

13th July, 2020

Executive Summary:

- In Andhra Pradesh, maize has been sown in 30,157 hectares as of 08th July'20; higher than 14,522 hectares compared to corresponding period last year. Maize sown area is 32% to season normal. In Visakhapatnam, Vizianagaram, Guntur and Anantapuram districts of Andhra Pradesh, around 1451 hectares area of maize has been affected by fall-armyworm; out of which 663 hectares has been treated. In Telangana, maize sown area is 6% to season normal and at early vegetative stage. In Nagarkurnool district of Telangana, maize crop has been infested by stem borer. Also, in Pune, Ahmednagar, Nashik and Solapur districts of Maharashtra, maize crop has been infested by fall-armyworm.
- In U.P, starch feed makers are buying maize at Rs.1300 per quintal; sourced from Naugachia region of Bihar while in Telangana, local starch feed makers are buying maize at Rs. 1310 per quintal while it is being delivered to Hyderabad at Rs.1400 per quintal. Maize is moving towards Bangalore at Rs. 1500 per quintal and Namakkal at Rs.1540 per quintal; sourced from Davangere region of Karnataka.

Previous Updates:

- In Bihar, despite the local stockists' demand and export demand from Bangladeshi and Nepalese feed makers, maize is being traded at Rs. 1225 per quintal (Bilty Price). Recent rains in Bihar has affected the arrival quality. It is expected that maize would trade steady to range bound amid limited demand.
- In India, maize has been sown in 45.59 lakh hectares as of 3rd July'20 which is higher than 23.38 lakh hectares of the corresponding period last year. In M.P, maize has been sown in 10.84 lakh hectares as of 3rd July'20; higher than 1.54 lakh hectares compared to corresponding period last year. In Maharashtra, it has been sown in 6.23 lakh hectares; higher than 0.48 lakh hectares compared to corresponding period last year.
- As per media sources, Maharashtra government has procurement target of 9 lakh quintals of maize till 15th July.
- India has authorized imports of 5 lakh ton Non- GM Maize (other than seed quality) at a concessional custom duty of 15 % under TRQ Scheme for end users for the current financial year. At present, there is no import parity as maize is trading lower in the domestic markets due to demand destruction from poultry feed industry on the fear of corona virus.
- Maize acreage in Kharif 2020-21 may turn out more or less the same as that in Kharif 2019-20 even as farmers could prefer less labour intensive crops. Expectation of a good monsoon, the increase in MSP by Rs. 90 per quintal at Rs. 1850 per quintal for the Kharif season 2020-21 and the bonus offered by the Haryana government to switch from water guzzling paddy to maize are all good motivating factors for farmers to grow more maize this Kharif season. On the other hand, low prevailing market prices could be a major factor to shift towards more remunerative and high yield crops like pulses.
- As per trade sources, in Telangana, harvesting of rabi crop of maize has been completed while in Bihar and Karnataka regions, 90% of the maize crop has been harvested till date.
- In Nizamabad, maize is likely to trade steady amid limited demand and arrival.
- As per trade sources, India exported around 19,934 MT of maize for the month of May'20 at an average FoB of \$205.76/ MT. Out of which, around 15,364 MT Indian maize was exported mainly to Nepal at an average FoB of \$193.74/MT; mainly through Raxaul followed by Sonauli ICD, Jogbani ICD and Nepalgunj Road port.
- As per AP markfed, from the current rabi crop, 3,80,933 MT of maize has been procured by A.P government as of 17th June,2020.
- 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 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).

International Market Commentary:

- Corn on CBOT fall by 4.23 USD/MT to 134.05 USD/MT for July'20 contract compared to previous day. Further, price direction depend on the demand for U.S corn.
- USDA decreased its world corn ending stock estimates by 22.83 MMT to 315.04 MMT for 2020/21 compared to last month due to decrease in production estimates which could support global corn market.
- Corn ending stock estimates for U.S decreased by 17.15 MMT to 67.26 MMT for 2020/21 compared to last month estimates due to decrease in production estimates while for Ukraine, it kept unchanged its corn ending stock estimates at 1.56 MMT for 2020/21.

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
July-20	12.00	1273.00	1285.00	1264.00	1285.00	290	210	2830	110
Aug-20	-	-	-	-	-	-	-	130	-
Sep-20	--	--	--	--	--	-	-	-	-

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

Spread	July-20	Aug-20	Sep-20
Spot	-	--	--
July-20	--	-	--
Aug-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	10-July-20	10-July-20	10-July-20	06-July-20
Gulabagh	2009	348	2357	1641
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		11-Jul-20	10-Jul-20	Change	11-Jul-20	10-Jul-20	Change
New Delhi	Hybrid	1300	1300	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	Closed	1350	-	Closed	2000	-
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	NR	1300	-	NR	30	-
Gadag	Local	NR	1330	-	NR	45	-
Hubli	Local	NR	NR	-	NR	NR	-
Shimoga	Hybrid/Local	NR	1300	-	NR	257	-
Nizamabad	Bilty	Closed	1350	-	Closed	10	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	1500	1500	Unch	NA	NA	-
Naugachia	Bilty	1200	1200	Unch	1000	2000	-1000
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	Closed	Closed	-	Closed	Closed	-
	Bilty	Closed	Closed	-			
Ahmedabad	Feed	1350	1350	Unch	30000	30000	Unch
	Starch	1380	1380	Unch			

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Khanna	Local	1150	1150	Unch	4500	4500	Unch
	Bilty	1250	1250	Unch			
Ludhiana	Local	1200	1200	Unch	10000	10000	Unch
	Bilty	1250	1250	Unch			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	Closed	NR	-	Closed	NR	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 10 July,2020						
Contract Month	Open	High	Low	Close	Change	
Jul-20	137.89	138.58	133.85	134.05	-4.23	
Sep-20	137.30	138.38	132.38	132.77	-4.53	
Dec-20	140.54	141.53	135.33	135.72	-4.82	
Mar-21	144.38	145.37	139.36	139.76	-4.63	
May-21	146.45	147.43	141.82	142.22	-4.33	

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