

### Executive Summary:

- In India, maize has been sown in 81.14 lakh hectares as of 4th Sep'20, 108.58% 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 74.73 lakh hectares but less than last year area of 82.44 lakh hectares. In Maharashtra, it has been sown in 8.75 lakh hectares; higher than 8.57 lakh hectares compared to corresponding period last year. In Rajasthan, it has been sown in 9.34 lakh hectares; higher than 8.84 lakh hectares compared to corresponding period last year. However, In M.P, maize has been sown in 15.38 lakh hectares as of 4th Sep'20; lower than 15.45 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. 1300 per quintal (Bilty Price). Maize is being delivered to Kolkata at Rs.1400 per quintal; sourced from Bihar. Hyderabad poultry feed makers are buying maize at Rs. 1475 per quintal; sourced from Nizamabad region.

### Previous Updates:

- In A.P, maize has been sown in 0.89 lakh hectares as of 2nd Sep'20 which is higher than 0.85 lakh hectares of the corresponding period last year. Maize sown area is 95% 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 5516 hectares area of maize has been affected by fall-armyworm; out of which 4147 hectares has been treated.
- In Telangana, maize crop 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 is unlikely to be more than 25%. Also, fall-armyworm and stem-borer in Kamareddy, Nizamabad, Jagtial, 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, M.P region may see around 8-12% 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.
- 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 0.50 USD/MT to 136.71 USD/MT for September'20 contract compared to previous week. Agriwatch expects decrease in export demand for U.S corn would weigh on CBOT corn market.
- As per USDA, U.S corn exports have reached 42.62 MMT in the 2019-20 marketing year. At 0.46 MMT (for the period 21st Aug - 27th Aug, 2020) US corn exports were down 51 percent from the previous week and 55 percent from the previous 4-week average; mainly for the destinations like Mexico (224,300 MT), China (137,200 MT), Jamaica (28,800 MT), Japan (22,100 MT), and Trinidad (16,700 MT). Agriwatch expects that 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.

08<sup>th</sup> September, 2020

**NCDEX Maize Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Sep-20	35.00	1315.00	1354.00	1330.00	1350.00	320	220	650	90
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
	05-Sep-20	05-Sep-20	05-Sep-20	31-Aug-20
Gulabagh	248	-	248	931
Sangli	-	-	-	-

**Spot Prices at Key Markets**

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		07-Sep-20	05-Sep-20	Change	07-Sep-20	05-Sep-20	Change
New Delhi	Hybrid	1300	1250	50	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1300	1300	Unch	5000	4000	1000
Ranebennur	Hybrid/Local	NA	1400	-	NA	1123	-
Bagalkot	Hybrid/Local	1150	NA	-	3	NA	-
Gadag	Local	1180	NA	-	212	NA	-
Hubli	Local	NA	NA	-	NA	NA	-
Shimoga	Hybrid/Local	NA	NA	-	NA	NA	-
Nizamabad	Bilty	1375	Closed	-	300	Closed	-
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1446	1442	4	NA	NA	-
Naugachia	Bilty	1300	1300	Unch	1500	1000	500
Kolkata	Mill Delivery	1400	1400	Unch	NA	NA	-
Gulabagh	Local	1250	1250	Unch	50000	30000	20000
	Bilty	1300	1300	Unch			
Ahmedabad	Feed	1300	1300	Unch	8000	6000	2000
	Starch	1350	1300	50			

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Khanna	Local	1150	Closed	-	1950	Closed	-
	Bilty	1250	Closed	-			
Ludhiana	Local	1150	Closed	-	100	Closed	-
	Bilty	1220	Closed	-			
Jalgaon	Bilty	1350	1400	-50	1400	1400	Unch
Chhindwara	Loose price	Closed	Closed	-	Closed	Closed	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 04 September,2020						
Contract Month	Open	High	Low	Close	Change	
Sep-20	135.43	137.40	135.23	136.71	1.08	
Dec-20	139.36	141.43	139.27	140.94	1.67	
Mar-21	143.50	145.56	143.50	145.07	1.48	
May-21	146.15	148.22	146.15	147.53	1.28	
July-21	147.93	149.89	147.93	149.30	1.28	

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