

**03<sup>rd</sup> September, 2020****Executive Summary:**

- In Bihar, despite the export demand from Bangladeshi and Nepalese feed makers, maize is being traded steady at Rs. 1250 per quintal (Bilty Price) compared to previous day. Maize is being delivered to Kolkata at Rs.1400 per quintal; sourced from Bihar. Hyderabad poultry feed makers are buying maize at Rs. 1500 per quintal; sourced from Nizamabad region.

**Previous Updates:**

- As per trade sources, M.P region may see around 12-15% crop loss due to heavy rains. However, exact loss assessment can only be after the weather conditions improve. This potential crop loss could lead to increase in maize prices in near future.
- In A.P, maize has been sown in 0.87 lakh hectares as of 26th Aug'20 which is higher than 0.84 lakh hectares of the corresponding period last year. Maize sown area is 93% 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 5585 hectares area of maize has been affected by fall-armyworm; out of which 4584 hectares has been treated.
- In India, maize has been sown in 79.58 lakh hectares as of 21st Aug'20, 106.49% 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 8.65 lakh hectares; higher than 8.38 lakh hectares compared to corresponding period last year. In Rajasthan, it has been sown in 9.34 lakh hectares; higher than 8.82 lakh hectares compared to corresponding period last year. However, In M.P, maize has been sown in 15.36 lakh hectares as of 21st Aug'20; lower than 15.44 lakh hectares compared to corresponding period last year.
- As per Telangana agri department, maize is 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 in 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.
- 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.
- 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 upto 5 lakh ton of Non- GM Maize (other than seed quality) at a concessional custom duty of 15 % under TRQ Scheme for end users, in the current financial year 2020-21. 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, hence there has been no imports. But it could limit the upside in the long run.
- 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 0.39 USD/MT to 137.59 USD/MT for September'20 contract compared to previous day. Agriwatch expects increase in export demand for U.S corn would support to CBOT corn market.
- In U.S, 62% crop of corn is in good to excellent condition as of 30th August'20, down 2 percentage points from last week. 12% crop of crop has matured as of 30th August'20, up 7 percentage points from corresponding period last year.
- U.S corn exports have reached 42.16 MMT in the 2019-20 marketing year. At 0.94 MMT (for the period 14th Aug - 20th Aug, 2020) US corn exports were down 22 percent from the previous week and 10 percent from the previous 4-week average; mainly for the destinations like Mexico (255,300 MT), Japan (227,600 MT), Colombia (219,100 MT), China (135,400 MT), and Canada (33,300 MT).

**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
	01-Sep-20	01-Sep-20	01-Sep-20	31-Aug-20
Gulabagh	932	-	932	931
Sangli	-	-	-	-

**Spot Prices at Key Markets**

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		02-Sep-20	01-Sep-20	Change	02-Sep-20	01-Sep-20	Change
New Delhi	Hybrid	1250	1250	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	1210	-	NR	34	-
Gadag	Local	NR	NR	-	NR	NR	-
Hubli	Local	1240	1250	-10	60	16	44
Shimoga	Hybrid/Local	1300	1350	-50	180	6960	-6780
Nizamabad	Bilty	1370	1375	-5	100	20	80
Karimnagar	Local	NR	NR	-	NR	NR	-
Khammam	Local	NR	NR	-	NR	NR	-
Sangli	Feed	1433	1427	6	NA	NA	-
Naugachia	Bilty	1250	1275	-25	1000	1000	Unch
Kolkata	Mill Delivery	1400	1450	-50	NA	NA	-
Gulabagh	Local	1225	1200	25	20000	30000	-10000
	Bilty	1250	1250	Unch			
Ahmedabad	Feed	1300	NR	-	5000	NR	-
	Starch	1330	NR	-			

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<b>Khanna</b>	Local	1150	1150	Unch	2400	1800	600
	Bilty	1230	1280	-50			
<b>Ludhiana</b>	Local	1150	1150	Unch	100	100	Unch
	Bilty	1220	1220	Unch			
<b>Jalgaon</b>	Bilty	1350	1450	-100	1400	1450	-50
<b>Chhindwara</b>	Loose price	1300	1300	Unch	2500	2000	500

<b>CBOT Corn Daily Futures Price Listing (USD/MT) as on 01 September,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>	136.90	137.79	135.13	137.59	0.39	
<b>Dec-20</b>	140.25	141.23	138.18	140.94	0.10	
<b>Mar-21</b>	143.79	144.97	142.02	144.78	0.10	
<b>May-21</b>	146.65	147.53	144.78	147.43	0.20	
<b>July-21</b>	148.32	149.11	146.55	149.01	0.20	

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