

**16th June, 2020****Executive Summary:**

- In Bihar, maize is being traded at Rs. 1250 per quintal (Bilty Price) amid Stockists demand. 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.1550 per quintal and Rs. 1600 per quintal (Delivered Price) respectively; sourced from Davangere region of Karnataka.
- In Ahmedabad region of Gujarat, poultry feed makers quoted maize steady at Rs. 1400 per quintal while starch feed makers quoted it down by Rs. 30 per quintal to Rs. 1450 per quintal compared to previous day.
- 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 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.

Previous Updates:

- 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.
- 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 129.92 USD/MT for July'20 contract compared to previous week due to decrease in demand for U.S corn. 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.
- As per USDA, U.S corn exports reached 30.25 MMT in the 2019-20 marketing year. At 1.24 MMT (for the period 29th May- 04th June, 2020) US corn exports were down 8 percent from the previous week but unchanged from the prior 4-week average; mainly for the destinations like Mexico (293,700 MT), South Korea (237,300 MT), Japan (208,000 MT), Peru (129,800 MT), and Israel (61,900 MT). Agriwatch expects that decrease in export demand for U.S corn could weigh on CBOT corn prices.

Outlook and Recommendation: Maize cash market is likely to trade steady to range bound in the near term.

16th June, 2020

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jun-20	-	1261.00	1270.00	1240.00	1261.00	-	-	230	-
July-20	+21.00	1285.00	1300.00	1285.00	1300.00	130	-50	1650	90
Aug-20	--	--	--	--	--	-	-	-	-

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

Spread	Jun-20	July-20	Aug-20
Spot	-11	--	--
Jun-20	--	39	--
July-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	13-Jun-20	13-Jun-20	13-Jun-20	08-Jun-20
Gulabagh	298	-	298	199
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		15-Jun-20	13-Jun-20	Change	15-Jun-20	13-Jun-20	Change
New Delhi	Hybrid	1350	1360	-10	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1400	Closed	-	2000	Closed	-
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	1335	1285	50	11	199	-188
Gadag	Local	1340	NR	-	12	NR	-
Hubli	Local	1330	1335	-5	48	478	-430
Shimoga	Hybrid/Local	1300	NR	-	316	NR	-
Nizamabad	Bilty	1400	Closed	-	800	Closed	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	1473	1440	33	NA	NA	-
Naugachia	Bilty	1175	1225	-50	2500	2000	500
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1200	Unch	70000	80000	-10000
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1400	1400	Unch	6000	15000	-9000
	Starch	1450	1480	-30			



16th June, 2020

Khanna	Local	1100	1200	-100	3000	4500	-1500
	Bilty	1310	1360	-50			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	NR	Closed	-	NR	Closed	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 12 Jun,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	129.72	131.10	129.23	129.92	0.10	
Sep-20	131.69	132.97	131.29	131.69	-0.20	
Dec-20	135.13	136.12	134.54	135.03	-0.30	
Mar-21	139.66	140.74	139.17	139.66	-0.30	
May-21	142.41	143.40	141.82	142.22	-0.39	

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