

**28th May, 2020****Executive Summary:**

- Maize is moving towards Bengaluru and Tamil Nadu at Rs. 1450 per quintal and Rs. 1550 per quintal (Delivered Price) respectively; sourced from Davangere region of Karnataka. Maize is likely to trade steady amid arrival pressure.
- As per trade sources, in Telangana, harvesting of rabi crop of maize has completed while in Bihar regions, maize crop has been harvested around at 60% and in Karnataka, maize crop has been harvested at 50% till date.
- In Bihar, despite decrease in arrival amid stockists demand; maize is being traded at Rs. 1225 per quintal (Bilty Price) as bulk feed makers demand is still missing. Farmers are bringing very limited quantity into the market due to bad weather and low prevailing price. It is expected that maize could trade steady to range bound in near term amid limited demand and arrivals.
- 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 by Rs. 90 per quintal at Rs. 1850 per quintal for the Kharif season 2020-21; are all good motivating factors for farmers to grow more maize for this Kharif season.

Previous Updates:

- As per AP markfed, from the current rabi crop, 2,75,405 MT of maize has been procured by A.P government as of 25th May, 2020. The procurement is still ongoing.
- 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 0.39 USD/MT to 125.58 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 24 May 2020 stand at 88%, up 33 percentage points from same time last year and up 6 percentage points from 5 year average. Rapid U.S planting progress likely to put pressure on CBOT corn prices.

Previous Updates:

- 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.

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
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
	26-May-20	26-May-20	26-May-20	25-May-20
Gulabagh	199	-	199	199
Sangli	459	-	459	459

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		27-May-20	26-May-20	Change	27-May-20	26-May-20	Change
New Delhi	Hybrid	1375	1400	-25	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	4000	3000	1000
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	1280	1280	Unch	274	267	7
Gadag	Local	1305	NR	-	320	NR	-
Hubli	Local	1280	1275	5	29	313	-284
Shimoga	Hybrid/Local	NR	1300	-	NR	825	-
Nizamabad	Bilty	NA	Closed	-	NA	Closed	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	NA	NA	-	NA	NA	-
Naugachia	Bilty	1200	1250	-50	2000	2000	Unch
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1225	-25	50000	5000	45000
	Bilty	1225	1250	-25			
Ahmedabad	Feed	1400	1400	Unch	3000	5000	-2000
	Starch	1450	1430	20			

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Khanna	Local	1350	1350	Unch	1950	2250	-300
	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 26 May,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	124.70	127.16	124.60	125.58	0.39	
Sep-20	126.57	128.93	126.47	127.55	0.49	
Dec-20	130.51	132.57	130.41	131.49	0.49	
Mar-21	135.03	137.40	135.03	136.41	0.49	
May-21	138.87	140.15	137.79	139.36	0.49	

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