

RABI 2018-19 PRE-HARVEST PRICE FORECAST OF MAIZE

Maize Price per Quintal will be around Rs. 1450-1600 at the Time of Harvesting (January to March 2019)

Maize or corn (*Zea mays*) is cultivated globally being one of the most important cereal crops worldwide. According to the USDA world agricultural supply and demand estimates report, October 2018 maize production was forecasted as 1068.30 million tonnes in 2018-19. Among the countries United States of America has stood first in maize production with 371.52 million tonnes followed by China (256 mt), Brazil (94.50 mt), European Union (59.50 mt), Argentina (42.50 mt) and India (26.50 mt).

USDA increased its global corn ending stock estimate to 335,231 thousand metric tons for Dec 2018/19 compared to 334,180 thousand metric tons for Nov 2018/19. USDA forecasted unchanged ending stock estimates for China (208,327 thousand metric tons), Argentina (5,605 thousand metric tons) for December 2018/19 compared to last month.

In India, rabi maize has been sown in around 10.383 lakh hectares as of 14th November, 2018 which is lower than 11.46 lakh hectares during corresponding period of last year. In Bihar, maize has been sown in around 3.760 lakh hectares, which is lower than 3.910 lakh hectares during corresponding period of last year followed by Tamilnadu (1.853 lakh ha), Gujarat (0.747 lakh ha) and Maharashtra (0.714 lakh ha).

In Telangana, area sown under maize in rabi season as of 19th December 2018 is reported at 77,627 hectares as compared to 70,769 hectares in the corresponding period of last year. Among the districts, Warangal (Rural) stood first in crop acreage with 10,139 hectares followed by Kamareddy (8339 ha), Khammam (5840 ha), Nizamabad (5758 ha) and Siddipet (5740 ha). Currently, maize is at vegetative stage. Nizambad, Kamareddy, Medak, Warangal (Urban) (Rural), Nirmal, Karimnagar and Mahabubabad districts are affected by fall armyworm.

In Nizamabad, most of the material arriving in open market is of low quality; around 7-8% grain is damaged and small in size. Local starch makers are buying it at Rs. 1400 per quintal while poultry feed makers are buying at Rs. 1570 per quintal. Maize is moving to Hyderabad at Rs. 1650 per quintal. It is likely to trade steady to slightly firm in near term.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2018-19 rabi pre-harvest price forecast of maize. Based on present crop condition and crop coverage, it is expected that the maize price per quintal will be around **Rs. 1450-1600** at the time of harvesting (January to March 2019). This price forecast is based on the monthly modal price of maize obtained for 17 years from Badepalli regulated market using econometric models like ARIMA, SARIMA, ARCH, GARCH and ANN and also the market survey.

Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.