

**18th June, 2020****Executive Summary:**

- 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 75% and in Karnataka, maize crop has been harvested at 60-65% till date.
- In Nizamabad, local starch feed makers are buying low quality material at Rs. 1310-1320 per quintal from farmers. It is likely to trade steady amid limited demand and arrival.
- Maize acreage in Kharif 2020-21 may turn out to be steady to slightly higher than that in Kharif 2019-20 as farmers would prefer less labour intensive crops. 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, low prevailing market prices could be a factor 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 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.1550-1600 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 firm by Rs. 10 per quintal to Rs. 1410 per quintal while starch feed makers quoted it down by Rs. 60 per quintal to Rs. 1390 per quintal compared to previous day.

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 0.10 USD/MT to 129.52 USD/MT for July'20 contract compared to previous day due to decrease in demand for U.S corn. Further, price direction depend on the demand for U.S corn.

Previous Updates:

- In U.S, crop of corn as on 14th Jun 2020 has emerged at 95%, up 21 percentage points from same time last year and up 3 percentage points from 5 year average. Also, 71% crop of corn is in good to excellent condition, down 4 percentage points from last week.
- 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.

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NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jun-20	-	1257.00	1257.00	1257.00	1257.00	10	10	230	-
July-20	-5.00	1295.00	1291.00	1290.00	1290.00	50	-90	1800	40
Aug-20	--	--	--	--	--	-	-	-	-

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

Spread	Jun-20	July-20	Aug-20
Spot	-7	--	--
Jun-20	--	33	--
July-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	16-Jun-20	16-Jun-20	16-Jun-20	15-Jun-20
Gulabagh	298	-	298	298
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		17-Jun-20	16-Jun-20	Change	17-Jun-20	16-Jun-20	Change
New Delhi	Hybrid	1350	1350	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1400	1400	Unch	1000	1000	Unch
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	NR	1355	-	NR	100	-
Gadag	Local	1439	1390	49	260	57	203
Hubli	Local	1402	NR	-	27	NR	-
Shimoga	Hybrid/Local	1300	NR	-	16690	NR	-
Nizamabad	Bilty	1400	1400	Unch	800	10	790
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	1325	1380	-55	100	15	85
Sangli	Feed	1494	1475	19	NA	NA	-
Naugachia	Bilty	1200	1200	Unch	2000	1000	1000
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1200	Unch	60000	60000	Unch
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1410	1400	10	10000	5000	5000
	Starch	1390	1450	-60			



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Khanna	Local	1100	1150	-50	4500	3000	1500
	Bilty	1240	1300	-60			
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 16 Jun,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	130.60	131.69	129.13	129.52	-0.10	
Sep-20	132.18	133.46	131.19	131.59	0.20	
Dec-20	135.23	136.51	134.44	134.93	0.49	
Mar-21	139.76	140.94	139.07	139.36	0.30	
May-21	142.32	143.50	141.63	141.92	0.20	

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