



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

### Executive Summary:

- In Bihar, despite the demand of South and Nepal feed makers; maize is being traded lower at Rs. 1250 per quintal (Bilty Price) as bulk demand is still missing amid arrival pressure.
- Maize is moving towards Bengaluru and Tamil Nadu at Rs. 1450 per quintal and Rs. 1500 per quintal (Delivered Price) respectively; sourced from Davangere region of Karnataka.

### Previous Updates:

- As per trade sources, India imported around 268.5 MT of maize for the month of April'20. Out of this, around 193.5 MT was imported from Myanmar at Kolkata port (145.5 MT @ \$261.04 USD/MT) and Chennai port (48 MT @ \$249.98 USD/MT).
- Across India, maize is being traded lower due to sluggish feed makers demand amid arrival pressure. It is likely to trade steady to range bound in near term on the expectation of fresh demand of stockists and importers.
- 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 10-15% due to labour shortage.
- 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 media news, the five cattle feed manufacturing plants of the Karnataka Cooperative Milk Producers' Federation Ltd. has started purchase of the produce at Rs. 1,760 per quintal from 12th May'2020. The maximum quantity of purchase has been capped at 50 quintals from each farmer.
- As per media news, Haryana offers reward to shift from water guzzling paddy crops to maize and pulses crops.
- 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, 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 0.59 USD/MT to 126.27 USD/MT for July'20 contract compared to previous day. Further, price direction depends on the demand for U.S corn.
- In U.S, corn plantings as on 17 May 2020 stand at 80%, up 36 percentage points from same time last year and up 9 percentage points from 5 year average. Rapid U.S planting progress likely to put pressure on CBOT corn prices.

### Previous Updates:

- As per USDA, U.S corn exports reached 25.41 MMT in the 2019-20 marketing year. At 1.40 MMT (for the period 1st- 7th May, 2020) US corn exports were down 6 percent from the previous week but up 16 percent from the prior 4-week average; mainly for the destinations like Mexico (386,900 MT), Japan (304,300 MT), Costa Rica (99,100 MT), South Korea (80,600 MT), and Tunisia (63,700 MT). Agriwatch expects that decrease in export demand for U.S corn could weigh on CBOT corn prices.
- USDA increased its world corn ending stock estimates by 24.90 MMT to 339.62 MMT for 2020/21 compared to last year due to increase in production estimates; mainly in U.S, Brazil, Ukraine, Mexico, Canada and E.U for 2020/21 which could weigh on global corn market.
- 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 range bound in the near term.

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**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
	18-May-20	18-May-20	18-May-20	18-May-20
Gulabagh	50	-	50	-
Sangli	459	-	459	-

**Spot Prices at Key Markets**

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		19-May-20	18-May-20	Change	19-May-20	18-May-20	Change
New Delhi	Hybrid	1360	1360	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	3000	1000	2000
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	1300	1255	45	227	310	-83
Gadag	Local	NR	1330	-	NR	414	-
Hubli	Local	1260	1255	5	58	117	-59
Shimoga	Hybrid/Local	NR	1350	-	NR	661	-
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	1250	1225	25	2000	2000	Unch
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1100	100	30000	30000	Unch
	Bilty	1250	1150	100			
Ahmedabad	Feed	1430	1430	Unch	1500	2000	-500
	Starch	1410	1400	10			



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Khanna	Local	1300	1300	Unch	2250	1800	450
	Bilty	1400	1400	Unch			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	Closed	Closed	-	Closed	Closed	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 18 May,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	125.98	126.77	125.19	126.27	0.59	
Sep-20	127.45	128.14	126.67	127.65	0.49	
Dec-20	130.80	131.49	130.21	131.00	0.30	
Mar-21	135.82	136.41	135.23	135.92	0.20	
May-21	138.97	139.27	138.08	138.67	0.10	

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