

**18<sup>th</sup> August, 2020**

### Executive Summary:

- In A.P, maize has been sown in 0.79 lakh hectares as of 12th Aug'20 which is higher than 0.72 lakh hectares of the corresponding period last year. Maize sown area is 84% to season normal and at sowings to vegetative stage. In Visakhapatnam, Vizianagaram, Guntur, Anantapuram, Kurnool and Chittoor districts of Andhra Pradesh, around 2055 hectares area of maize has been affected by fall-armyworm; out of which 1273 hectares has been treated.
- In Bihar, despite the export demand from Bangladeshi and Nepalese feed makers, maize is being traded at Rs. 1250 per quintal (Bilty Price). In U.P and Punjab, feed makers are buying maize at Rs.1350 per quintal and Rs. 1380-1400 per quintal respectively; sourced from Naugachia region of Bihar.

### Previous Updates:

- As per Telangana agri department, maize has been sown in 1,93,876 acres as of 12th Aug'20; lower than 8,48,732 acres compared to corresponding period last year. Maize sown area is 16% to season normal and at cob formation to seed hardening stage. Agriwatch trade sources revealed that decrease in acreage is mainly due to encouragement by Telangana Government, to shift towards other remunerative crops like cotton but that decrease can't be more than 25%.Also, around 15% maize crop has been infested by fall-armyworm in Nizamabad district. Agriwatch expects that decrease in acreage and loss in yield would support to maize prices in the state.
- In India, maize has been sown in 75.88 lakh hectares as of 7th Aug'20, 101.58% 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 Maharashtra, it has been sown in 8.40 lakh hectares; higher than 7.92 lakh hectares compared to corresponding period last year. In Rajasthan, it has been sown in 9.15 lakh hectares; higher than 8.80 lakh hectares compared to corresponding period last year. However, In M.P, maize has been sown in 14.95 lakh hectares as of 7th Aug'20; lower than 15.26 lakh hectares compared to corresponding period last year.
- As per media source, auction of maize for 53,010.30 MT and 47,010.40 MT was 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.
- Hyderabad poultry feed makers are buying maize at Rs. 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.
- 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 6.89 USD/MT to 128.05 USD/MT for September'20 contract compared to previous week. 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 have reached 40.02 MMT in the 2019-20 marketing year. At 1.33 MMT (for the period 31st July- 6th Aug, 2020) US corn exports were up 95 percent from the previous week and 43 percent from the previous 4-week average; mainly for the destinations like China (396,600 MT), Mexico (225,800 MT), Colombia (167,300 MT), Japan (163,900 MT), and South Korea (125,100 MT). Agriwatch expects increase in export demand for U.S corn would support to CBOT corn market.

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

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

## NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-20	Unch	1261	1261	1261	1261	-	-	2100	-
Sep-20	0.46	1320	1320	1305	1305	20	-	470	-
Oct-20	Unch	1299	1299	1299	1299	-	-	-	-

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

Spread	Aug-20	Sep-20	Oct-20
Spot	114		
Aug-20		70	
Sep-20			76

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

Stocks	Demat	In-Process	Total	EDD
	14-Aug-20	14-Aug-20	14-Aug-20	10-Aug-20
Gulabagh	802	-	802	805
Sangli	-	-	-	-

## Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		17-Aug-20	14-Aug-20	Change	17-Aug-20	14-Aug-20	Change
New Delhi	Hybrid	1250	1250	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	5000	6000	-1000
Ranebennur	Hybrid/Local	NR	1360	-	NR	3000	-
Bagalkot	Hybrid/Local	NR	1270	-	NR	147	-
Gadag	Local	NR	1235	-	NR	21	-
Hubli	Local	NR	120	-	NR	21	-
Shimoga	Hybrid/Local	1350	NR	-	2377	NR	-
Nizamabad	Bilty	1375	Closed	-	200	Closed	-
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	1436	1437	-1	NA	NA	-
Naugachia	Bilty	1225	1200	25	1500	2000	-500
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1200	Unch	50000	30000	20000
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1350	1370	-20	8000	2000	6000
	Starch	1350	1380	-30			

**18<sup>th</sup> August, 2020**

<b>Khanna</b>	Local	1160	1100	<b>60</b>	1950	2700	<b>-750</b>
	Bilty	1280	1250	<b>30</b>			
<b>Ludhiana</b>	Local	1100	1100	<b>Unch</b>	100	100	<b>Unch</b>
	Bilty	1200	1200	<b>Unch</b>			
<b>Jalgaon</b>	Bilty	NA	NA	<b>-</b>	NA	NA	<b>-</b>
<b>Chhindwara</b>	Loose price	1200	1200	<b>Unch</b>	2000	1000	<b>1000</b>

<b>CBOT Corn Daily Futures Price Listing (USD/MT) as on 14 August,2020</b>						
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>	
<b>Sep-20</b>	124.01	128.93	123.91	128.05	<b>4.23</b>	
<b>Dec-20</b>	128.93	134.15	128.93	133.36	<b>4.53</b>	
<b>Mar-21</b>	133.36	138.38	133.36	137.69	<b>4.33</b>	
<b>May-21</b>	136.51	141.33	136.51	140.54	<b>4.13</b>	
<b>July-21</b>	138.97	143.40	138.97	142.61	<b>3.74</b>	

**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.