

**19<sup>th</sup> March, 2020****Executive Summary:**

- In Davangere region of Karnataka, maize market being traded down due to supply pressure of low quality material of kharif season as new crop arrivals are expected in coming weeks. Also, sluggish demand of Tamilnadu feed makers due to recent imported arrival amid fear of coronavirus and bird flu also weighing on market sentiments. It is moving towards Bangalore at Rs. 1300-1400 per quintal, Nammakal at Rs. 1350-1400 per quintal, Chennai at Rs. 1400 per quintal; sourced from Davangere region of Karnataka.
- In Nizamabad, maize is also likely to trade steady to weak in near term due to sluggish poultry feed makers' demand on the fear of corona virus. Some early new crop arrival reported on 18th March, 2020, contains moisture up to 20% being traded in a range of Rs. 1400-1500 per quintal (Loose price). Expectation of increase in arrival during end of March also keeping weigh on market sentiments.
- As per trade sources, recent rains in Bihar, has not impacted the crop quality.
- In A.P, maize has been sown in around 1.87 lakh hectares as of 11th March'20 which is higher than 1.61 lakh hectare covered during corresponding period last year. Maize sown area is 102% to season normal and at cob formation to cob maturity stage. In Krishna, Vizianagaram, Srikakulam, Prakasam, East Godavari, West Godavari, Guntur districts, 25,510 hectare of maize area is affected by Fall armyworm, stem borer, Root rot and Tursicum blight; out of which, 25,410 hectare of maize area has treated.
- In Telangana, it has been sown in 2.26 lakh hectare as of 11th March'20 which is higher than 1.16 lakh hectare covered during corresponding period last year. Maize sown area is 150% to season normal and its sowing has completed. Maize crops are at cob formation stage. In Warangal, Kamareddy & Siddipet districts, fall army worm is below ETL.

**Previous Updates:**

- In Nizamabad, Local starch feed makers are buying maize at Rs. 1675 per quintal while sluggish demand of Hyderabad feed makers reported at Rs. 2000 per quintal.
- Across India, maize is likely to trade steady to weak in near term too on the expectation of sluggish feed makers' demand as there is fear of coronavirus and bird flu in the market. Also, expectation of new crop arrival in coming weeks could also weigh on market sentiments.
- As per trade sources, Vessel (TAN BINH) with 19,700 tonnes of corn, has arrived at Tuticorin port on 1st March, 2020.
- As per trade sources, India exported around 47,080 MT of maize for the month of January'20 at an average FoB of \$333.71/ MT. Out of which, around 42,335 MT Indian maize was exported mainly to Nepal at an average FoB of \$331.08/MT; mainly through Raxaul followed by Sonauli ICD port.
- As per trade sources, India imported around 53,962 MT of maize for the month of January'20. Out of which, around 23,500 MT was imported from Ukraine for the Kandla port at an average value of \$199.31 USD/ MT while around 30,462 MT was imported from Myanmar for the Tuticorin, Kolkata, Chennai, Vizag and Mundra port at an average value of \$245.53 USD/ MT.
- Across India, maize has been sown in around 16.98 lakh hectares as of 31st Jan'20 for Rabi season 2019-20 which is higher than 14.78 lakh hectare covered during corresponding period last year.
- As per trade sources, NAFED had issued an international tender to import up to 100,000 MT of Non- GMO corn; to be sourced from Ukraine for the shipment between 1st Feb'20 to 10th Feb'20. Around 50,000 MT was sought for shipment to the Mangalore port and rest to the Tuticorin port at around \$227/ MT. These shipments are expected to arrive during the month of March. Also, MMTC had issued an international tender for Non- GMO yellow corn for 1,75,000 MT for shipment by 10th Feb 2020, but did not accept any bids towards that tender.

**International Market Commentary:**

- Corn on CBOT fall by 4.23 USD/MT to 135.43 USD/MT for May'20 contract compared to previous day due to uncertainty over economic fallout from the coronavirus.

**Previous Updates:**

- During the month of March, USDA increased its world corn ending stock estimates by 0.51 MMT to 297.34 MMT for 2019/20 compared to previous month due to increase in production estimates for 2019/20 which could weigh on global corn market.

**Outlook and Recommendation:** Maize cash market is likely to trade steady to weak in the near term.

**19<sup>th</sup> March, 2020**
**NCDEX Maize Futures**

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|-----|------|------|-----|-------|--------|---------------|----|-----------|
| Mar-20   | -   | -    | -    | -   | -     | -      | -             | -  | -         |
| Apr-20   | -   | -    | -    | -   | -     | -      | -             | -  | -         |
| May-20   | --  | --   | --   | --  | --    | -      | -             | -  | -         |

\*Prices are taken at 5:00 p.m.

| Spread | Mar-20 | Apr-20 | May-20 |
|--------|--------|--------|--------|
| Spot   | -      | --     | --     |
| Mar-20 | --     | -      | --     |
| Apr-20 | --     | --     | -      |

\*Basis – Nizamabad (Spread calculated as at 5:00 p.m. price)

| Stocks    | Demat     | In-Process | Total     | EDD       |
|-----------|-----------|------------|-----------|-----------|
|           | 17-Mar-20 | 17-Mar-20  | 17-Mar-20 | 16-Mar-20 |
| Nizamabad | -         | -          | -         | -         |
| Sangli    | 462       | -          | 462       | 462       |

**Spot Prices at Key Markets**

| Centre     | Grade         | Prices (Rs./qtl) |           |        | Arrivals in Quintal |           |        |
|------------|---------------|------------------|-----------|--------|---------------------|-----------|--------|
|            |               | 18-Mar-20        | 17-Mar-20 | Change | 18-Mar-20           | 17-Mar-20 | Change |
| New Delhi  | Hybrid        | 1700             | 1700      | Unch   | NA                  | NA        | -      |
| Koppal     | Loose         | 1350             | 1350      | Unch   | NA                  | NA        | -      |
| Davangere  | Loose         | 1100             | 1100      | Unch   | 5000                | 3000      | 2000   |
| Ranebennur | Hybrid/Local  | NR               | NR        | -      | NR                  | NR        | -      |
| Bagalkot   | Hybrid/Local  | NR               | 1530      | -      | NR                  | 294       | -      |
| Gadag      | Local         | 1290             | 1330      | -40    | 71                  | 100       | -29    |
| Hubli      | Local         | NR               | 1200      | -      | NR                  | 30        | -      |
| Shimoga    | Hybrid/Local  | 1320             | 1300      | 20     | 24187               | 111       | 24076  |
| Nizamabad  | Bilty         | 1750             | 1800      | -50    | 800                 | 100       | 700    |
| Karimnagar | Local         | NR               | NR        | -      | NR                  | NR        | -      |
| Khammam    | Local         | NR               | NR        | -      | NR                  | NR        | -      |
| Sangli     | Feed          | 1521             | 1513      | 8      | NA                  | NA        | -      |
| Naugachia  | Bilty         | NA               | NA        | -      | NA                  | NA        | -      |
| Kolkata    | Mill Delivery | NA               | NA        | -      | NA                  | NA        | -      |
| Gulabghat  | Local         | NA               | NA        | -      | NA                  | NA        | -      |
|            | Bilty         | NA               | NA        | -      |                     |           |        |
| Ahmedabad  | Feed          | 1585             | NR        | -      | 3000                | NR        | -      |
|            | Starch        | 1550             | NR        | -      |                     |           |        |



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|            |             |      |      |      |      |      |      |
|------------|-------------|------|------|------|------|------|------|
| Khanna     | Local       | 1750 | 1720 | 30   | 1500 | 1800 | -300 |
|            | Bilty       | 1825 | 1825 | Unch |      |      |      |
| Ludhiana   | Local       | NA   | NA   | -    | NA   | NA   | -    |
|            | Bilty       | NA   | NA   | -    |      |      |      |
| Jalgaon    | Bilty       | NA   | NA   | -    | NA   | NA   | -    |
| Chhindwara | Loose price | 1450 | 1450 | Unch | 7000 | 7000 | Unch |

| CBOT Corn Daily Futures Price Listing (USD/MT) as on 17 March,2020 |        |        |        |        |        |  |
|--|--------|--------|--------|--------|--------|--|
| Contract Month   | Open   | High   | Low    | Close  | Change |  |
| May-20   | 139.86 | 140.45 | 134.93 | 135.43 | -4.23  |  |
| Jul-20   | 141.23 | 141.92 | 137.30 | 137.79 | -3.35  |  |
| Sep-20   | 142.12 | 142.61 | 139.27 | 139.66 | -2.46  |  |
| Dec-20   | 144.48 | 144.88 | 142.32 | 142.71 | -1.77  |  |
| Mar-21   | 148.52 | 148.91 | 146.84 | 147.24 | -1.48  |  |

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