

**03rd June, 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.
- In Ahmedabad region of Gujarat, poultry feed makers quoted maize steady at Rs. 1400 per quintal while starch feed makers quoted maize down by Rs. 30 per quintal to Rs. 130 per quintal compared to previous day.
- In Bihar, maize traded down at Rs. 1225 per quintal (Bilty Price) due to arrival pressure amid limited feed makers demand. It is expected that maize could trade steady to range bound in near term amid limited demand and arrivals.

Previous Updates:

- The Cabinet Committee on Economic Affairs (CCEA) has approved the increase in MSP of maize by Rs. 90 per quintal to Rs. 1850 per quintal for Kharif crop for marketing season 2020-21.
- Maize acreage in Kharif 2020-21 may turn out to be higher than that in Kharif 2019-20 as farmers in Karnataka, Rajasthan, Maharashtra and Madhya Pradesh 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 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. However, in Telangana, maize area likely to shift towards more remunerative and high yield crops like pulses.
- 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.
- As per trade sources, India exported around 19,713 MT of maize for the month of April'20 at an average FoB of \$242.71/ MT. Out of which, around 15,369 MT Indian maize was exported mainly to Nepal at an average FoB of \$244.36/MT; mainly through Raxaul followed by Jogbani ICD and Nepalgunj Road port.
- 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).
- 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 other alternative crops.

International Market Commentary:

- Corn on CBOT fall by 0.98 USD/MT to 127.26 USD/MT for July'20 contract compared to previous day. Further, price direction depend on the demand for U.S corn.
- In U.S, corn plantings as on 31 May 2020 stand at 93%, up 29 percentage points from same time last year and up 4 percentage points from 5 year average. Rapid U.S planting progress likely to put pressure on CBOT corn prices.

Previous Updates:

- IGC increased its global corn production forecast for 2020/21 by 11 MMT to 1169 MMT compared to previous month forecast. Forecast for global corn ending stock was also up by 7 MMT to 288 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.

03rd June, 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
	01-Jun-20	01-Jun-20	01-Jun-20	01-Jun-20
Gulabagh	199	-	199	199
Sangli	459	-	459	459

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		2-Jun-20	1-Jun-20	Change	2-Jun-20	1-Jun-20	Change
New Delhi	Hybrid	1350	1400	-50	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	1000	2000	-1000
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	NR	1300	-	NR	1100	-
Gadag	Local	NR	1369	-	NR	232	-
Hubli	Local	NR	1291	-	NR	229	-
Shimoga	Hybrid/Local	NR	1300	-	NR	192	-
Nizamabad	Bilty	1600	NA	-	100	NA	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	1351	-	NR	61	-
Sangli	Feed	NA	NA	-	NA	NA	-
Naugachia	Bilty	1200	1200	Unch	2000	2000	Unch
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1220	-20	50000	20000	30000
	Bilty	1225	1250	-25			
Ahmedabad	Feed	1400	1400	Unch	5000	4000	1000
	Starch	1370	1400	-30			



03rd June, 2020

Khanna	Local	1350	1340	10	1800	1950	-150
	Bilty	1400	1400	Unch			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	1000	1000	Unch	2000	2000	Unch

CBOT Corn Daily Futures Price Listing (USD/MT) as on 1 Jun,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	128.14	129.03	125.68	127.26	-0.98	
Sep-20	129.82	130.60	127.45	128.83	-1.08	
Dec-20	133.06	133.95	131.00	132.18	-1.18	
Mar-21	137.79	138.28	135.82	136.80	-1.08	
May-21	140.35	140.94	138.67	139.36	-1.28	

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.