

**12<sup>th</sup> May, 2020****Executive Summary:**

- Across India, maize is likely to trade steady to range bound in near term amid arrival pressure. Any further fall is a good buying opportunity for stockists and importers and could give support to the market.
- In Bihar, despite the demand of South and Nepal feed makers; maize could trade steady to range bound amid arrival pressure. Any further fall is a good buying opportunity for stockists and importers. However, fresh export demand could give support to the market.
- Maize acreage in Kharif 2020-21 may turn out to be higher than that in Kharif 2019-20 as farmers in Karnataka, Rajasthan, Maharashtra, Madhya Pradesh and Telangana would prefer less labour intensive crops. Seed availability is expected to remain sufficient as transportation of agriculture related materials has become almost normal after the recent relaxations in lockdown.
- As per trade sources, in Telangana, harvesting of rabi crop of maize is almost over while in Bihar regions, maize crop has been harvested around at 50-60% till date. However, in Karnataka, maize crop has been harvested only at 10% due to labour shortage.

**Previous Updates:**

- As per media news, Haryana offers reward to shift from water guzzling paddy crops to maize and pulses crops.
- Davangere market have closed again from 6<sup>th</sup> May'20 due to new case of COVID19. Earlier, maize was being traded at Rs. 1350 per quintal (Bilty Price) and being delivered to Nammakal at Rs. 1550 per quintal but in very limited quantity.
- As per trade sources, India exported around 18,527 MT of maize for the month of March'20 at an average FoB of \$274.79/ MT. Out of which, around 12,217 MT Indian maize was exported mainly to Nepal at an average FoB of \$272.82/MT; mainly through Raxaul followed by Jogbani ICD and Sonauli ICD port.
- As per trade sources, India imported around 57,255 MT of maize for the month of March'20. Out of this, around 46,635 MT was imported from Myanmar at Tuticorin (22,588 MT @ \$252.30 USD/MT), Kolkata port (13,863 MT @ \$265.20 USD/MT), Vizag (6,176 MT @ 253.14 USD/MT), Mundra port (3,935 MT @ 266.67 USD/MT) and Chennai (72 MT @ 353.94 USD/MT) while around 10,620 MT was imported from Ukraine at Kandla port at an average value of \$196.51 USD/ MT.
- As per trade sources, Telangana state government is procuring maize at Rs. 1760 per quintal. Earlier State Government announced that it will procure entire Rabi season crop of maize at MSP of Rs. 1760 per quintal, directly from farmers through village procurement centers over a period of 45 days.

**International Market Commentary:**

- Corn on CBOT rose by 2.95 USD/MT to 125.58 USD/MT for May'20 contract compared to previous week due to increase in demand for U.S corn amid concern over potentially crop-damaging cold weather in the U.S. Midwest. Further, price direction depends on the WASDE report, due on Tuesday, 12 May,2020.

**Previous Updates:**

- As per USDA, U.S corn exports reached 24.10 MMT in the 2019-20 marketing year. At 1.40 MMT (for the period 24th- 30th April, 2020) US corn exports were up 33 percent from the previous week and 28 percent from the prior 4-week average; mainly for the destinations like Mexico (393,600 MT), Colombia (236,500 MT), Japan (182,800 MT), South Korea (131,200 MT), and Taiwan (83,800 MT). Agriwatch expects that increase in export demand for U.S corn could lead to CBOT corn prices.
- As per media news, Brazil's second corn harvest is likely to be down by 1.75% to 72.6 million tonnes due to weaker than expected rains during the week, while frost expectation in the state of Parana could also bring further losses to the crop.
- In U.S, corn plantings as on 3 May 2020 stand at 51%, up 30 percentage points from same time last year and up 12 percentage points from 5 year average. Rapid U.S planting progress likely to put pressure on CBOT corn prices.
- IGC increased its global corn production forecast for 2020/21 by 1 MMT to 1158 MMT compared to previous month forecast. Forecast for global corn ending stock was also up by 7 MMT to 281 MMT for 2020/21 compared to last month forecast which could weigh on international corn market.

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

12<sup>th</sup> May, 2020

## NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	-	-	-	-	-	-	-	-	-
Jun-20	-	-	-	-	-	-	-	-	-
July-20	--	--	--	--	--	-	-	-	-

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

Spread	May-20	Jun-20	July-20
Spot	-	--	--
May-20	--	-	--
Jun-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	09-May-20	09-May-20	09-May-20	04-May-20
Nizamabad	-	-	-	-
Sangli	461	-	461	461

## Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		11-May-20	9-May-20	Change	11-May-20	9-May-20	Change
New Delhi	Hybrid	1350	1400	-50	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	Closed	Closed	-	Closed	Closed	-
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	1290	NR	-	253	NR	-
Gadag	Local	1375	NR	-	214	NR	-
Hubli	Local	1340	NR	-	179	NR	-
Shimoga	Hybrid/Local	1300	NR	-	228	NR	-
Nizamabad	Bilty	Closed	Closed	-	Closed	Closed	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	NA	NA	-	NA	NA	-
Naugachia	Bilty	Closed	Closed	-	Closed	Closed	-
Kolkata	Mill Delivery	Closed	Closed	-	Closed	Closed	-
Gulabgh	Local	1100	NR	-	50000	NR	-
	Bilty	1150	NR	-			
Ahmedabad	Feed	1425	1425	Unch	4000	3000	1000
	Starch	1350	1400	-50			



12<sup>th</sup> May, 2020

Khanna	Local	1300	1350	-50	1950	1800	150
	Bilty	1400	1450	-50			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	Closed	Closed	-	Closed	Closed	-
Chhindwara	Loose price	Closed	Closed	-	Closed	Closed	-

### CBOT Corn Daily Futures Price Listing (USD/MT) as on 08 May,2020

Contract Month	Open	High	Low	Close	Change
May-20	125.09	126.67	124.99	125.58	1.18
Jul-20	125.19	127.16	124.90	125.68	0.49
Sep-20	127.26	129.13	127.16	127.85	0.59
Dec-20	131.49	133.26	131.39	132.18	0.69
Mar-21	136.71	138.38	136.61	137.40	0.79

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