

15th September, 2020

Executive Summary:

- 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.1450 per quintal; sourced from Bihar. Hyderabad poultry feed makers are buying maize at Rs. 1475 per quintal; sourced from Nizamabad region. It is also moving towards Tamil Nadu and Bengaluru at Rs. 1600 and Rs. 1550-1600 per quintal, sourced from Davangere region of Karnataka.
- In India, maize has been sown in 80.71 lakh hectares as of 11th Sep'20, 108% of normal area. Agriwatch expects maize sown area at 82.17 lakh hectares for the Kharif season 2020-21 which is above than normal area of 74.73 lakh hectares but below than last year area of 82.44 lakh hectares. In Maharashtra, it has been sown in 8.81 lakh hectares; higher than 8.61 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. In M.P, maize has been sown in 15.38 lakh hectares; higher than 15.36 lakh hectares compared to corresponding period last year.

Previous Updates:

- In Telangana, maize crop is at cob formation to seed hardening stage. Fall-armyworm and stem- borer in Kamareddy, Nizamabad, Jagtial, Mahabubabad and Nagarkurnool districts is below ETL.
- In A.P, maize has been sown in 0.90 lakh hectares as of 9th Sep'20 which is higher than 0.87 lakh hectares of the corresponding period last year. Maize sown area is 97% 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 5654 hectares area of maize has been affected by fall-armyworm; out of which 4353 hectares has been treated.
- As per trade sources, in M.P region, there could be 4-5% crop loss due to recent heavy rains.
- 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.
- 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 6.98 USD/MT to 143.69 USD/MT for September'20 contract compared to previous week. Agriwatch expects that increase in export demand for U.S corn would lead to CBOT corn.
- USDA decreased its world corn ending stock estimates by 10.67 MMT to 306.79 MMT for 2020/21 compared to last month due to decrease in production estimates which would support to global corn market.
- USDA also revised the ending stock estimates for U.S, down by 6.44 MMT to 63.57 MMT for 2020/21 compared to last month estimates due to decrease in production estimates while for Ukraine, Argentina and Brazil, it kept it unchanged at 1.56 MMT, 2.88 MMT and 7.99 MMT respectively compared to previous month estimates.

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	-	-	-	-	-	-	-	640	-
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
	12-Sep-20	12-Sep-20	12-Sep-20	07-Sep-20
Gulabagh	248	-	248	248
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		14-Sep-20	12-Sep-20	Change	14-Sep-20	12-Sep-20	Change
New Delhi	Hybrid	1300	1300	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1400	1350	50	4000	5000	-1000
Ranebennur	Hybrid/Local	NA	NA	-	NA	NA	-
Bagalkot	Hybrid/Local	NA	1265	-	NA	107	-
Gadag	Local	NA	NA	-	NA	NA	-
Hubli	Local	NA	1330	-	NA	180	-
Shimoga	Hybrid/Local	1350	NA	-	287	NA	-
Nizamabad	Bilty	1370	Closed	-	200	Closed	-
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1441	1441	Unch	NA	NA	-
Naugachia	Bilty	1300	1300	Unch	1000	1000	Unch
Kolkata	Mill Delivery	1450	1450	Unch	NA	NA	-
Gulabagh	Local	1250	1250	Unch	20000	20000	Unch
	Bilty	1300	1300	Unch			
Ahmedabad	Feed	1300	1300	Unch	30000	15000	15000
	Starch	1320	1350	-30			

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Khanna	Local	1150	1150	Unch	2250	1500	750
	Bilty	1270	1250	20			
Ludhiana	Local	1130	1150	-20	100	100	Unch
	Bilty	1200	1220	-20			
Jalgaon	Bilty	1450	1380	70	1450	1450	Unch
Chhindwara	Loose price	Closed	Closed	-	Closed	Closed	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 11 September,2020						
Contract Month	Open	High	Low	Close	Change	
Sep-20	139.95	144.09	139.95	143.69	3.05	
Dec-20	143.69	145.47	143.20	145.07	1.38	
Mar-21	147.53	149.21	147.04	148.91	1.28	
May-21	149.99	151.67	149.40	151.37	1.18	
July-21	151.57	153.04	150.88	152.75	1.08	

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