

# Maize-Weekly Fundamental Report

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**WEEKLY DIGEST AND OUTLOOK**

Corn prices went up in Davangere, Karnataka market for second consecutive week as stocks are almost unavailable and will remain so until the kharif crop arrives. Arrivals in Gulabghat and Naugachia have also slowed down.

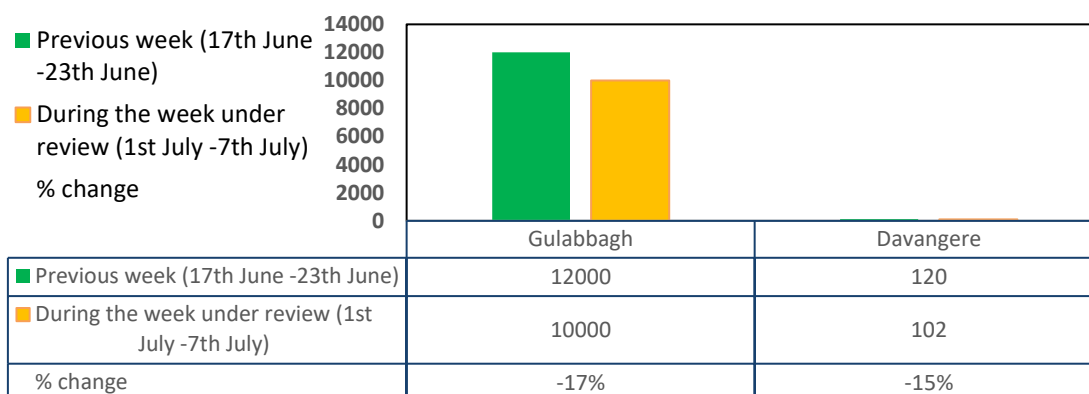
Over the course of the week, there was a 2.45% decrease in the price of corn on CBOT, reaching 223.12 per MT for the Jul'23 contract.

**Outlook:**

Prices are expected to remain firm during the next week.

## DOMESTIC SCENARIO

### Weekly Maize Arrivals (in tonnes)



### New Rabi Arrivals/Supply in Market

During the week under review Gulabghagh market witnessed a decrease of 17% in maize arrivals compared to the previous week, with a total of 10,000 tonnes received. However, the Davangere arrivals almost finished. Currently, only 102 tonnes of arrivals were recorded this week, showing a decrease of 15% compared to the previous week's quantity of 120 tonnes.

### Kharif Maize Sowing Updates (till 7<sup>th</sup> July, 2023)

S.No.	State	Area Covered		Difference in Area coverage	
		(Lakh Ha)		with Current Week	
		2023	2022	2022	2021
1	Andhra Pradesh	0.14	0.19	-0.05	0.125
2	Arunachal Pradesh	0	0	0	-0.35
3	Assam	0.338	0.324	0.014	0.071
4	Bihar	1.07	0.3	0.77	-0.7
5	Chhattisgarh	0.19	1.93	-1.74	-1.86
6	Goa	-	-	-	-
7	Gujarat	0.346	0.406	-0.061	-0.861
8	Haryana	0.03	0.05	-0.02	0
9	Himachal Pradesh	2.38	2.3	0.08	-0.27
10	Jammu & Kashmir	1.697	1.287	0.41	-0.261
11	Jharkhand	-	0	-	-
12	Karnataka	4.215	8.853	-4.638	-4.885
13	Kerala	-	-	-	-
14	Ladakh	-	-	-	-
15	Madhya Pradesh	5.84	6.13	-0.29	-3.6
16	Maharashtra	0.722	3.931	-3.208	-3.178
17	Manipur	-	-	-	-

18	Meghalaya	-	-	-	-
19	Mizoram	-	-	-	-
20	Nagaland	-	0	-	-
21	Odisha	0	0	0	-1.007
22	Punjab	0.77	0.54	0.23	-0.01
23	Rajasthan	6.031	1.374	4.657	2.991
24	Sikkim	-	-	-	-
25	Tamil Nadu	0.041	0.039	0.002	0.028
26	Telangana.	0.353	0.538	-0.185	-0.492
27	Tripura	-	0	-	-
28	Uttar Pradesh	2.653	2.29	0.363	-0.147
29	Uttarakhand	0.17	0.19	-0.02	-0.05
30	West Bengal	0.128	0.141	-0.013	-0.062
31	Others	-	-	-	-
	<b>Total</b>	<b>27</b>	<b>31</b>	<b>-3.7</b>	<b>-15</b>

Source: NFSM

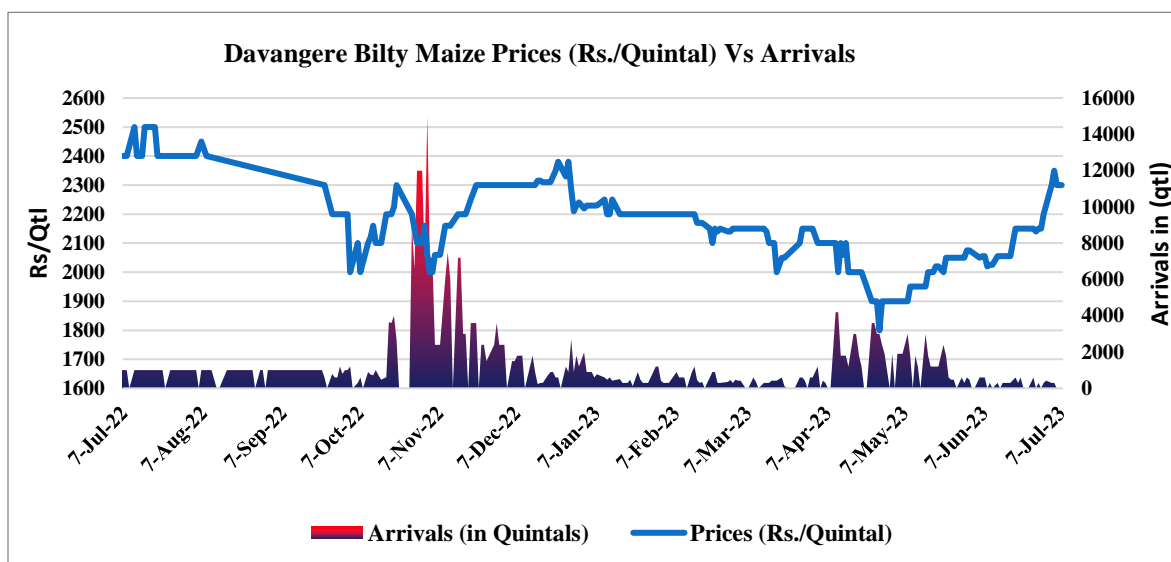
- As per NFSM GOI data, kharif Maize sowing reached up to 27 Lakh Ha. till 7<sup>th</sup> July, 2023 which is down by 13% as compared to same period last year.
- Maize sowing in South Indian states may increase this year by 20 to 25% , mostly shifting from Turmeric crop. However, the only issue is dry weather conditions in Maize growing belts, and if there is no rainfall in next 8 to 10 days, crop may get dried. If rains occur, prices may come down July onward again.
- Stock stored from kharif crop is almost exhausted while supply from Bihar for South India is halted now. Right now, it is being fulfilled from UP, Punjab and Haryana. Market has recovered to some extent and it may move further up if overall kharif area decreases and dry spell continue in maize growing belts in Andhra Pradesh and Telangana.

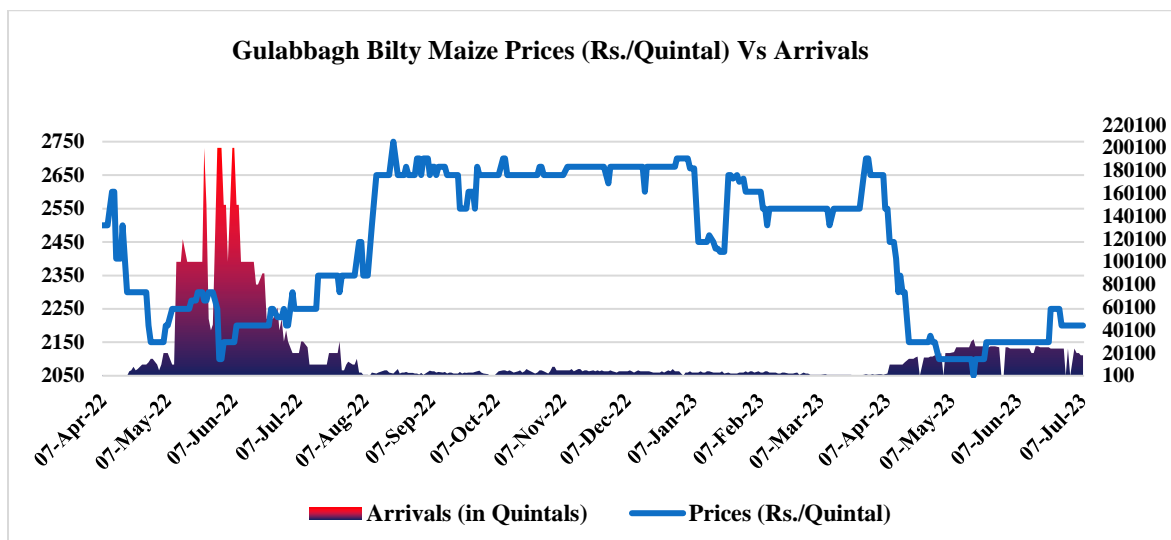
## Spot Price

- During the week under review, market remained steady to firm. As, bilty maize price went up by Rs. 152 to Rs. 2312 per qtl. in Davangere market. However, maize price slightly decreased in Gulabgh and Naugachia market.
- Rise in prices are likely to be limited in the upcoming week with monsoon progressing and moderate to heavy rain forecast through the country.

Maize (Corn)Weekly Prices:						
Market	Grade	07-Jul-23	30-Jun-23	06-Jun-23	06-Jul-22	06-Jul-21
Naugachia	Bilty	1950	2000	1700	2250	1800
Delhi	Hybrid Maize (U.P.)	1930	1950	1900	2200	1750
Davangere	Loose	NR	2200	2055	2400	1850
Shimoga	Bilty	NR	0	0	2150	0
Ranebennur	Bilty	NR	0	0	2450	0
Bagalkot	Hybrid/Local	2135	0	0	2470	1950
Gadag	Local	1800	0	1945	2210	0
Nizamabad	Bilty	2125	0	1925	2450	1750
Khanna	Bilty	1800	1750	1700	1900	1550
Sangli	Feed	2378	2293	2077	2685	2086
Ahmedabad	Feed	2150	2150	1900	2340	2000
	Starch	2100	2000	1900	2350	2000

- During the week under review, in Davangere, the average price per quintal of maize increased from Rs. 2160 to Rs. 2312 per quintal. And, in Gulabbagh, Bihar price slightly decreased from Rs. 2212 to Rs. 2200 per quintal although arrivals also decreased.





## Technical Analysis (Domestic market – Davangere market)

(Based on Davangere mandi prices)

### Maize – Technical Outlook

### Maize Davangere Mandi prices -Weekly time frame

#### Technical Chart:



#### Technical Commentary:

- During the week under review, market extended previous fortnight's gain and closed at 2300 levels.
- Market is currently trading below 50 DMA which can be characterized as near-term resistance. However, 9, 18 & 50 DMA can be characterized as near-term support. Market made high of 2,350 and low of 2,300.
- Market is currently facing long-term support of 1,800-1900 and near-term resistance of 2,400-2,500.
- RSI has also touch to 77, indicating weakened buying strength. MACD momentum is weakened.

## Recommendation-

- Market participants are recommended to sell between 2,200-2500 in the short run.

**Maize Price Outlook for coming week:** Davangere Maize mandi prices are currently trading at INR. 2,300/qtl. and are expected to remain in the range of INR 2,200-2,500 in short run.

Maize Davangere Mandi Price Outlook (INR. /Qtl)	Previous week 24 <sup>th</sup> June'23 – 30 <sup>th</sup> June'23	Week under review 1 <sup>st</sup> July'23 – 7 <sup>th</sup> July'23	Next week 8 <sup>th</sup> July'23 – 14 <sup>th</sup> July'23
Weekly Average Price	2160	2312	2,200-2,500

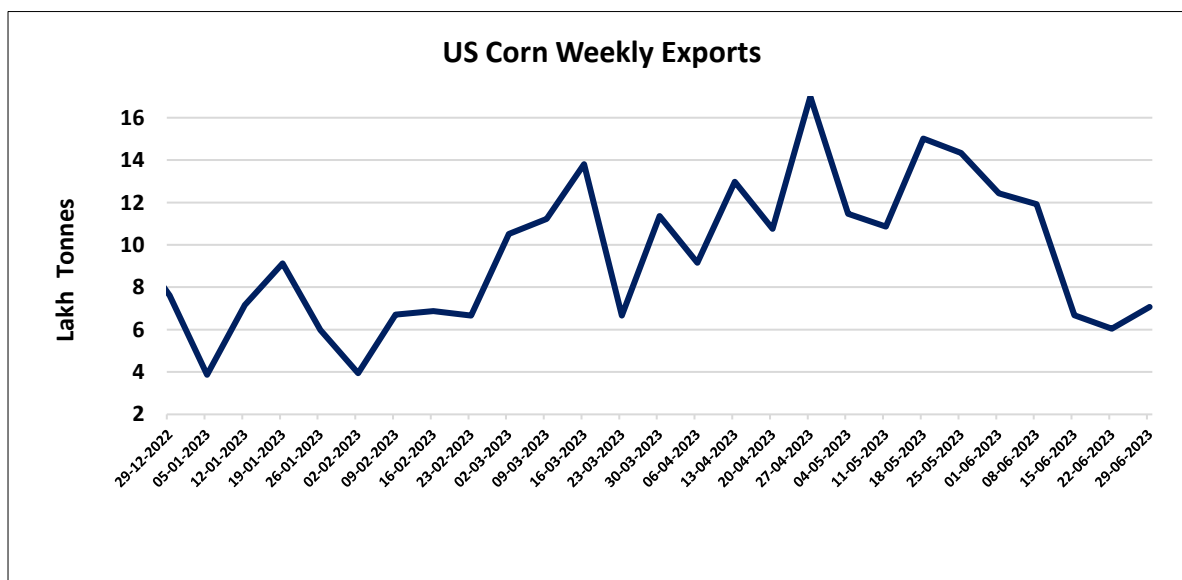
## Exports

- 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	221.50	208.00	232.50	269.93
C&F	271.50	263.00	292.50	304.93

## INTERNATIONAL SCENARIO

- In the 2022-23 Marketing Year, U.S. maize exports have reached 349.5 Lakh MT, including 7.05 Lakh MT exported from June 22 to June 29, 2023. Exports of 7.07 Lakh MT were up by 16.85% from the previous week.



- According to a USDA report, the projected corn acreage for the year is expected to be 94.1 million, indicating a growth of 2 million acres compared to the previous estimate. If, the weather remains favorable, then this would result in the country producing its largest crop in recent years.

## Corn on CBOT

- During the week under review, corn on CBOT went down by 2.45% to 223.12 per MT this week for Jul'23 contract.

Maize CBOT Weekly Futures Price Listing (USD/Ton)				
	Contract Month	7 <sup>th</sup> -July-23	30 <sup>th</sup> -Jun-23	Change
Corn CBOT Prices	Jul-23	223.12	228.73	-2.45%
	Sep-23	196.45	206.09	-4.68%
	Dec-23	199.40	208.06	-4.16%
	Mar-24	204.03	212.1	-3.81%

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