

## Maize Outlook – March 2019

Maize or corn (*Zea mays*) is cultivated globally being one of the most important cereal crops worldwide. As per USDA, U.S corn exports reached 25.53 MMT in the 2018-19 marketing year. At 0.77 MMT (for the period 15th Feb- 21st Feb, 2019) US corn exports were for the destinations like Japan (94,700 MT) and Mexico (23,500 MT). Exports of 769,100 MT were primarily to Mexico (292,200 MT), Japan (114,600 MT), Peru (95,600 MT), Colombia (88,100 MT), and South Korea (69,600 MT).

**Table 1: International Grain Council’s World Corn Projections (in million metric tonnes)**

	2016-17 (Estimated)	2017-18 (Forecasted)	2018-19 (Projection)
Opening Stocks	323.9	364.0	335.8
Production	1131.1	1089.6	1109.0
Imports	137.4	151.9	160.2
<b>Total Availability</b>	<b>1455.0</b>	<b>1453.6</b>	<b>1444.9</b>
Food	121.0	123.0	125.7
Industrial	291.9	302.9	307.4
Feed	635.5	654	674.5
Others	42.6	37.9	39.8
<b>Total Consumption</b>	<b>1091.0</b>	<b>1117.8</b>	<b>1147.4</b>
Exports	137.4	151.9	160.2
<b>Ending Stocks</b>	<b>364.0</b>	<b>335.8</b>	<b>297.4</b>

Source: <https://igc.int/en/default.aspx>

**Table 2: International Grain Council’s Indian corn Projections (in million metric tonnes)**

	2016-17 (Estimated)	2017-18 (Forecasted)	2018-19 (Projection)
Opening Stocks	1.2	1.8	2.0
Production	25.9	28.7	26.5
Imports	0.1	-	0.1
<b>Total Availability</b>	<b>27.2</b>	<b>30.6</b>	<b>28.6</b>
Food	6.8	6.9	7.0
Feed	12.4	14.7	14.1
Industrial	4.5	4.7	4.7
Other	1.1	1.3	1.2
<b>Total Consumption</b>	<b>24.9</b>	<b>27.6</b>	<b>27.0</b>
Exports	0.5	0.9	0.5
<b>Ending Stocks</b>	<b>1.8</b>	<b>2.0</b>	<b>1.2</b>

Source: <https://igc.int/en/default.aspx>

In India, Rabi maize has been sown in around 15.56 lakh hectares as of 22nd February, 2019 which is lower than 17.28 lakh hectares during corresponding period last year. In Bihar, maize has been sown in around 4.75 lakh hectare which is almost equal to 4.70 lakh hectares during corresponding period last year. Crop conditions are favorable till the time. In Maharashtra, it has been sown in around 1.16 lakh hectares- lower than 2.08 lakh hectares during corresponding period last year. In Gujarat, maize progressive area of Rabi 2018-19 is 0.97 lakh hectares which is equal to 0.96 lakh hectares during corresponding period last year.

As per trade source, maize is moving towards Bangalore at Rs. 2000 per quintal, Namakkal at Rs. 2000 per quintal, Chitradurga at Rs. 1900 per quintal, Sangali at Rs. 2100 per quintal, and Chennai at Rs. 2200 per quintal (Delivered price); sourced from Davangere. Maize is likely to trade steady to slightly weak due to sluggish demand of Tamilnadu feed makers.

In Telangana, Maize sowing for the Rabi season as of 22nd February '19 reported at 1.15 lakh a hectare which is lower than 1.47 lakh hectares in the corresponding period last year. Crop is at harvesting stage. Nizambad, Kamareddy, Warangal (U)/(R), Nirmal, Karimnagar and Mahabubabad districts are affected by fall army worm. Trade sources revealed that in Nizamabad, around 10-20% crop is affected by fall army worm. New crop in Telangana is expected to arrive in coming weeks.

**Table 3: Month-wise Average prices of Maize at various markets**

Market	February 2019	January 2019	February 2018	% Change from Prev. Month	% Change from Prev. Year
Delhi	2185	1934	1337	12.98	63.43
Davangere	1967	1822	1230	7.96	59.92
Shimoga	1999	1814	1343	10.20	48.85
Bagalkot	1936	1831	1139	5.73	69.97
Gadag	1898	1762	1115	7.72	70.22
Nizamabad	1932	1753	1280	10.21	50.94
Khanna	2104	1913	1301	9.98	61.72
Sangli (NCDEX Quality)	2118	1937	NA	9.34	-
Gulabgh (NCDEX Quality)	2064	1934	1238	6.72	66.72
Naugachia	2035	1903	NA	6.94	-
Erode (NCDEX Quality)	2137	1978	NA	8.04	-

Source: [www.agriwatch.com](http://www.agriwatch.com)

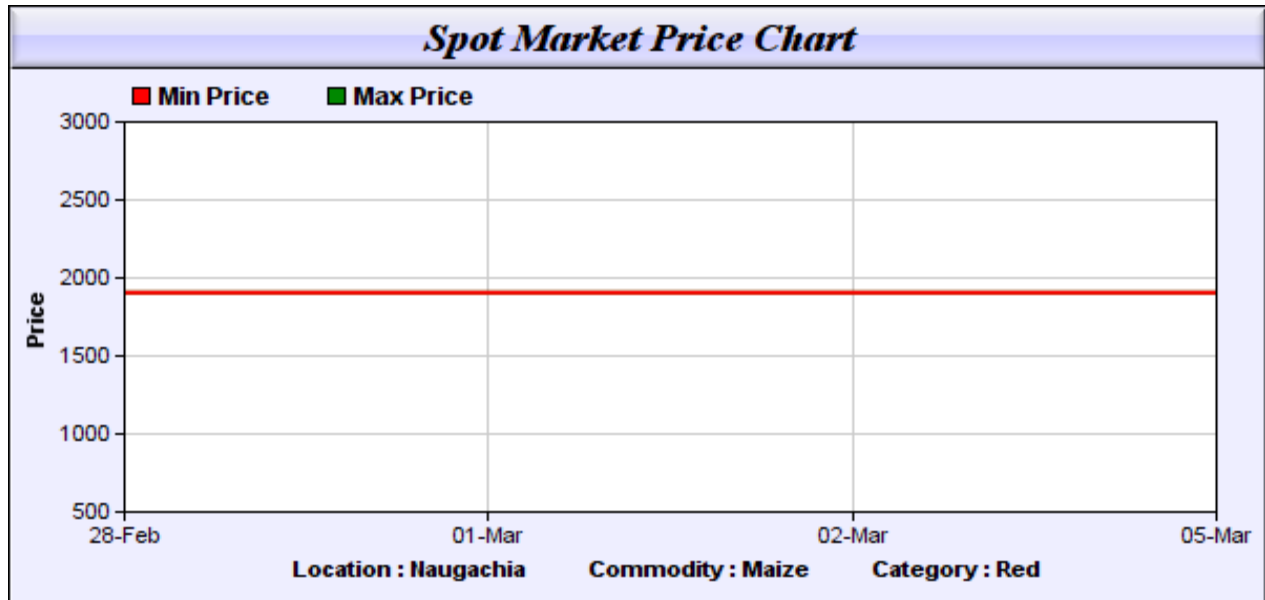


Fig. 1 Spot Market Price Chart of Maize at Naugachia market

Table 4: Arrivals and Prices for the Month of February in Narsampet Market Name of the Commodity: Maize-Hybrid New

Date	Arrivals(Tonnes)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Model price (Rs/quintal)
1	96	2043	2061	2043
3	111	2020	2066	2066
6	66	2021	2100	2021
7	90	2036	2060	2040
8	84	1991	2032	1991
9	171	1942	1963	1942
10	288	1976	1976	1976
11	111	1941	1983	1964
13	295	1933	1933	1933
14	156	1941	1941	1941
15	582	1953	1983	1960
16	336	1930	2000	1930
17	222	1903	2010	1903
18	384	1930	2001	1961
20	774	1961	1961	1961
21	231	1930	1972	1961
22	462	1951	1973	1951
23	378	1930	1968	1958
24	579	1905	1955	1905
25	774	1790	1932	1910
<b>TOTAL</b>	<b>6190</b>	<b>1,951</b>	<b>1,994</b>	<b>1,966</b>

Source: <http://tsmarketing.in/DailyArrivalsnPricesCommBetweenDates.aspx>

Maize modal price at Narsampet market ranged between Rs. 1951–1994 per quintal during February 2019. The central government has increased the minimum support price of maize for the year 2018-19 by 19.3% from Rs. 1425 to Rs. 1700 per quintal.

### **Maize Price Outlook**

Corn prices on CBOT fall by 5.71 USD/MT to 142.51 USD/MT for March contract compared to last month. It could get support if demand of China and other importing countries increase for U.S corn. However, high global ending stock estimates likely to put pressure on market sentiments.

From the trade point of view, In Nizamabad, maize is moving to Hyderabad at Rs. 2100 per quintal. Meanwhile, maize is moving towards Bangalore and Namakkal at Rs. 2000 per quintal each, Chitradurga at Rs. 1900 per quintal, Chennai at Rs. 2200 per quintal, Sangali at Rs. 2100 per quintal and Ranebennur at Rs. 1950 per quintal (Delivered price); sourced from Davangere. In Bihar, maize is moving towards Kolkata at Rs. 2050 per quintal.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in a range of Rs. 1750-1900 per quintal during the month of March, 2019.