

30th October, 2020

Executive Summary:

- In Bihar, maize is being traded at Rs. 1350-1450 per quintal (Bilty Price). It is being delivered to U.P and Kolkata at Rs.1400-1500 per quintal each; sourced from Bihar. Hyderabad poultry feed makers are buying maize at Rs.1500 per quintal; sourced from Nizamabad region.
- In Nizamabad, new crop arrivals contain moisture of upto 22% and damaged upto 7% while in Warangal region, it contains damaged upto 20%. In Karnataka, crop arrivals contain moisture of upto 20%.
- Announcement by Telangana government to procure the entire quantity of maize would support the market to trade firm ahead.

Previous Updates:

- Government's procurement for MY 2020-21 has started. As per media news, Haryana Government has procured 47.35 MT of maize as of 19th Oct, 2020.
- Trade sources revealed that around 7,47,000 MT of maize has been sold by Telangana Government at around Rs. 1200 per quintal.
- In A.P, maize targeted area for the Rabi Season 2020-21 is set at 2.03 lakh hectares.
- In A.P, maize has been sown in 1.13 lakh hectares as of 14th Oct'20 which is higher than 0.96 lakh hectares of the corresponding period last year. Maize sown area is 121% to season normal. In Visakhapatnam, Vizianagaram, Guntur, Anantapuram, Kurnool, Chittoor, Krishna and YSR Kadapa districts of Andhra Pradesh, around 5942 hectares area of maize has been affected by fall-armyworm; out of which 4277 hectares has been treated.
- As per trade sources, India exported around 2,23,781 MT of maize in the month of September'20 at an average FoB of \$185.51/ MT, out of which, 1,67,774 MT was exported to Bangladesh at an average FoB of \$190.82/MT and around 52,112 MT was exported to Nepal at an average FoB of \$178.60/MT.
- In India, maize had 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.
- 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 1st Advance Estimates of kharif production of maize for 2020-21 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.
- 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 5.71 USD/MT to 158.06 USD/MT for December'20 contract compared to previous day. Agriwatch expects that increase in export demand for U.S corn in near term would support to CBOT corn. However, new crop arrivals could limit the gain.
- In U.S, 72% of crop has been harvested as of 25th October'20, up 34 percentage points from corresponding period last year.

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
Nov-20	-	-	-	-	-	-	-	-	-
Dec-20	--	--	--	--	--	-	-	-	-
Jan-21	--	--	--	--	--	-	-	-	-

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

Spread	Nov-20	Dec-20	Jan-21
Spot	-	--	--
Nov-20	--	-	--
Dec-20	--	--	-

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

Stocks	Demat	In-Process	Total	EDD
	28-Oct-20	28-Oct-20	28-Oct-20	26-Oct-20
Gulabagh	59	-	59	59
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		29-Oct-20	28-Oct-20	Change	29-Oct-20	28-Oct-20	Change
New Delhi	Hybrid	1375	1375	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1320	1250	70	8000	5000	3000
Ranebennur	Hybrid/Local	NA	NA	-	NA	NA	-
Bagalkot	Hybrid/Local	NA	1350	-	NA	302	-
Gadag	Local	1260	1260	Unch	167	465	-298
Hubli	Local	NA	NA	-	NA	NA	-
Shimoga	Hybrid/Local	NA	NA	-	NA	NA	-
Nizamabad	Bilty	1350	1350	Unch	500	300	200
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1465	1455	10	NA	NA	-
Naugachia	Bilty	1450	1450	Unch	1500	1500	Unch
Kolkata	Mill Delivery	1500	1500	Unch	NA	NA	-
Gulabagh	Local	1400	1400	Unch	15000	20000	-5000
	Bilty	1450	1450	Unch			
Ahmedabad	Feed	1550	1425	125	500	3000	-2500
	Starch	1550	1450	100			

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Khanna	Local	1150	1140	10	600	750	-150
	Bilty	1220	1200	20			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	1400	1400	Unch	1500	1500	Unch
Chhindwara	Loose price	NR	NR	-	NR	NR	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 28 October,2020						
Contract Month	Open	High	Low	Close	Change	
Dec-20	163.38	163.48	157.67	158.06	-5.71	
Mar-21	163.58	163.77	158.65	159.15	-4.82	
May-21	163.87	164.07	159.15	159.54	-4.63	
July-21	163.97	164.17	159.34	159.74	-4.53	
Sep-21	155.31	155.31	150.88	151.27	-4.04	

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