

**29<sup>th</sup> September, 2020****Executive Summary:**

- In Bihar, maize is being traded at Rs. 1300-1350 per quintal (Bilty Price). It is being delivered to Kolkata at Rs.1450 per quintal; sourced from Bihar. Hyderabad poultry feed makers are buying maize at Rs.1575 per quintal; sourced from Nizamabad region.

**Previous Updates:**

- As per trade sources, in M.P region, there could be 4-5% crop loss due to heavy rains two weeks ago. However, in Gujarat and M.P, crop loss assessment would only be possible in the next 7-8 days when rains stop.
- In M.P and Karnataka, new crop arrivals has just started which are lower in quantity and contain moisture upto 30%.
- In A.P, maize has been sown in 0.95 lakh hectares as of 23rd Sep'20 which is higher than 0.91 lakh hectares of the corresponding period last year. Maize sown area is 102% 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 6750 hectares area of maize has been affected by fall-armyworm; out of which 4839 hectares has been treated.
- The 1st Advance Estimates of kharif production of maize for 2020-21 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on 22nd September, 2020. It has pegged maize production at 19.88 MMT against set target of 22 MMT for 2020-21. However, Agriwatch's first estimate for the maize production in 2020-21 Kharif season is 18.29 MMT with average yield of 2.20 MT/ hectare.
- In India, maize has been sown in 82.71 lakh hectares as of 18th Sep'20, 110.68% of normal area and above than last year area of 82.44 lakh hectares. In Maharashtra, it has been sown in 8.81 lakh hectares; higher than 8.66 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 15.38 lakh hectares; lower than 15.42 lakh hectares compared to corresponding period last year.
- As per trade sources, India exported around 2,35,436 MT of maize in the month of Aug'20 at an average FoB of \$182.24/ MT, out of which, 1,65,704 MT was exported to Bangladesh at an average FoB of \$190.18/MT and around 65,160 MT was exported to Nepal at an average FoB of \$177.46/MT.
- In Telangana, maize has been sown in 0.89 lakh hectares as of 18th Sep'20 which is lower than 3.90 lakh hectares of the corresponding period last year. 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 Tur, Cotton and Soybean. Agriwatch expects that decrease in acreage would support to maize prices in the state.
- 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 negligible 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 fell by 5.22 USD/MT to 143.79 USD/MT for December'20 contract compared to previous week due to decrease in demand for U.S corn. Agriwatch expects that expectation of new crop arrivals would weigh on CBOT corn.
- As per USDA, U.S corn exports have reached 1.99 MMT in the 2020-21 marketing year. At 0.85 MMT (for the period 11th Sep - 17th Sep, 2020) US corn exports were down 6.3 percent from the previous week; mainly for the destinations like China (204,400 MT), Mexico (159,700 MT), Colombia (130,600 MT), Peru (84,400 MT), and South Korea (69,500 MT). Agriwatch expects that decrease in export demand for U.S corn would weigh on CBOT corn.
- IGC decreased its global corn production forecast for 2020/21 by 6 MMT to 1160 MMT compared to previous month's forecast due to reduction in production forecast for U.S, China and EU. Forecast for global corn ending stock was also decreased by 3 MMT to 285 MMT for 2020/21. Agriwatch expects that decrease in global corn ending stock estimates would lead to global corn prices.

**Outlook and Recommendation:** Maize cash market is likely to trade steady to range bound in the near term.

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## NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-20	-	-	-	-	-	-	-	640	-
Nov-20	--	--	--	--	--	-	-	-	-
Dec-20	--	--	--	--	--	-	-	-	-

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

Spread	Oct-20	Nov-20	Dec-20
Spot	-	--	--
Oct-20	--	-	--
Nov-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	26-Sep-20	26-Sep-20	26-Sep-20	21-Sep-20
Gulabagh	59	-	59	59
Sangli	-	-	-	-

## Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		28-Sep-20	26-Sep-20	Change	28-Sep-20	26-Sep-20	Change
New Delhi	Hybrid	1300	1300	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	Closed	Closed	-	Closed	Closed	-
Ranebennur	Hybrid/Local	NA	NA	-	NA	NA	-
Bagalkot	Hybrid/Local	NA	NA	-	NA	NA	-
Gadag	Local	NA	NA	-	NA	NA	-
Hubli	Local	NA	NA	-	NA	NA	-
Shimoga	Hybrid/Local	NA	1300	-	NA	240	-
Nizamabad	Bilty	1375	Closed	-	800	Closed	-
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1504	1493	11	NA	NA	-
Naugachia	Bilty	1300	1300	Unch	1500	1000	500
Kolkata	Mill Delivery	1450	1450	Unch	NA	NA	-
Gulabagh	Local	1300	1300	Unch	20000	10000	10000
	Bilty	1350	1350	Unch			
Ahmedabad	Feed	1300	1330	-30	8000	2500	5500
	Starch	1325	1350	-25			

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<b>Khanna</b>	Local	1150	1150	Unch	2250	1950	300
	Bilty	1260	1260	Unch			
<b>Ludhiana</b>	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
<b>Jalgaon</b>	Bilty	1450	1400	50	1450	1450	Unch
<b>Chhindwara</b>	Loose price	Closed	Closed	-	Closed	Closed	-

<b>CBOT Corn Daily Futures Price Listing (USD/MT) as on 25 September,2020</b>						
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>	
<b>Dec-20</b>	143.01	144.68	142.91	143.79	0.69	
<b>Mar-21</b>	146.35	147.93	146.25	146.94	0.39	
<b>May-21</b>	148.62	149.99	148.52	149.11	0.39	
<b>July-21</b>	149.99	151.37	149.89	150.58	0.39	
<b>Sep-21</b>	148.81	149.89	148.52	149.11	0.39	

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