

14th November, 2020

Executive Summary:

- Sentiments would remain same as most of the cash maize markets are closed due to Diwali festival. Government procurement could support the market to gain. However, expectation of arrival pressure after festive season could limit the gain.
- Maize is 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.

Previous Updates:

- 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 11th November, 2020.
- 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 fell by 3.54 USD/MT to 160.72 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.

14th 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
	12-Nov-20	12-Nov-20	12-Nov-20	09-Nov-20
Gulabagh	-	-	-	-
Sangli	-	-	-	-

Spot Prices at Key Markets

Centre	Grade	Prices (Rs./qtl)			Arrivals in Quintal		
		13-Nov-20	12-Nov-20	Change	13-Nov-20	12-Nov-20	Change
New Delhi	Hybrid	1540	1540	Unch	NA	NA	-
Koppal	Loose	NA	NA	-	NA	NA	-
Davangere	Loose	1350	1360	-10	7000	12000	-5000
Ranebennur	Hybrid/Local	NA	NA	-	NA	NA	-
Bagalkot	Hybrid/Local	NA	NA	-	NA	NA	-
Gadag	Local	NA	1340	-	NA	795	-
Hubli	Local	NA	1360	-	NA	533	-
Shimoga	Hybrid/Local	NA	1350	-	NA	1035	-
Nizamabad	Bilty	Closed	Closed	-	Closed	Closed	-
Karimnagar	Local	NA	NA	-	NA	NA	-
Khammam	Local	NA	NA	-	NA	NA	-
Sangli	Feed	1512	1509	3	NA	NA	-
Naugachia	Bilty	Closed	Closed	-	Closed	Closed	-
Kolkata	Mill Delivery	Closed	Closed	-	Closed	Closed	-
Gulabagh	Local	Closed	1500	-	Closed	NA	-
	Bilty	Closed	1600	-			
Ahmedabad	Feed	Closed	Closed	-	Closed	Closed	-

14th November, 2020

	Starch	Closed	Closed	-			
Khanna	Local	Closed	Closed	-	Closed	Closed	-
	Bilty	Closed	Closed	-			
Ludhiana	Local	NA	NA	-	NA	NA	-
	Bilty	NA	NA	-			
Jalgaon	Bilty	Closed	Closed	-	Closed	Closed	-
Chhindwara	Loose price	Closed	Closed	-	Closed	Closed	-

CBOT Corn Daily Futures Price Listing (USD/MT) as on 12 November,2020

Contract Month	Open	High	Low	Close	Change
Dec-20	164.26	164.76	159.93	160.72	-3.54
Mar-21	167.91	168.59	163.87	164.66	-3.44
May-21	169.68	170.37	165.84	166.53	-3.25
July-21	170.07	170.76	166.63	167.41	-2.76
Sep-21	160.43	161.21	158.16	158.75	-1.67

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