

Maize-Weekly Fundamental Report

Contents

Weekly Digest and Outlook

Domestic Scenario

- Rabi Maize Sowing
- Spot Market Supply and Arrivals
- Spot Price
- Domestic demand and Trade
- Exports

International Scenario

Domestic Outlook

WEEKLY DIGEST AND OUTLOOK

Even if the demand is still rising, fewer fresh arrivals are made each week. Davangere arrivals decreased to 210 tonnes compared to the previous week, when they were 606 tonnes. The benchmark market in Gulabbagh, Bihar, has received 2100 MT altogether this week which is higher than compared to 1610 MT previous week.

During the previous weeks, the price of maize remained sideways. 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. 2050 to Rs. 2250.

Corn on CBOT up by 6.69 USD to 264.16 per MT for Mar'23 contract, as compared to previous week.

Outlook:

Prices are likely to stay generally flat to slightly firm in the upcoming weeks.

WEATHER SCENARIO

Forecasts indicate that Andhra Pradesh, Karnataka, and Tamil Nadu will have dry weather for the next few days. The situation in Bihar, Madhya Pradesh, and Maharashtra is also similar. And this kind of weather is favorable for the current growth stage of Maize.

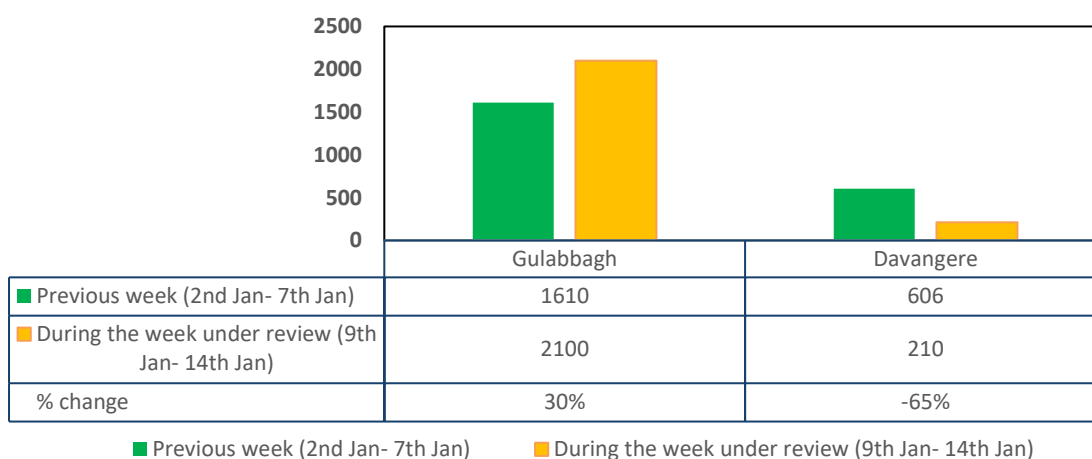
DOMESTIC SCENARIO

Rabi Maize Sowing Update

According to the most recent report from the Agriculture Department of GOI, India's Rabi Maize area coverage until January 12th 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 16.47 lakh hectares, it has now been planted on 19.95 lakh ha, or around 21.12% more land.

New Rabi Arrivals/Supply in Markets

Weekly Maize Arrivals

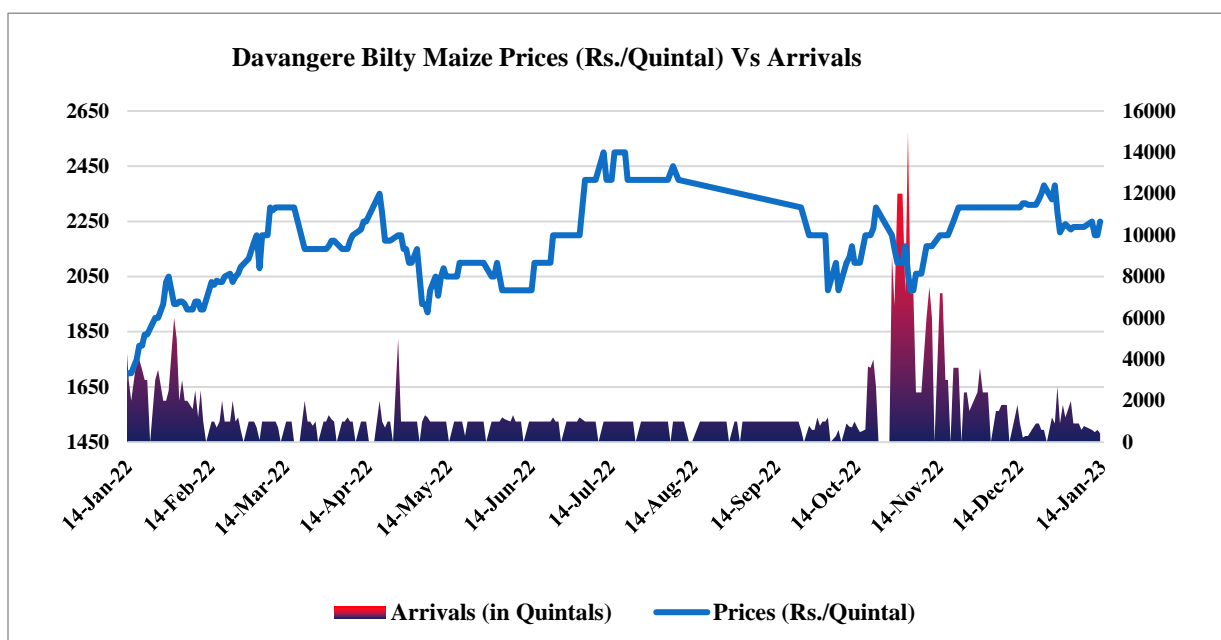


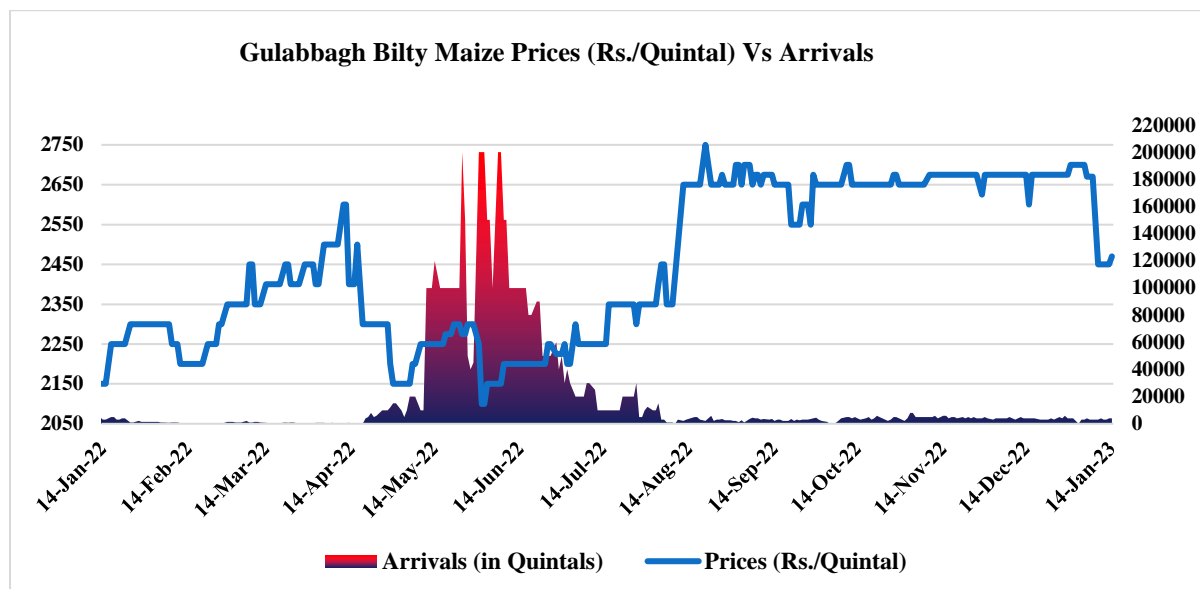
Even if the demand is still rising, fewer fresh arrivals are made each week. Farmers expect higher prices in the coming days, which is why this has happened. Davangere arrivals decreased to 210 tonnes compared to the previous week, when they were 606 tonnes. The benchmark market in Gulabbagh, Bihar, has received 2100 MT altogether this week which is higher than compared to 1610 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	14-Jan-23	07-Jan-23	14-Dec-22	13-Jan-22	13-Jan-21
Naugachia	Bilty	2400	2500	2500	2125	1440
Delhi	Hybrid Maize (U.P.)	2550	2490	2400	1900	1450
Davangere	Loose	Closed	2230	2300	1700	1300
Shimoga	Bilty	NR	NR	NR	NR	NR
Ranebennur	Bilty	NR	NR	2300	1700	1360
Bagalkot	Hybrid/Local	2211	2251	2185	1755	NR
Gadag	Local	2169	2150	2135	1760	NR
Nizamabad	Bilty	NR	NR	2300	Closed	Closed
Khanna	Bilty	2375	2300	2350	1920	Closed
Sangli	Feed	2390	2377	2337	1966	1518
Ahmedabad	Feed	Closed	NR	2400	1900	1380
	Starch	Closed	NR	2425	1950	1380





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. 2050 to Rs. 2250. The average price was Rs. 2362.5 in Namakkal and Rs. 2300 in Bengaluru, weaker than the previous week. However, over the time period under study, the average weekly price for bilty maize at Gulabbagh Market in Bihar were slightly weaker than the previous week at Rs. 2,675 per quintal.

Domestic Demand and Trade

Fewer supplies are arriving at the various markets over the course of the weeks. Due to a drop in demand, markets are now selling low-quality maize for less money. Farmers are also delaying the production of new maize because they anticipate a hike in prices soon. In Bihar, rabi sowing is still occurring, and elder immigrants are still charging a set price for their goods. The newcomers should arrive at the start of April. As of now sowing has been almost completed in Maharashtra. Due to the market's dropping cotton prices, traders in Maharashtra are actually selling good grade maize at the current high prices of 2100 to 2130. Additionally, the poultry sector recently switched to using broken rice instead of maize since it is less expensive, leaving only the starch industry as a buyer for maize.

Exports

According to trade sources, India exported 4,74,552 MT of maize in December 2022 for an average FOB of roughly 346 USD/MT. In addition, maize was exported to Bangladesh and Nepal in quantities of 1,40,342 MT and 17,836 MT, respectively, at average FOB of about

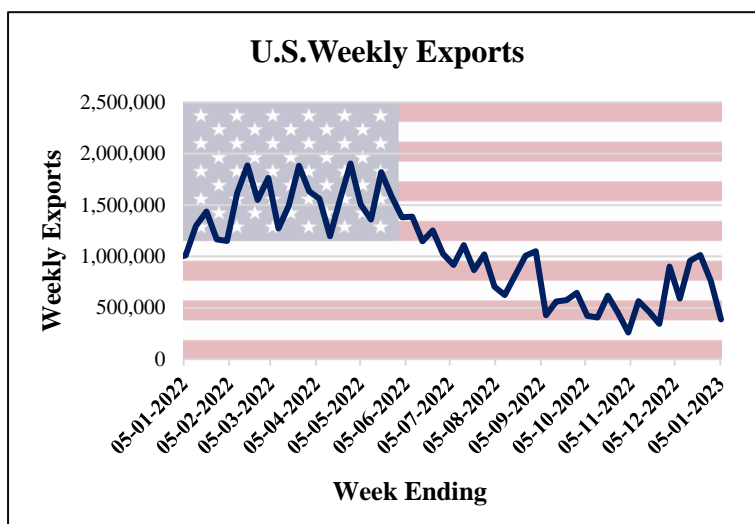
317.4 USD/MT and 311.22 USD/MT.

Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.81.79)				
	Argentina	Brazil	US	India
FOB	306.50	300.50	305.75	-
C&F	356.50	355.50	365.75	-

Sources claim that the rapid increase in domestic maize prices has had an effect on the grain market globally. Malaysia, Vietnam, and to a lesser extent Bangladesh, who were regular buyers of Indian maize, have turned to purchasing South African, Ukrainian, and American corn as a result of falling prices. Prior to the restrictions, Bangladesh had chosen to buy maize by road and train from Bihar. Despite the embargo being lifted, Bangladesh continues to not purchase Indian maize due to the difference. Since maize is not a necessary item and the domestic supply will be sufficient by the end of the rabi crop, there will be no restriction on its export as of the export curb.

INTERNATIONAL SCENARIO

U.S. Maize exports have reached at 10.38 million metric tonne (MMT) for 2022-23 Marketing Year, with the exports of 0.38 MMT for the period of 29th December 2022 to 5th January 2023. Exports of 387,100 MT were down 49 percent from the previous week and 53 percent from the prior 4-



week average. The destinations were primarily to Mexico (213,700 MT), China (138,600 MT), Canada (23,100 MT), Jamaica (4,700 MT), and Taiwan (4,200 MT).

Corn on CBOT

Corn on CBOT up by 6.69 USD to 264.16 per MT for Mar'23 contract, as compared to previous week. However, AgriWatch expects that for upcoming week Corn on CBOT would trade bearish.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	14-Jan-23	7-Jan-23	Change
Corn CBOT Prices	Mar-23	264.16	257.47	+6.69
	May-23	263.57	257.47	+6.10
	July-23	260.42	255.21	+5.21
	Sep-23	241.33	238.67	+2.66

DOMESTIC OUTLOOK

Upon completion of maize growing in Tamil Nadu, arrivals will gradually start to arrive in the markets in Karnataka and neighbouring states. The stockists and merchants are storing up on maize, meanwhile, as prices are expected to soar in the near future. Prices won't start to decline significantly until the end of March or the beginning of May. Prices are likely to stay generally flat to slightly firm in the upcoming weeks. Due to differences even with the neighbouring countries, exports are on the weaker side.

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