

**27<sup>th</sup> July, 2020****Executive Summary:**

- In U.P and Punjab, feed makers are buying maize at Rs.1300 per quintal each; sourced from Naugachia region of Bihar. While, Hyderabad poultry feed makers are buying maize at Rs. 1450-1500 per quintal; sourced from Nizamabad region.
- In India, maize has been sown in 71.26 lakh hectares as of 24th July'20 which is higher than 66.45 lakh hectares of the corresponding period last year. In M.P, maize has been sown in 14.79 lakh hectares as of 24th July'20; higher than 14.13 lakh hectares compared to corresponding period last year. In Maharashtra, it has been sown in 8.16 lakh hectares; higher than 5.96 lakh hectares compared to corresponding period last year. However, in Rajasthan, it has been sown in 8.32 lakh hectares; lower than 8.55 lakh hectares compared to corresponding period last year.
- In Telangana, maize has been sown in 0.61 lakh hectares as of 24th July'20; lower than 2.63 lakh hectares compared to corresponding period last year. Maize sown area is 13% to season normal and at knee high stage. In Vikarabad district of Telangana, maize crop has been infested by fall-armyworm.

**Previous Updates:**

- In Bihar, despite the export demand from Bangladeshi and Nepalese feed makers, maize is being traded at Rs. 1225 per quintal (Bilty Price). Rains since last three weeks has affected the arrival quality. It is expected that maize would trade steady to range bound amid limited demand and arrival.
- As per trade sources, India exported around 1,12,867 MT of maize for the month of Jun'20 at an average FoB of \$187.79/ MT, out of which, 58,067 MT Indian maize was exported to Nepal at an average FoB of \$182.49/MT and around 49,406 MT was exported to Bangladesh at an average FoB of \$190.95/MT.
- As per AP markfed, from the current rabi crop, 4,12,911 MT of maize has been procured by A.P government as of 13th July,2020.
- In Andhra Pradesh, maize has been sown in 0.41 lakh hectares as of 15th July'20; higher than 0.30 lakh hectares compared to corresponding period last year. Maize sown area is 44% to season normal. In Visakhapatnam, Vizianagaram, Guntur, Anantapuram and Kurnool districts of Andhra Pradesh, around 1650 hectares area of maize has been affected by fall-armyworm; out of which 958 hectares has been treated.
- In Pune, Ahmednagar, Nashik and Solapur districts of Maharashtra, maize crop has been infested by fall-armyworm.
- 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.
- 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.

**International Market Commentary:**

- Corn on CBOT fall by 0.69 USD/MT to 128.44 USD/MT for September'20 contract compared to previous day.
- As per USDA, U.S corn exports has reached 37.03 MMT in the 2019-20 marketing year. At 1.05 MMT (for the period 10th- 16th July, 2020) US corn exports were up 4 percent from the previous week but down 13 percent from the previous 4-week average; mainly for the destinations like Mexico (236,200 MT), Japan (230,500 MT), China (134,800 MT), South Korea (129,300 MT), and Peru (106,300 MT). Agriwatch expects increase in export demand in coming weeks for U.S corn which would support to CBOT corn market.
- IGC decreased its global corn production forecast for 2020/21 by 5 MMT to 1164 MMT compared to previous month forecast. However, forecast for global corn ending stock was kept unchanged at 288 MMT for 2020/21 compared to last month forecast.

**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 |
|----------|-----|---------|---------|---------|---------|--------|---------------|------|-----------|
| Aug-20   | -   | 1300.00 | 1300.00 | 1292.00 | 1292.00 | 180    | -240          | 1240 | 180       |
| Sep-20   | -   | -       | -       | --      | -       | -      | -             | -    | -         |
| Oct-20   | --  | --      | --      | --      | --      | -      | -             | -    | -         |

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

| Spread | Aug-20 | Sep-20 | Oct-20 |
|--------|--------|--------|--------|
| Spot   | -      | --     | --     |
| Aug-20 | --     | -      | --     |
| Sep-20 | --     | --     | -      |

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

| Stocks   | Demat      | In-Process | Total      | EDD        |
|----------|------------|------------|------------|------------|
|          | 24-July-20 | 24-July-20 | 24-July-20 | 20-July-20 |
| Gulabagh | 2897       | 50         | 2947       | 2819       |
| Sangli   | -          | -          | -          | -          |

## Spot Prices at Key Markets

| Centre     | Grade         | Prices (Rs./qtl) |           |        | Arrivals in Quintal |           |        |
|------------|---------------|------------------|-----------|--------|---------------------|-----------|--------|
|            |               | 25-Jul-20        | 24-Jul-20 | Change | 25-Jul-20           | 24-Jul-20 | Change |
| New Delhi  | Hybrid        | 1200             | 1200      | Unch   | NA                  | NA        | -      |
| Koppal     | Loose         | NA               | NA        | -      | NA                  | NA        | -      |
| Davangere  | Loose         | Closed           | 1350      | -      | Closed              | 1000      | -      |
| Ranebennur | Hybrid/Local  | NR               | NR        | -      | NR                  | NR        | -      |
| Bagalkot   | Hybrid/Local  | NR               | NR        | -      | NR                  | NR        | -      |
| Gadag      | Local         | NR               | 1340      | -      | NR                  | 20        | -      |
| Hubli      | Local         | NR               | NR        | -      | NR                  | NR        | -      |
| Shimoga    | Hybrid/Local  | NR               | NR        | -      | NR                  | NR        | -      |
| Nizamabad  | Bilty         | Closed           | 1375      | -      | Closed              | 10        | -      |
| Karimnagar | Local         | NR               | NR        | -      | NR                  | NR        | -      |
| Khammam    | Local         | NR               | NR        | -      | NR                  | NR        | -      |
| Sangli     | Feed          | 1462             | 1462      | Unch   | NA                  | NA        | -      |
| Naugachia  | Bilty         | 1125             | 1125      | Unch   | 2000                | 2000      | Unch   |
| Kolkata    | Mill Delivery | NA               | NA        | -      | NA                  | NA        | -      |
| Gulabagh   | Local         | Closed           | 1150      | -      | Closed              | 30000     | -      |
|            | Bilty         | Closed           | 1225      | -      |                     |           |        |
| Ahmedabad  | Feed          | Closed           | 1300      | -      | Closed              | 30000     | -      |
|            | Starch        | Closed           | 1300      | -      |                     |           |        |



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|            |             |        |      |      |        |      |      |
|------------|-------------|--------|------|------|--------|------|------|
| Khanna     | Local       | 1100   | 1100 | Unch | 2400   | 1950 | 450  |
|            | Bilty       | 1240   | 1220 | 20   |        |      |      |
| Ludhiana   | Local       | 1200   | 1200 | Unch | 1000   | 1000 | Unch |
|            | Bilty       | 1250   | 1250 | Unch |        |      |      |
| Jalgaon    | Bilty       | NA     | NA   | -    | NA     | NA   | -    |
| Chhindwara | Loose price | Closed | 1300 | -    | Closed | 1500 | -    |

| CBOT Corn Daily Futures Price Listing (USD/MT) as on 24 July,2020 |        |        |        |        |        |  |
|---|--------|--------|--------|--------|--------|--|
| Contract Month  | Open   | High   | Low    | Close  | Change |  |
| Sep-20  | 129.13 | 129.82 | 128.14 | 128.44 | -0.69  |  |
| Dec-20  | 132.18 | 132.87 | 131.59 | 131.88 | -0.20  |  |
| Mar-21  | 136.12 | 137.00 | 135.82 | 136.21 | 0.20   |  |
| May-21  | 138.28 | 139.66 | 138.28 | 138.97 | 0.20   |  |
| July-21   | 140.94 | 141.73 | 140.64 | 141.14 | 0.30   |  |

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