

**7<sup>th</sup> August, 2020****Executive Summary:**

- In Telangana, maize has been sown in 1,74,773 acres as of 5th Aug'20; lower than 8,33,849 compared to corresponding period last year. Maize sown area is 15% to season normal and at cob formation to seed hardening stage. In Nizamabad district of Telangana, maize crop has been infested by fall-armyworm.
- 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 four weeks has affected the arrival quality. It is expected that maize would trade steady to slightly firm on the expectation of decrease in arrival in near term.
- In U.P and Punjab, feed makers are buying maize at Rs.1250 per quintal and Rs. 1350 per quintal respectively; sourced from Naugachia region of Bihar.

**Previous Updates:**

- As per media source, auction of maize for 53,010.30 MT and 47,010.40 MT has been scheduled by Andhra Government for 12th-13th Aug, 2020 respectively.
- As per media news, nearby Aurangabad districts of Maharashtra, around 1 lakh hectares area of maize has been affected by Northern Leaf Blight disease and Physoderma brown spot fungus.
- In India, maize has been sown in 74.30 lakh hectares as of 31st July'20 which is higher than 72.58 lakh hectares of the corresponding period last year. Maize sown area is 99.5% of normal area. Agriwatch expects maize sown area at 82.24 lakh hectares for the Kharif season 2020-21 which is above than normal area of 74.7 lakh hectares but less than last year area of 82.44 lakh hectares. In M.P, maize has been sown in 14.84 lakh hectares as of 31st July'20; higher than 14.13 lakh hectares compared to corresponding period last year. In Maharashtra, it has been sown in 8.28 lakh hectares; higher than 7.36 lakh hectares compared to corresponding period last year. In Rajasthan, it has been sown in 9.00 lakh hectares; higher than 8.61 lakh hectares compared to corresponding period last year.
- In A.P, maize has been sown in 0.63 lakh hectares as of 31st July'20 which is higher than 0.61 lakh hectares of the corresponding period last year. Maize sown area is 67% to season normal and at sowings to vegetative stage. In Visakhapatnam, Vizianagaram, Guntur, Anantapuram and Kurnool districts of Andhra Pradesh, around 2054 hectares area of maize has been affected by fall-armyworm; out of which 1221 hectares has been treated.
- Hyderabad poultry feed makers are buying maize at Rs. 1450-1500 per quintal; sourced from Nizamabad region.
- 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 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 rose by 1.08 USD/MT to 122.44 USD/MT for September'20 contract compared to previous day.
- In U.S, 72% crop of corn is in good to excellent condition as of 2<sup>nd</sup> August'20, same percentage points from last week. 92% crop of corn is in silking while 39% crop of corn is in dough stage as of 2<sup>nd</sup> August'20.
- Expectation of increase in export demand in coming weeks for U.S corn would support to CBOT corn market. However, expectation of larger yield due to favorable weather conditions in U.S could limit the gain.
- As per USDA, U.S corn exports has reached 38 MMT in the 2019-20 marketing year. At 0.97 MMT (for the period 17th- 23rd July, 2020) US corn exports were down 8 percent from the previous week and 15 percent from the previous 4-week average; mainly for the destinations like Mexico (360,800 MT), Japan (355,100 MT), China (67,900 MT), Guatemala (66,500 MT), and Colombia (58,800 MT).

**Outlook and Recommendation:** Maize cash market is likely to trade steady to slightly firm in the near term.

7<sup>th</sup> August, 2020

## NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-20	-	-	-	-	-	-	-	2270	-
Sep-20	30.00	1270.00	1300.00	1300.00	1300.00	10	-	360	-
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
	05-Aug-20	05-Aug-20	05-Aug-20	03-Aug-20
Gulabagh	804	-	804	766
Sangli	-	-	-	-

## Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		6-Aug-20	5-Aug-20	Change	6-Aug-20	5-Aug-20	Change
New Delhi	Hybrid	1250	1250	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	2500	3000	-500
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	NR	1246	-	NR	71	-
Gadag	Local	NR	NR	-	NR	NR	-
Hubli	Local	NR	NR	-	NR	NR	-
Shimoga	Hybrid/Local	NR	1300	-	NR	3285	-
Nizamabad	Bilty	Closed	Closed	-	Closed	Closed	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	1475	1476	-1	NA	NA	-
Naugachia	Bilty	1175	1175	Unch	2000	2000	Unch
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1175	1175	Unch	30000	20000	10000
	Bilty	1225	1225	Unch			
Ahmedabad	Feed	1350	1350	Unch	10000	2000	8000
	Starch	1370	1350	20			



7<sup>th</sup> August, 2020

Khanna	Local	1125	1125	Unch	750	2250	-1500
	Bilty	1250	1250	Unch			
Ludhiana	Local	1150	1150	Unch	300	300	Unch
	Bilty	1200	1200	Unch			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	1250	Closed	-	1500	Closed	-

### CBOT Corn Daily Futures Price Listing (USD/MT) as on 05 August,2020

Contract Month	Open	High	Low	Close	Change
Sep-20	121.65	122.53	121.65	122.44	1.08
Dec-20	126.37	127.36	126.27	127.26	1.18
Mar-21	131.00	132.08	131.00	132.08	1.28
May-21	134.15	135.33	134.15	135.33	1.38
July-21	136.80	138.08	136.80	138.08	1.38

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.