

09th October, 2020

Executive Summary:

- In A.P, maize has been sown in 1.09 lakh hectares as of 07th Oct'20 which is higher than 0.93 lakh hectares of the corresponding period last year. Maize sown area is 117% 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 7150 hectares area of maize has been affected by fall-armyworm; out of which 5780 hectares has been treated.
- In Bihar, maize is being traded at Rs. 1350-1425 per quintal (Bilty Price). It is being delivered to Kolkata at Rs.1450-1500 per quintal; sourced from Bihar. Hyderabad poultry feed makers are buying maize at Rs.1530 per quintal; sourced from Nizamabad region.

Previous Updates:

- In India, new crop arrivals have started which are lower in quantity and contain huge moisture level. In M.P and Karnataka, it contain moisture of upto 30%. In Warangal region also, new crop arrivals are poor in quality and contains moisture upto 15%. Some grains are dented and small in size. While, in Nizamabad, new crop contains moisture upto 20%.
- As per trade sources, in M.P. region, there could be 4-5% crop loss due to heavy rains three weeks ago. In M.P, around 7% and in Gujarat, around 3-4% crop quality has been affected by recent rains.
- In India, maize has been sown in 83.27 lakh hectares as of 25th Sep'20, 111.43% of normal area and above than last year area of 82.44 lakh hectares. Around 9.30-9.79 lakh hectares of maize has been harvested as of 25th Sep'20.
- 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.
- 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 rose by 1.48 USD/MT to 153.04 USD/MT for December'20 contract compared to previous day. Agriwatch expects that new crop arrivals in coming weeks would weigh on CBOT corn.
- In U.S, 62% crop of corn is in good to excellent condition as of 4th October'20, up 1 percentage points from last week. 25% of crop has been harvested as of 4th October'20, up 11 percentage points from corresponding period last year.

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

09th October, 2020

NCDEX Maize Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-20	-	-	-	-	-	-	-	-	-
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
	7-Oct-20	7-Oct-20	7-Oct-20	5-Oct-20
Gulabagh	59	-	59	59
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		08-Oct-20	07-Oct-20	Change	08-Oct-20	07-Oct-20	Change
New Delhi	Hybrid	1300	1300	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	Closed	1250	-	Closed	7000	-
Ranebennur	Hybrid/Local	NA	NA	-	NA	NA	-
Bagalkot	Hybrid/Local	1240	1245	-5	65	261	-196
Gadag	Local	NA	1275	-	NA	8	-
Hubli	Local	NA	NA	-	NA	NA	-
Shimoga	Hybrid/Local	NA	NA	-	NA	NA	-
Nizamabad	Bilty	1375	1375	Unch	5000	400	4600
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1417	1433	-16	NA	NA	-
Naugachia	Bilty	1350	1350	Unch	1500	2000	-500
Kolkata	Mill Delivery	1500	1500	Unch	NA	NA	-
Gulabagh	Local	1375	1375	Unch	10000	20000	-10000
	Bilty	1425	1425	Unch			
Ahmedabad	Feed	1400	1400	Unch	3000	5000	-2000
	Starch	1400	1400	Unch			



09th October, 2020

Khanna	Local	1130	1130	Unch	750	1500	-750
	Bilty	1200	1200	Unch			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	1450	1450	Unch	1500	1500	Unch
Chhindwara	Loose price	Closed	Closed	-	Closed	Closed	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 07 October,2020

Contract Month	Open	High	Low	Close	Change
Dec-20	151.37	154.32	151.17	153.04	1.48
Mar-21	155.01	157.77	154.82	156.39	1.18
May-21	156.98	159.64	156.78	158.26	1.08
July-21	158.36	160.82	158.06	159.54	0.98
Sep-21	154.23	155.50	153.93	154.52	0.30

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.