

# Maize-Weekly Fundamental Report

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**WEEKLY DIGEST AND OUTLOOK**

During this week, corn prices went up in Davangere, Karnataka market as stocks are almost unavailable and will remain so until the kharif crop arrives. Arrivals in Gulabbagh have also slowed down.

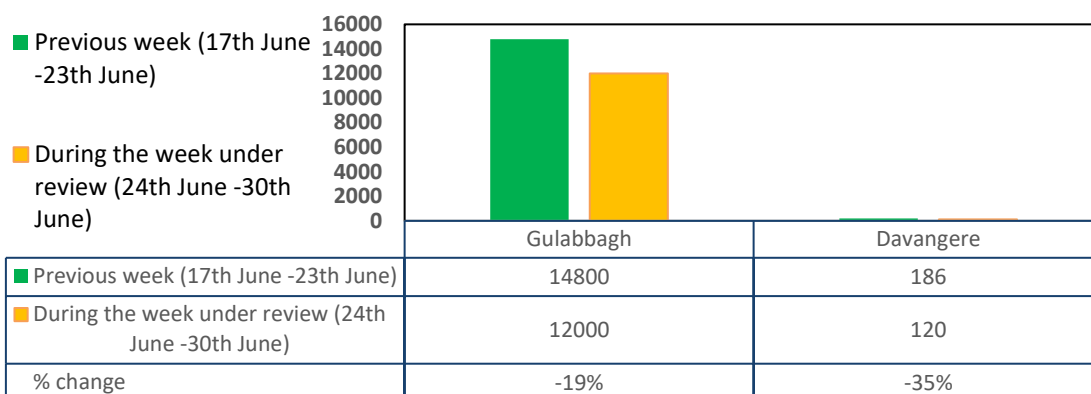
Over the course of the week, there was a 7.89% decrease in the price of corn on CBOT, reaching 228.73 per MT for the Jul'23 contract.

**Outlook:**

Prices are expected to remain rangebound during the next week.

## DOMESTIC SCENARIO

### Weekly Maize Arrivals (in tonnes)



### New Rabi Arrivals/Supply in Market

During the week under review Gulabbagh market witnessed a decrease of 19% in maize arrivals compared to the previous week, with a total of 12,000 tonnes received. However, the Davangere market will start getting arrivals only when the kharif crop is ready. Currently, only 120 tonnes of arrivals were recorded this week, showing a decrease of 35% compared to the previous week's quantity of 186 tonnes.

### Kharif Maize Sowing Updates

S. No	State	Area Covered		Difference in Area Over Last Year
		(Lakh Ha)		
	As on 30 <sup>th</sup> June-2023	2023	2022	
1	Andhra Pradesh	0.02	0	0.02
2	Arunachal Pradesh	0.338	0.324	0.014
3	Bihar	0.02	0.01	0.01
4	Chhattisgarh	0.01	0	0.01
5	Gujarat	0.022	0.044	-0.023
6	Haryana	0.02	0.04	-0.02
7	Himachal.Pradesh	2.38	2.3	0.08
8	Jammu..Kashmir.	1.486	1.287	0.199
9	Karnataka	1.202	3.969	-2.767
10	Maharashtra	0.011	0.21	-0.199
11	Punjab	0.51	0.26	0.25
12	Rajasthan	0.15	0.234	-0.084
13	Tamil.Nadu	0.006	0.014	-0.008
14	Uttar.Pradesh	1.697	1.772	-0.074
15	Uttarakhand	0.17	0.19	-0.02
16	West.Bengal	0.054	0.043	0.011

17	Others	-	-	-
<b>Total</b>	<b>Total</b>	<b>8.1</b>	<b>11</b>	<b>-2.6</b>

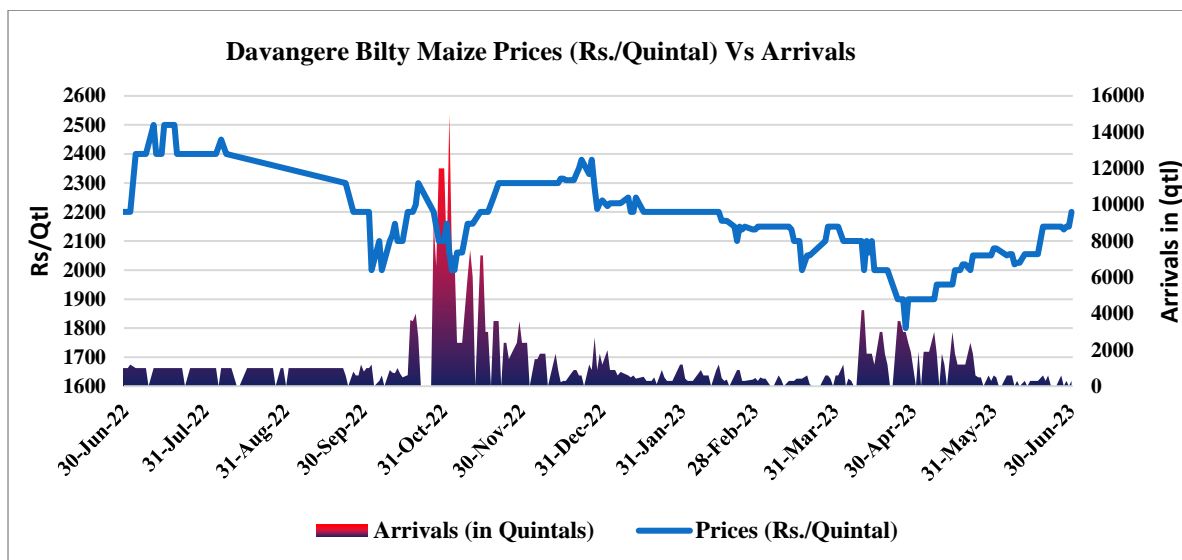
Source: NFSM

- As per NFSM GOI data, kharif Maize sowing reached up to 8.1 Lakh Ha. till 30<sup>th</sup> June, 2023 which is down by 26% as compared to same period last year.
- As per IMD's projection the overall four-month season will receive an average amount of rainfall. However, June witnessed a 10% deficiency in rainfall across India, with certain states having a much larger deficit of up to 60% compared to the normal levels. As a result of the delayed onset of the monsoon and its slow progression until the third week of June, many regions in the country are in dire need of substantial rainfall in July.

## Spot Price

- During the week under review, market remained steady to firm. As, bilty maize price went up by Rs. 300 to Rs. 1950 per qtl. in Naugachia, Bihar and in Davangere market also price went up by Rs. 100 to Rs. 2150 per qtl.

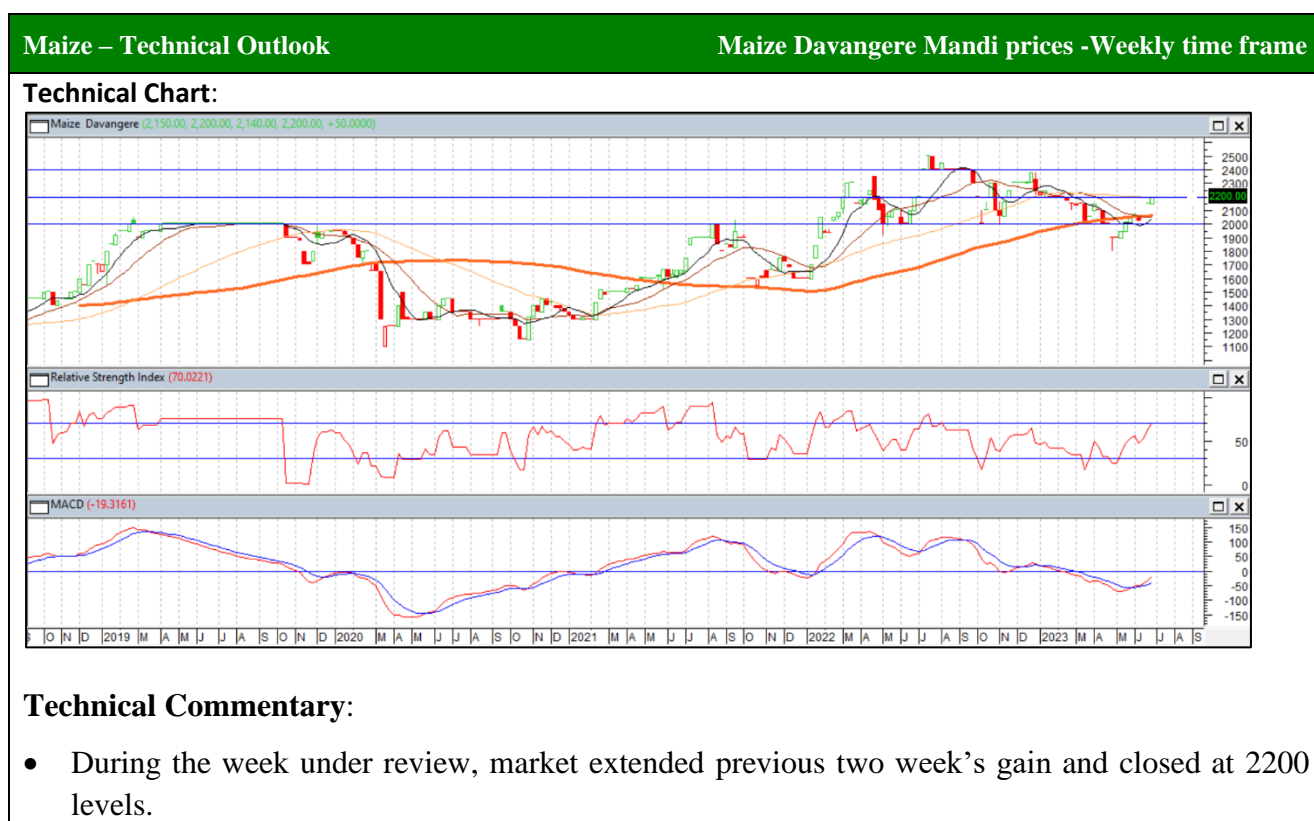
Maize (Corn)Weekly Prices:						
Market	Grade	30-Jun-23	23-Jun-23	30-May-23	29-Jun-22	29-Jun-21
Naugachia	Bilty	2000	1850	1750	2250	1600
Delhi	Hybrid Maize (U.P.)	1950	1950	1975	2225	1700
Davangere	Loose	2200	0	2050	2200	1650
Shimoga	Bilty	NR	0	1900	2150	1910
Ranebennur	Bilty	NR	0	1950	0	0
Bagalkot	Hybrid/Local	NR	2140	2010	2360	1750
Gadag	Local	NR	0	1875	0	0
Nizamabad	Bilty	NR	2050	1950	2350	1700
Khanna	Bilty	1750	1750	1910	1950	1650
Sangli	Feed	2293	2334	2101	2646	2110
Ahmedabad	Feed	2150	0	2100	2400	2000
	Starch	2000	0	2050	2400	2000



- During the week under review, in Davangere, the average price per quintal of maize increase from Rs. 2050 to Rs. 2160 per quintal. And, in Gulabghat, Bihar price from Rs. 2183 to Rs. 2220 per quintal amid constant arrivals.

## Technical Analysis (Domestic market)

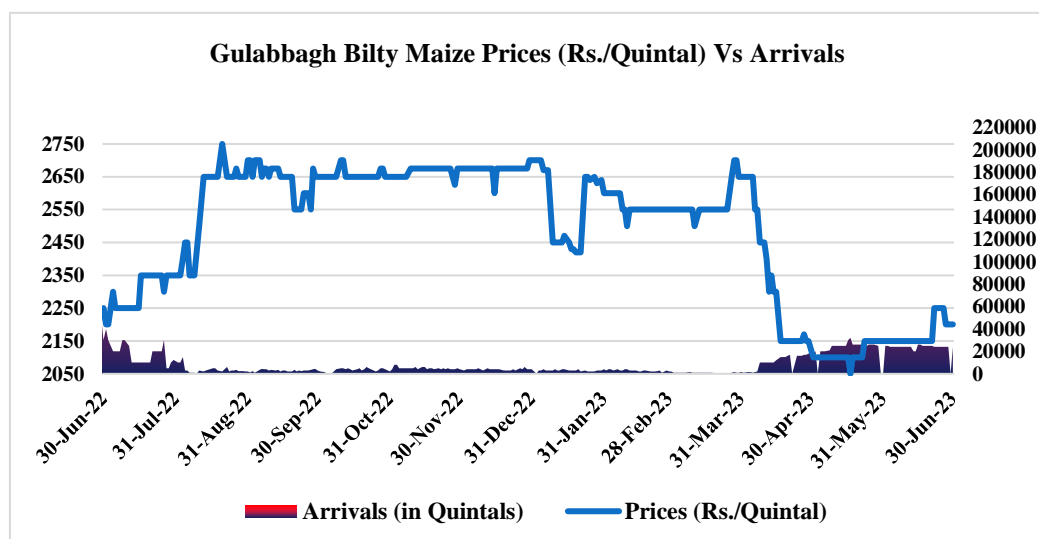
(Based on Davangere mandi prices)



- Market is currently trading below 9, 18 & 100 DMA which can be characterized as near-term resistance however, 100 DMA can be characterized as near-term support. Market made high of 2,200 and low of 2,140.
  - Market is currently facing long-term support of 1,700-1800 and near-term resistance of 2,300-2,400.
  - RSI has also touch to 70, indicating weakened buying strength. MACD momentum is weakened.
- Recommendation-**
- Market participants are recommended to wait to sell above 2,200 in the short run.

**Maize Price Outlook for coming week:** Davangere Maize mandi prices are currently trading at INR. 2,055/qlt. and are expected to remain in the range of INR 1,900-2,200 in short run.

Maize Davangere Mandi Price Outlook (INR. /Qtl)	Previous week 17 <sup>th</sup> June'23 – 23 <sup>th</sup> June'23	Week under review 24 <sup>th</sup> June'23 – 30 <sup>th</sup> June'23	Next week 1 <sup>st</sup> July'23 – 7 <sup>th</sup> July'23
Weekly Average Price	2131	2160	2,000-2,300



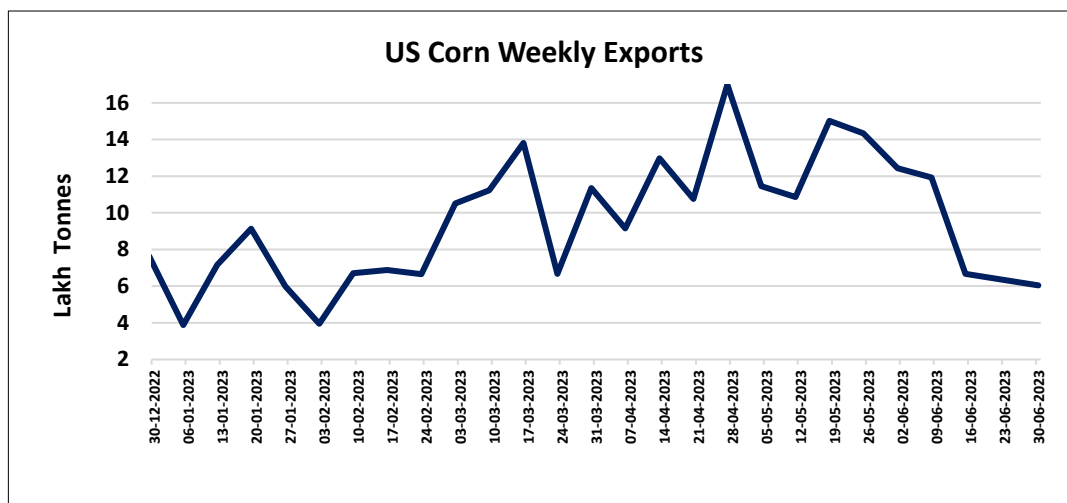
## Exports

- As per trade sources, India exported a total of 200,239.48 metric tons of maize in April 2023, at an average free on board (FOB) price of approximately 290.44 USD per metric ton. 3868.92 MT maize was exported to Bangladesh at an average FOB of 303.19 USD/MT however, 28458.84 MT maize to Nepal at an average FOB of 281.77 USD/MT.

Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.82.00)				
	Argentina	Brazil	US	India
FOB	230.00	217.00	249.00	270.80
C&F	280.00	272.00	309.00	305.80

## INTERNATIONAL SCENARIO

- In the 2022-23 Marketing Year, U.S. maize exports have reached 35.27 million metric tonnes (MMT), including 6.06 MMT exported from June 15 to June 22, 2023. Exports of 605,300 MT were down by 9.42% from the previous week.



- According to the U.S. Department of Agriculture (USDA), 70% of crop production in the United States is located in drought-affected regions with highly unfavorable crop conditions hence the crop remains at significant risk of yield losses.

## Corn on CBOT

- During the week under review, corn on CBOT went down by 7.89% to 228.73 per MT this week for Jul'23 contract.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	30-Jun-23	23-Jun-23	Change
Corn CBOT Prices	Jul-23	228.73	248.32	-7.89%
	Sep-23	206.09	230.21	-10.48%
	Dec-23	208.06	231.49	-10.12%
	Mar-24	212.10	234.73	-9.64%

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