

**12<sup>th</sup> November, 2020****Executive Summary:**

- In Naugachia region of Bihar, Maize is being traded at Rs.1,450-1,550 per quintal (Bilty Price) and is being delivered to Uttar Pradesh at Rs. 1,500-1,700 per quintal and Kolkata at Rs.1,600-1,700 per quintal. In Gulabghat, it is being traded at Rs. 1,650 per quintal (Bilty Price). Hyderabad poultry feed makers are buying Maize at Rs.1,550-1,600 per quintal; sourced from Nizamabad region. It is also moving towards Bengaluru at Rs.1,500 per quintal, Nammakal and Chennai and Rs.1,600 per quintal each; all sourced from Davangere region of Karnataka.
- In Karnataka, crop arrivals still contains moisture of upto 25% due to cloudy weather. In Maharashtra, it contains moisture of upto 20%.
- Trade sources revealed that in Telangana, Government has procured around 1.5 lakh quintal of maize till date.

**Previous Updates:**

- In India, maize has been sown in 1.48 lakh hectares as of 6th Nov'20, lower than corresponding period last year area of 1.62 lakh hectares. In Tamil Nadu, it has been sown in 0.79 lakh hectares; lower than 1.02 lakh hectares compared to corresponding period last year. In Karnataka, it has been sown in 0.16 lakh hectares; lower than 0.19 lakh hectares compared to corresponding period last year. However, in Maharashtra, it has been sown in 0.25 lakh hectares; higher than 0.17 lakh hectares compared to corresponding period last year.
- In A.P, maize targeted area for the Rabi Season 2020-21 has been set at 2.03 lakh hectares. It has been sown in 0.009 lakh hectares as of 4th Nov'20 which is lower than 0.01 lakh hectares of the corresponding period last year. Maize sown area is 9% to season normal.
- Announcement by Telangana and M.P government to procure the entire quantity of maize and 2 lakh MT by Karnataka government would support the market to trade firm ahead. Procurement by Maharashtra and Haryana government would also support to the market.
- 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.
- 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 rose by 6.10 USD/MT to 166.53 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.
- USDA decreased its world Maize ending stock estimates by 9.03 MMT to 291.43 MMT for 2020-21 along with a decrease in production estimates which would support to global Maize market.

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

12<sup>th</sup> November, 2020

**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       |
|----------|-----------|------------|-----------|-----------|
|          | 10-Nov-20 | 10-Nov-20  | 10-Nov-20 | 09-Nov-20 |
| Gulabagh | -         | -          | -         | -         |
| Sangli   | -         | -          | -         | -         |

**Spot Prices at Key Markets**

| Centre     | Grade         | Prices (Rs./qtl) |           |        | Arrivals in Quintal |           |        |
|------------|---------------|------------------|-----------|--------|---------------------|-----------|--------|
|            |               | 11-Nov-20        | 10-Nov-20 | Change | 11-Nov-20           | 10-Nov-20 | Change |
| New Delhi  | Hybrid        | 1540             | 1600      | -60    | NA                  | NA        | -      |
| Koppal     | Loose         | NA               | NA        | -      | NA                  | NA        | -      |
| Davangere  | Loose         | 1380             | 1380      | Unch   | 10000               | 12000     | -2000  |
| Ranebennur | Hybrid/Local  | NA               | NA        | -      | NA                  | NA        | -      |
| Bagalkot   | Hybrid/Local  | NA               | 1495      | -      | NA                  | 840       | -      |
| Gadag      | Local         | 1400             | 1390      | 10     | 695                 | 1108      | -413   |
| Hubli      | Local         | 1350             | 1330      | 20     | 81                  | 50        | 31     |
| Shimoga    | Hybrid/Local  | NA               | 1360      | -      | NA                  | 1181      | -      |
| Nizamabad  | Bilty         | Closed           | 1450      | -      | Closed              | NA        | -      |
| Karimnagar | Local         | NA               | NA        | -      | NA                  | NA        | -      |
| Khammam    | Local         | NA               | NA        | -      | NA                  | NA        | -      |
| Sangli     | Feed          | 1515             | 1525      | -10    | NA                  | NA        | -      |
| Naugachia  | Bilty         | 1550             | 1550      | Unch   | 600                 | 1500      | -900   |
| Kolkata    | Mill Delivery | 1700             | 1700      | Unch   | NA                  | NA        | -      |
| Gulabagh   | Local         | 1500             | 1500      | Unch   | 5000                | 5000      | Unch   |
|            | Bilty         | 1650             | 1650      | Unch   |                     |           |        |
| Ahmedabad  | Feed          | 1600             | 1600      | Unch   | NA                  | 5000      | -      |

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|            |             |      |      |      |       |       |       |
|------------|-------------|------|------|------|-------|-------|-------|
|            | Starch      | 1600 | 1600 | Unch |       |       |       |
| Khanna     | Local       | 1280 | 1300 | -20  | 900   | 300   | 600   |
|            | Bilty       | 1370 | 1360 | 10   |       |       |       |
| Ludhiana   | Local       | NA   | NA   | -    | NA    | NA    | -     |
|            | Bilty       | NA   | NA   | -    |       |       |       |
| Jalgaon    | Bilty       | 1600 | 1600 | Unch | 1700  | 1700  | Unch  |
| Chhindwara | Loose price | 1400 | 1400 | Unch | 20000 | 25000 | -5000 |

| CBOT Corn Daily Futures Price Listing (USD/MT) as on 10 November,2020 |        |        |        |        |        |  |
|---|--------|--------|--------|--------|--------|--|
| Contract Month  | Open   | High   | Low    | Close  | Change |  |
| Dec-20  | 160.23 | 168.20 | 159.93 | 166.53 | 6.10   |  |
| Mar-21  | 163.18 | 170.96 | 162.98 | 169.68 | 6.20   |  |
| May-21  | 164.66 | 172.14 | 164.46 | 171.06 | 6.10   |  |
| July-21   | 165.64 | 172.14 | 165.25 | 171.25 | 5.41   |  |
| Sep-21  | 156.69 | 162.49 | 156.39 | 161.31 | 4.53   |  |

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