

19th August, 2020**Executive Summary:**

- In India, maize has been sown in 77.78 lakh hectares as of 14th Aug'20, 104.08% 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 74.73 lakh hectares but less than last year area of 82.44 lakh hectares. In Maharashtra, it has been sown in 8.53 lakh hectares; higher than 8.24 lakh hectares compared to corresponding period last year. In Rajasthan, it has been sown in 9.18 lakh hectares; higher than 8.81 lakh hectares compared to corresponding period last year. However, In M.P, maize has been sown in 15.19 lakh hectares as of 14th Aug'20; lower than 15.31 lakh hectares compared to corresponding period last year.
- 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:

- 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.
- 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.
- 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. 1475 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 2.56 USD/MT to 130.31 USD/MT for September'20 contract compared to previous day. Expectation of increase in export demand in coming weeks for U.S corn would support to CBOT corn market. However, expectation of larger yield in U.S could limit the gain.
- In U.S, 69% crop of corn is in good to excellent condition as of 16th August'20, down 2 percentage points from last week. 76% crop of corn is in dough stage and 23% crop of crop has dented as of 16th August'20.
- 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.

19th August, 2020

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-20	--	--	--	--	--	-	-	-	-
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
	17-Aug-20	17-Aug-20	17-Aug-20	17-Aug-20
Gulabagh	802	-	802	804
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		18-Aug-20	17-Aug-20	Change	18-Aug-20	17-Aug-20	Change
New Delhi	Hybrid	1200	1200	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	5000	5000	Unch
Ranebennur	Hybrid/Local	NR	NR	-	NR	NR	-
Bagalkot	Hybrid/Local	NR	NR	-	NR	NR	-
Gadag	Local	1235	NR	-	21	NR	-
Hubli	Local	NR	NR	-	NR	NR	-
Shimoga	Hybrid/Local	1350	1350	Unch	1154	2377	-1223
Nizamabad	Bilty	1375	1375	Unch	200	20	180
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	1434	1436	-2	NA	NA	-
Naugachia	Bilty	1225	1225	Unch	2000	1500	500
Kolkata	Mill Delivery	NA	NA	-	NA	NA	-
Gulabagh	Local	1200	1200	Unch	40000	50000	-10000
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1350	1350	Unch	6000	8000	-2000
	Starch	1380	1350	30			

19th August, 2020

Khanna	Local	1150	1160	-10	2250	1950	300
	Bilty	1260	1280	-20			
Ludhiana	Local	1100	1100	Unch	100	100	Unch
	Bilty	1200	1200	Unch			
Jalgaon	Bilty	NA	NA	-	NA	NA	-
Chhindwara	Loose price	1200	1200	Unch	2500	2000	500

CBOT Corn Daily Futures Price Listing (USD/MT) as on 17 August,2020						
Contract Month	Open	High	Low	Close	Change	
Sep-20	128.73	130.31	128.54	130.31	2.56	
Dec-20	134.15	135.82	133.85	135.72	2.66	
Mar-21	138.58	140.54	138.28	140.45	2.95	
May-21	141.04	143.40	141.04	143.40	2.95	
July-21	143.50	145.56	143.50	145.47	2.76	

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