekly Prices:						
Market	Grade	07-Jan-23	31-Dec-22	07-Dec-22	06-Jan-22	06-Jan-21
Naugachia	Bilty	2500	2400	2450	2150	1450
Delhi	Hybrid Maize (U.P.)	2490	2420	2300	1900	1500
Davangere	Loose	2230	2240	2300	1600	1300
Shimoga	Bilty	NR	NR	2275	1780	NR
Ranebennur	Bilty	NR	NR	2200	NR	1380
Bagalkot	Hybrid/Local	2251	2251	2210	NR	1375
Gadag	Local	2150	2155	2340	1675	1360
Nizamabad	Bilty	NR	NR	2400	1850	1450
Khanna	Bilty	2300	2300	2300	1920	1400
Sangli	Feed	2377	2428	2321	1901	1526
Ahmedabad	Feed	NR	2375	2400	1880	1480
	Starch	NR	2375	2450	1900	1480





Last week, arrivals (loose) were sold at the Davangere benchmark market for an average price that was lower than the week before, ranging from Rs. 2080 to Rs. 2230. The average price was Rs. 2392 in Namakkal and Rs. 2333 in Bengaluru, reflecting a somewhat firmer movement than the previous week. However, over the time period under study, the average weekly price for bilty maize at Gulabbagh Market in Bihar remained practically unchanged from the previous week at Rs. 2,685 per quintal.

## Domestic Demand and Trade

As the weeks go by, fewer people are arriving at the various marketplaces. Markets are offering previously available low-quality maize at a cheaper price due to a decline. Farmers are also holding back new supplies of maize because they believe that prices will rise in the near future. Rabi sowing is still going on in Bihar, and older arrivals are still selling their goods for a set price. By the beginning of April, the new newcomers should arrive. Maharashtra will start their maize spring sowing by mid-January, which would increase the number of arrivals to the market. In fact, dealers in Maharashtra are selling good quality maize at the present high rates of 2100 to 2130 due to the market's declining cotton prices. Additionally, because broken rice is less expensive than maize, the poultry industry recently moved from using the latter, leaving only the starch industry as a buyer for maize.

## Exports

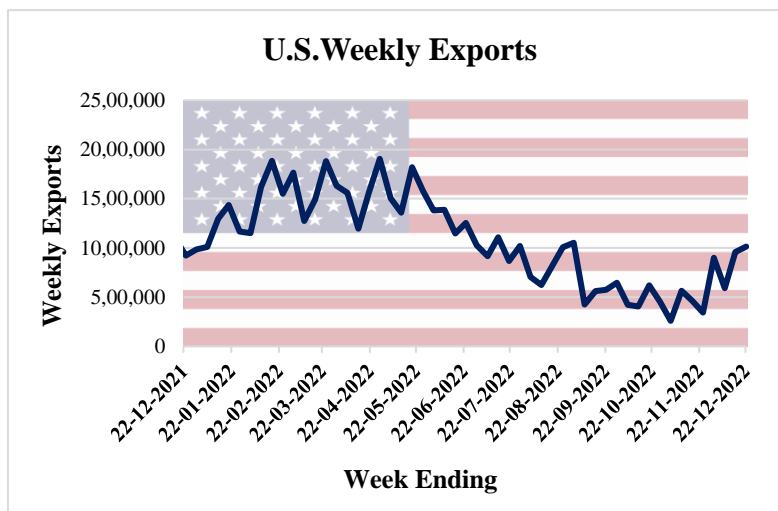
According to trade sources, India exported 5,17,625 MT of maize in November 2022 for an average FOB of roughly 375 USD/MT. In addition, maize was exported to Bangladesh in quantities of 1,76,693 MT and 50,172 MT, respectively, at average FOB of about 317 USD/MT and 309 USD/MT.

Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.82.63)				
	Argentina	Brazil	US	India
FOB	305.00	300.50	306.50	-
C&F	355.00	355.50	366.50	-

According to sources, the sharp rise in domestic maize prices has impacted the market for the grain internationally. Due to decreasing pricing, nations that were regular consumers of Indian maize, like Malaysia, Vietnam, and to a lesser extent Bangladesh, have switched to buying South African, Ukrainian, and American corn. Prior to restrictions, Bangladesh had opted to purchase maize from Bihar via road and train. Bangladesh still doesn't import Indian maize, despite the embargo having been lifted, because of the discrepancy. There will be no limitation on the export of maize as of the export curb because it is not a necessary good and because the domestic supply will be abundant by the conclusion of the rabi harvest.

## 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 15<sup>th</sup> December 2022 to 22<sup>nd</sup> 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 down by 9.64 USD to 257.47 per MT for Mar'23 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	07-Jan-23	31-Dec-22	Change
<b>Corn CBOT Prices</b>	Mar-23	257.47	267.11	<b>-9.64</b>
	May-23	257.47	266.92	<b>-9.45</b>
	July-23	255.21	264.46	<b>-9.25</b>
	Sep-23	238.67	246.84	<b>-8.17</b>

## DOMESTIC OUTLOOK

AgriWatch anticipates that prices will remain range-bound in the upcoming days as a result of shifting market arrivals. Soon, there will be new arrivals from Tamil Nadu in the markets of Karnataka. While in Maharashtra, traders and retailers are stocking up on maize since following Makar Sankranti, prices tend to rise. On the whole, prices will decrease after rabi maize arrives in late March or early April.

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