

24th August, 2020**Executive Summary:**

- In A.P, maize has been sown in 0.84 lakh hectares as of 19th Aug'20 which is higher than 0.80 lakh hectares of the corresponding period last year. Maize sown area is 89% to season normal and at Knee high to tasselling and cob formation stage. In Visakhapatnam, Vizianagaram, Guntur, Anantapuram, Kurnool, Chittoor, Krishna and YSR Kadapa districts of Andhra Pradesh, around 5136 hectares area of maize has been affected by fall-armyworm; out of which 3264 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.1430 per quintal and Rs. 1450 per quintal respectively; sourced from Naugachia region of Bihar.
- As per Telangana agri department, maize has been sown in 2,02,921 acres as of 19th Aug'20; lower than 8,77,815 acres compared to corresponding period last year. Maize sown area is 17% 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, fall-armyworm and stem- borer in Nizamabad, Mahabubabad and Nagarkurnool districts is below ETL. Agriwatch expects that decrease in acreage would support to maize prices in the state.
- As per trade sources, India exported around 2,00,296 MT of maize for the month of July'20 at an average FoB of \$184/ MT. Out of which, 1,36,179 MT Indian maize was exported to Bangladesh at an average FoB of \$188.58/MT and around 59,037 MT was exported to Nepal at an average FoB of \$177.58/MT.
- As per media sources, maize tender for 53,010.30 MT and 47,010.40 MT has been cancelled by Andhra Government.
- Trade sources revealed that heavy rains in Maharashtra and U.P could affect the crop quality.

Previous Updates:

- As per AP Markfed, from the current rabi crop, 4,16,982 MT of maize has been procured by A.P government as of 27th July,2020.
- Hyderabad poultry feed makers are buying maize at Rs. 1500 per quintal; sourced from Nizamabad region.
- 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.
- 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 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 0.98 USD/MT to 128.73 USD/MT for September'20 contract compared to previous day.
- As per USDA, U.S corn exports have reached 41.22 MMT in the 2019-20 marketing year. At 1.20 MMT (for the period 7th Aug - 13th Aug, 2020) US corn exports were down 10 percent from the previous week but up 19 percent from the previous 4-week average; mainly for the destinations like China (382,400 MT), Mexico (297,800 MT), Japan (210,000 MT), Colombia (112,000 MT), and Guatemala (98,700 MT). Agriwatch expects decrease in export demand for U.S corn would weigh on CBOT corn market.

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

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NCDEX Maize Futures

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|-----|------|------|-----|-------|--------|---------------|----|-----------|
| Sep-20 | -- | -- | -- | -- | -- | - | - | - | - |
| Oct-20 | -- | -- | -- | -- | -- | - | - | - | - |
| Nov-20 | -- | -- | -- | -- | -- | - | - | - | - |

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

| Spread | Sep-20 | Oct-20 | Nov-20 |
|--------|--------|--------|--------|
| Spot | - | -- | -- |
| Sep-20 | -- | - | -- |
| Oct-20 | -- | -- | - |

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

| Stocks | Demat | In-Process | Total | EDD |
|----------|-----------|------------|-----------|-----------|
| | 21-Aug-20 | 21-Aug-20 | 21-Aug-20 | 17-Aug-20 |
| Gulabagh | 932 | - | 932 | 804 |
| Sangli | - | - | - | - |

Spot Prices at Key Markets

| Centre | Grade | Prices (Rs./qtl) | | | Arrivals in Quintal | | |
|------------|---------------|------------------|-----------|--------|---------------------|-----------|--------|
| | | 22-Aug-20 | 21-Aug-20 | Change | 22-Aug-20 | 21-Aug-20 | Change |
| New Delhi | Hybrid | 1250 | 1225 | 25 | NA | NA | - |
| Koppal | Loose | NA | NA | - | NA | NA | - |
| Davangere | Loose | Closed | 1300 | - | Closed | 5000 | - |
| Ranebennur | Hybrid/Local | NR | NR | - | NR | NR | - |
| Bagalkot | Hybrid/Local | NR | NR | - | NR | NR | - |
| Gadag | Local | NR | NR | - | NR | NR | - |
| 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 | 1445 | 1445 | Unch | NA | NA | - |
| Naugachia | Bilty | 1225 | 1225 | Unch | 1000 | 1500 | -500 |
| Kolkata | Mill Delivery | NA | NA | - | NA | NA | - |
| Gulabagh | Local | 1200 | 1200 | Unch | 30000 | 40000 | -10000 |
| | Bilty | 1250 | 1250 | Unch | | | |
| Ahmedabad | Feed | 1350 | 1340 | 10 | 1000 | 4000 | -3000 |
| | Starch | 1350 | 1360 | -10 | | | |

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| | | | | | | | |
|-------------------|-------------|--------|--------|------|--------|--------|------|
| Khanna | Local | 1160 | 1150 | 10 | 1500 | 1500 | Unch |
| | Bilty | 1300 | 1280 | 20 | | | |
| Ludhiana | Local | 1100 | 1100 | Unch | 50 | 50 | Unch |
| | Bilty | 1200 | 1200 | Unch | | | |
| Jalgaon | Bilty | NA | NA | - | NA | NA | - |
| Chhindwara | Loose price | Closed | Closed | - | Closed | Closed | - |

| CBOT Corn Daily Futures Price Listing (USD/MT) as on 21 August,2020 | | | | | | |
|--|-------------|-------------|------------|--------------|---------------|--|
| Contract Month | Open | High | Low | Close | Change | |
| Sep-20 | 127.85 | 129.03 | 127.65 | 128.73 | 0.98 | |
| Dec-20 | 133.56 | 134.54 | 133.36 | 134.05 | 0.49 | |
| Mar-21 | 138.58 | 139.46 | 138.38 | 138.97 | 0.30 | |
| May-21 | 141.73 | 142.41 | 141.43 | 141.92 | 0.10 | |
| July-21 | 144.09 | 144.58 | 143.69 | 143.89 | -0.20 | |

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