

Maize Outlook – August 2021

Maize or corn (*Zea mays*) is cultivated globally being one of the most important cereal crops worldwide. U.S. Maize exports have reached 62.11 MMT in the 2020-21 marketing year. At 1.36 MMT (for the period July 15-22 July, 2021) U.S. Maize exports were up by 36 percent from the previous week and up by 21 percent from the prior 4-week average; primarily to destinations like China (698,700 MT), Japan (308,500 MT), Mexico (256,900 MT), Venezuela (30,000 MT), and Jamaica (19,000 MT). It expects that weather related concerns in U.S. and Brazil, would provide support to CBOT Maize.

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

	2019/20 (Estimated)	2020/21 (Forecast)	2021/22 (Projected)
Opening Stocks	326.4	297.5	266.6
Production	1125.6	1130.6	1201.3
Imports	174.5	189.1	181
Total Availability	1452	1428.1	1467.9
Food	129.5	130.6	132.7
Feed	692	690.4	717.6
Industrial	293.4	302	307.8
Others	39.6	38.6	42.9
Total Consumption	1154.5	1161.5	1201
Exports	174.5	189.1	181
Ending Stocks	297.5	266.6	267

Source: International Grains Council

Table 2: Domestic Balance Sheet (in MMT)

	2018/19 (Estimated)	2019/20 (Forecast)	2020-21 (Projected)
Opening Stocks	2.5	6.42	11.8
Production	27.72	28.77	24.51
Imports	0.21	0.34	0.02
Total Supply	30.43	35.53	36.33
Export	0.58	1.11	3.28
Domestic Consumption	23.43	22.62	22.52
Total Demand	24.01	23.73	25.8
Ending Stock	6.42	11.8	10.53
Monthly Use	2	1.98	2.5
Stock to Use Ratio	5.92%	14.38%	8.34%

Source: www.agriwatch.com

Table 3: State wise area under maize in India during kharif 2021

State	2020-21			2021-22		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Madhya Pradesh	14.79	36.55	20.04	15.29	37.78	20.11
Karnataka	10.85	26.81	14.70	12.54	30.99	16.49
Maharashtra	8.40	20.76	11.38	8.13	20.09	10.69
Rajasthan	9.05	22.36	12.26	8.13	20.09	10.69
Uttar Pradesh	7.38	18.24	10.00	7.30	18.04	9.60
Bihar	3.84	9.49	5.20	3.67	9.07	4.83
Himachal Pradesh	2.82	6.97	3.82	2.65	6.55	3.49
Telangana	0.74	1.83	1.00	2.38	5.88	3.13
Odisha	2.20	5.44	2.98	2.25	5.56	2.96
Jammu&Kashmir	2.04	5.04	2.76	2.05	5.07	2.70
Punjab	1.08	2.67	1.46	1.24	3.06	1.63
Others	10.62	26.24	14.39	10.40	25.70	13.68
All India	73.81	182.39	100.00	76.03	187.87	100.00

Source: <http://agricoop.nic.in>

In India, kharif maize has been sown in around 76.03 lakh hectares (187.87 lakh acres) as on 06th August 2021 which is higher than 73.81 lakh hectares (182.39 lakh acres) covered during corresponding period of last year. Major maize growing states are Madhya Pradesh 15.29 lakh ha (37.78 lakh acres), Karnataka 12.54 lakh ha (30.99 lakh acres), Maharashtra 7.80 lakh ha (19.27 lakh acres), Rajasthan 7.50 lakh ha (18.53 lakh acres), Uttar Pradesh 8.13 lakh ha 20.09 lakh acres), Bihar 3.67 lakh ha (9.07 lakh acres), Himachal Pradesh 2.65 lakh ha (6.55 lakh acres), Telangana 2.38 lakh ha (5.88 lakh acres) and Jammu Kashmir 2.05 lakh ha (5.07 lakh acres) and as of 06th August 2021.

Table 4: District wise area under maize in Telangana State during Vanakalam 2021

Districts	2020-21			2021-22		
	Hectares	Acres	% to total area	Hectares	Acres	% to total area
Mahabubnagar	1782.24	4404.00	2.39	30415.82	75159.00	12.79
Rangareddy	6026.59	14892.00	8.09	27124.10	67025.00	11.40
Kamareddy	20590.44	50880.00	27.65	25350.36	62642.00	10.66
Vikarabad	2681.86	6627.00	3.60	23884.58	59020.00	10.04
Mahabubabad	7571.68	18710.00	10.17	17832.50	44065.00	7.50
Siddipet	1928.73	4766.00	2.59	17662.94	43646.00	7.43
Nagarkurnool	4229.38	10451.00	5.68	15992.39	39518.00	6.72
Warangal rural	457.30	1130.00	0.61	13106.57	32387.00	5.51
Jagityal	4937.98	12202.00	6.63	12089.60	29874.00	5.08
Others	24257.70	59942.00	32.58	54388.22	134396.00	22.87
Telangana	74463.89	184004.00	100.00	237847.07	587732.00	100.00

Source: www.agritelangana.gov.in

During Vanakalam (Kharif) 2021 in Telangana, it has been sown in 2.38 lakh hectares (5.88 lakh acres) as on 04th August 2021 which is higher than 0.74 lakh hectares (1.84 lakh acres) covered during corresponding period of last year. The major growing districts are Mahabubnagar 30415 ha (75159 acres), Rangareddy 27124 ha (67025 acres), Kamareddy 25350 (62642 acres), Vikarabad 23884 ha (59020 acres), Mahabubabad 17832 ha (44065 acres), Siddipet 17662 ha (43646 acres), Nagarkurnool 15992 ha (39518 acres), Warangal Rural 13106 ha (32387 acres) and Jagityal 12089 ha (29874 acres).

Maize Price Outlook

Maize on CBOT fell by US\$ 16.23 per MT to US\$ 219.68 per MT for September, 2021 contract compared to the previous month due to concerns related to poor condition of Maize crop and comparatively less area cover under Maize planting in U.S. It expects that Maize crop condition and weather related concerns in U.S. and Brazil would support CBOT Maize.

Sources revealed that maize in Nizamabad market is being traded at Rs. 1900 per quintal, with little to no arrivals in the APMC. Maize in Devangere, Karnataka is being traded at Rs. 2050 per quintal. Feed maize is being supplied to Tamil Nadu at Rs. 2050 per quintal, sourced from Devangere. Feed Maize is trading in Maharashtra above Rs. 2000 per quintal. Good quality maize is being traded in Bihar at Rs. 1850 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1800 per quintal, whereas, poor quality maize has been loaded for Bangladesh from Naugachia and Gulabghat.

Table 5: State wise Wholesale Prices Monthly Analysis for Maize July, 2021

State	Prices July, 2021	Prices June, 2021	Prices July, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	1524.9	1417.54	1444.19	7.57	5.59
Chhattisgarh	1417.77	1383.1	1132.43	2.51	25.2
Gujarat	1918.35	1758.82	1602.83	9.07	19.69
Haryana	1552.67	1434.97	1122.07	8.2	38.38
Jharkhand	1700	1700	1789.91	0	-5.02
Karnataka	1906.41	1658.17	1368.43	14.97	39.31
Madhya Pradesh	1639.13	1510.2	1157.11	8.54	41.66
Maharashtra	1826.5	1631.38	1293.81	11.96	41.17
Nagaland	2500	2000		25	—
Odisha	1414.42	1341.85	1326.36	5.41	6.64
Punjab	1501.12	1342.18	1164.39	11.84	28.92
Rajasthan	1624.04	1628.76	1581.32	-0.29	2.7
Tamil Nadu	1881.21	1792.89	1519.16	4.93	23.83
Telangana	1667.12	1700.00	1749.64	-1.93	-4.72
Uttar Pradesh	1569.70	1530.17	1204.67	2.58	30.3
Average	1709.56	1588.67	1389.74		

Source: <https://agmarknet.gov.in>

Table 6: Maize arrivals and prices in Kesamudram Market for the month of July 2021

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	18	1,602	1,789	1,789
2	4	1,712	1,769	1,712
5	24	1,209	1,829	1,819
6	114	1,691	1,890	1,890
7	154	1,000	1,886	1,859
8	19	1,519	1,809	1,659
12	71	1,011	1,896	1,869
13	15	1,635	1,801	1,800
14	73	1,021	1,864	1,732
15	17	1,006	1,788	1,767
16	25	1,458	1,829	1,762
19	20	1,655	1,859	1,829
26	12	1,221	1,551	1,221
28	19	1,775	1,865	1,865
29	31	1,369	1,833	1,829

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

In Karnataka, maize is likely to trade range bound with a slightly steady bias in near term and strong bias by end of the month on the expectation of increased domestic demand and export demand in the upcoming days of August month. Also, decreased and very little arrival in major markets will continue to support the maize market. It expects that maize in Devangere would trade in a range of Rs.1,800-2,500 per quintal (loose price) during the month of August 2021.

In Gulabgh region of Bihar, in the month of June Maize traded range bound with a strong bias between Rs.1,850-Rs.1,900 per quintal (Bilty Price). Maize in Gulabgh would trade steady to likely to trade range bound in the Range of Rs.1,800-Rs.2,200 with a slightly steady bias in near term and strong bias by the end of the month on the expectation of increased domestic demand and export demand in coming days.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in price range of **Rs. 1700 - 1850** quintal during the month of August, 2021.