

**12th June, 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 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 to Rs. 1850 per quintal for the Kharif season 2020-21 and reward offering by Haryana government from water guzzling paddy crops to maize; 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. In Telangana, maize has been sown in 3156 acres as of 10th Jun'20. In SPSR Nellore, Chittoor, Anantapuram, and West Godavari districts of A.P, and also in some districts of Karnataka, maize sowing has just started.
- In Ahmedabad region of Gujarat, poultry feed makers quoted maize down by Rs. 30 per quintal to Rs. 1400 per quintal while starch feed makers quoted it down by Rs. 20 per quintal to Rs. 1450 per quintal compared to previous day.
- 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 60-65% and in Karnataka, maize crop has been harvested at 60% till date.
- In Bihar, maize is being traded at Rs. 1250 per quintal (Bilty Price) amid Stockists demand. Last week rains has impacted the arrival quality. It is expected that maize could trade steady to slightly firm in near term on the expectation of increase in stockists demand.
- Maize is moving towards Bengaluru and Tamil Nadu at Rs. 1450-1500 per quintal and Rs. 1550-1600 per quintal (Delivered Price) respectively; sourced from Davangere region of Karnataka. Farmers are bringing their lower produce in the market due to cloudy weather.

Previous Updates:

- As per AP markfed, from the current rabi crop, 3,28,922 MT of maize has been procured by A.P government as of 04th June,2020.
- As per media sources, Telangana State Cooperative Marketing Federation (TS-Markfed) has procured maize about 6.94 lakh tonnes as of 25th May,2020; out of estimated production of 14.16 lakh tonnes (Agriwatch estimates). The decision of the agency to close purchasing operations on May 31 was unexpected, as the government had earlier said they would procure 100% of the production.
- 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.
- 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 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.

International Market Commentary:

- Corn on CBOT fall by 0.49 USD/MT to 128.44 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 7th Jun 2020 stand at 97%, up 19 percentage points from same time last year and up 3 percentage points from 5 year average. Also, 75% crop of corn is in good to excellent condition. Rapid U.S planting progress likely to put pressure on CBOT corn prices.

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	-6.00	1271.00	1271.00	1271.00	1271.00	10	-100	1440	-
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
	10-Jun-20	10-Jun-20	10-Jun-20	08-Jun-20
Gulabagh	199	-	199	199
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		11-Jun-20	10-Jun-20	Change	11-Jun-20	10-Jun-20	Change
New Delhi	Hybrid	1360	1360	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1350	1350	Unch	2000	500	1500
Ranebennur	Hybrid/Local	NR	1350	-	NR	22590	-
Bagalkot	Hybrid/Local	NR	1300	-	NR	427	-
Gadag	Local	NR	1360	-	NR	34	-
Hubli	Local	1320	1000	320	68	9	59
Shimoga	Hybrid/Local	NR	NR	-	NR	NR	-
Nizamabad	Bilty	1425	1450	-25	200	10	190
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	1375	-	NR	51	-
Sangli	Feed	1420	1414	6	NA	NA	-
Naugachia	Bilty	1225	1225	Unch	5000	2000	3000
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1200	Unch	80000	80000	Unch
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1400	1430	-30	2000	3000	-1000
	Starch	1450	1470	-20			

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Khanna	Local	1100	1200	-100	2400	1950	450
	Bilty	1320	1325	-5			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	NR	NR	-	NR	NR	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 10 Jun,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	128.83	129.13	127.65	128.44	-0.49	
Sep-20	131.00	131.29	130.01	130.60	-0.49	
Dec-20	134.84	135.13	133.95	134.44	-0.69	
Mar-21	139.66	139.76	138.77	139.07	-0.79	
May-21	142.32	142.61	141.43	141.73	-0.89	

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