

**25th May, 2020****Executive Summary:**

- 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 relaxations in lockdown. Expectation of good monsoon amid proposed increase in MSP are all good motivating factors for farmers to grow more maize for this Kharif season.
- In Ahmedabad region of Gujarat, poultry and starch feed makers quoted maize steady at Rs. 1450 per quintal compared to previous day.
- In Bihar, despite arrival disturbance due to rain amid fresh stockists demand; maize is being traded at Rs. 1250 per quintal (Bilty Price) as bulk demand is still missing. It is expected that maize could trade steady to range bound in near term amid limited demand and arrivals.
- Maize is moving towards Bengaluru and Tamil Nadu at Rs. 1500 per quintal and Rs. 1600 per quintal (Delivered Price) respectively; sourced from Davangere region of Karnataka.

Previous Updates:

- 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.
- As per trade sources, each maize grower in the Karnataka state is getting a cash relief of ₹5,000 to compensate the impact of low maize prices.
- 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 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 0.10 USD/MT to 125.19 USD/MT for July'20 contract compared to previous day.

Previous Updates:

- As per USDA, U.S corn exports reached 26.67 MMT in the 2019-20 marketing year. At 1.26 MMT (for the period 8th- 14th May, 2020) US corn exports were down 4 percent from the previous week but up 10 percent from the prior 4-week average; mainly for the destinations like Mexico (362,900 MT), Japan (263,800 MT), China (129,600 MT), South Korea (122,000 MT), and Colombia (115,100 MT). Agriwatch expects that decrease in export demand for U.S corn could weigh on CBOT corn prices.
- 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.
- 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.

25th May, 2020

NCDEX Maize Futures

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

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

Spread	Jun-20	July-20	Aug-20
Spot	-	--	--
Jun-20	--	-	--
July-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	22-May-20	22-May-20	22-May-20	18-May-20
Gulabagh	199	-	199	-
Sangli	459	-	459	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		23-May-20	22-May-20	Change	23-May-20	22-May-20	Change
New Delhi	Hybrid	1400	1400	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	Closed	1350	-	Closed	4000	-
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	NR	NR	-	NR	NR	-
Gadag	Local	NR	NR	-	NR	NR	-
Hubli	Local	NR	NR	-	NR	NR	-
Shimoga	Hybrid/Local	NR	NR	-	NR	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	1250	1250	Unch	1000	1000	Unch
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1225	1225	Unch	NA	5000	-
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1450	1450	Unch	3000	2000	1000
	Starch	1450	1450	Unch			



25th May, 2020

Khanna	Local	1325	1325	Unch	1950	2250	-300
	Bilty	1410	1410	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 22 May,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	125.09	125.58	124.40	125.19	0.10	
Sep-20	127.16	127.45	126.27	127.06	-0.10	
Dec-20	131.00	131.39	130.21	131.00	-0.10	
Mar-21	136.02	136.51	135.33	135.92	-0.10	
May-21	138.87	139.36	138.18	138.87	-0.20	

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.