

Maize Outlook – December 2021

Maize or corn (*Zea mays*) is cultivated globally being one of the most important cereal crops worldwide. U.S. Maize exports have reached to 87.08 MMT for the 2021-22 marketing year, with the exports of 9.29 MMT for the period of (12th Nov – 18th Nov) 2021, exports were down by 20 percent from the previous week but up 12 percent from the prior 4-week average, to the destinations like Mexico (285,400 MT), China (281,500 MT), Japan (93,600 MT), Colombia (79,400 MT), and Saudi Arabia (73,400 MT). It expects that improved international market demand for maize, 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	298	278.3
Production	1126.5	1125.9	1211.8
Imports	174.5	188.5	176.8
Total Availability	1452.9	1423.9	1490
Food	130.1	130.3	133.3
Feed	691.9	679.4	715.9
Industrial	293.4	298	308.6
Others	39.5	37.9	44.9
Total Consumption	1154.9	1145.6	1202.7
Exports	174.5	188.5	176.8
Ending Stocks	298	278.3	287.4

Source: <https://www.igc.int/en/markets/marketinfo-sd.aspx>

Table 2: Domestic Balance Sheet (in MMT)

	2019/20 (Estimated)	2020/21 (Forecast)	2021-22 (Projected)
Opening Stocks	6.42	11.8	10.34
Production	28.77	24.51	23.95
Imports	0.34	0.02	0.15
Total Supply	35.53	36.33	34.44
Export	1.11	3.47	1.37
Domestic Consumption	22.62	22.52	22.75
Total Demand	23.73	25.99	24.12
Ending Stock	11.8	10.34	10.32
Monthly Use	1.98	2.16	2.01
Stock to Use Ratio	14.38%	7.96%	8.02%

Source: www.agriwatch.com

In India, kharif maize has been sown in around 81.52 lakh hectares (201.44 lakh acres) as on 17th September 2021 which is higher than 80.23 lakh hectares (198.25 lakh acres) covered during corresponding period of last year. Major maize growing states are Madhya Pradesh 15.15 lakh ha (37.44 lakh acres), Karnataka 13.89 lakh ha (34.32 lakh acres), Maharashtra 8.70 lakh ha (21.50 lakh acres), Rajasthan 8.38 lakh ha (20.71 lakh acres), Uttar Pradesh 7.68 lakh ha (18.98 lakh acres), Bihar 3.83 lakh ha (9.46 lakh acres), Himachal Pradesh 2.88 lakh ha (7.12 lakh acres), Telangana 2.87 lakh ha (7.09 lakh acres) and Jammu Kashmir 2.05 lakh ha (5.07 lakh acres).

Table 3: State wise area under maize in India

State	2020-21			2021-22		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Madhya Pradesh	15.38	38.00	19.17	15.15	37.44	18.58
Karnataka	13.71	33.88	17.09	13.89	34.32	17.04
Maharashtra	8.81	21.77	10.98	8.70	21.50	10.67
Rajasthan	9.34	23.08	11.64	8.38	20.71	10.28
Uttar Pradesh	7.41	18.31	9.24	7.68	18.98	9.42
Bihar	3.99	9.86	4.97	3.83	9.46	4.70
Himachal Pradesh	2.82	6.97	3.51	2.88	7.12	3.53
Telangana	0.91	2.25	1.13	2.87	7.09	3.52
Odisha	2.31	5.71	2.88	2.43	6.00	2.98
Jammu & Kashmir	2.08	5.14	2.59	2.05	5.07	2.51
Punjab	1.08	2.67	1.35	1.26	3.11	1.55
Others	12.39	30.62	15.44	12.40	30.64	15.21
All India	80.23	198.25	100.00	81.52	201.44	100.00

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

Table 4: District wise area under maize in Telangana State

Districts	2020-21			2021-22		
	Ha	Acres	% to total area	Ha	Acres	% to total area
Kamareddy	13491.43	33338	14.80	37252.99	92054	12.97
Rangareddy	8997.79	22234	9.87	29166.14	72071	10.15
Vikarabad	3360.51	8304	3.69	28152.81	69567	9.80
Mahabubabad	9727.04	24036	10.67	22030.72	54439	7.67
Nagarkurnool	5156.51	12742	5.66	20446.37	50524	7.12
Siddipet	4477.04	11063	4.91	18925.96	46767	6.59
Mahabubnagar	2127.44	5257	2.33	15402.76	38061	5.36
Nizamabad	8673.64	21433	9.52	13828.13	34170	4.81
Warangal rural	1711.01	4228	1.88	8292.02	20490	2.89
Others	33428.30	82603	36.67	93731.41	231615	32.63
Telangana	91150.73	225238	100.00	287229.32	709758	100.00

Source: www.agri.telangana.gov.in

During vanakalam (Kharif) in Telangana, it has been sown in 2.87 lakh hectares (7.09 lakh acres) as on 29th September 2021 which is higher than 0.91 lakh hectares (2.25 lakh acres) covered during corresponding period of last year. The major growing districts are Kamareddy 37252 ha (92054 acres), Rangareddy 29166 ha (72071 acres), Vikarabad 28152 ha (69567 acres), Mahabubnagar 15402 ha (38061 acres), Mahabubabad 22030 ha (54439 acres), Siddipet 18925 ha (46767 acres), Nagarkurnool 20446 ha (50524 acres), Warangal Rural 8292 ha (20490 acres).

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

State	Prices November, 2021	Prices October, 2021	Prices November, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1472.29	1400.86	1305.96	5.1	12.74
Chhattisgarh	1532.32	1526.5	1298.56	0.38	18
Gujarat	1667.85	1673.41	1558.73	-0.33	7
Haryana	1921.43	1870.93	1867.84	2.7	2.87
Karnataka	1639.44	1658.47	1330.96	-1.15	23.18
Madhya Pradesh	1481.08	1383.92	1320.01	7.02	12.2
Maharashtra	1520.29	1514.68	1336.5	0.37	13.75
Nagaland		3600		—	—
Odisha	1572.64	1531.71	1388.04	2.67	13.3
Punjab	1842.6	1889.14	1533.45	-2.46	20.16
Rajasthan	1617.82	1544.61	1477.54	4.74	9.49
Tamil Nadu	1624.14	1727.77	1496.49	-6	8.53
Telangana	1714.51	1693.41	1597.84	1.25	7.3
Uttar Pradesh	1690.77	1670.03	1539.47	1.24	9.83
Average	1638.24	1763.25	1465.49		

Source: https://agmarknet.gov.in/PriceTrends/SA_Pri_Month.aspx

Maize on CBOT fell by US\$ 0.49 per MT to US\$ 223.22 per MT for December, 2021 contract compared to the previous month on the account of mixed demand in international Maize market. It expects that existing demand of Maize in international market from poultry and ethanol would support CBOT Maize.

Maize cash markets showed an overall firm trend during the month of November'21 compared to previous month due to fair improvement in demand from the feed industry and export markets, like Bangladesh. Also, Maize market was firm compared to corresponding period of last year. For the month of December'21, it is expected that Maize would trade with range bound to slightly firm sentiment as demand for good quality material seems to be improving with winter season to be at its peak. Also, Rabi production estimates in current scenario seems to be lower than what is required.

In Nizamabad market is being traded at Rs. 1,850 per quintal. Loose Maize in market of Devangere, Karnataka is being traded at Rs. 1,750 per quintal. Maize for poultry feed purpose is being supplied to Hyderabad at Rs. 1,950 per quintal sourced from Nizamabad. Good quality Maize is being traded in Bihar between Rs. 1,900 to Rs. 2,100 per quintal. Good quality Maize is being supplied to Bangladesh at Rs. 2,100 per quintal sourced from West Bengal. Also, poultry demand seems to be revived in Kolkata and Banaras. Poultry feed Maize is being supplied to Kolkata at Rs. 2,100 per quintal sourced from Dalkhola.

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

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
1	2,469	1,219	1,790	1,781
2	1,386	1,259	1,802	1,752
5	170	1,351	1,741	1,741
8	1,030	1,229	1,765	1,725
9	790	1,352	1,759	1,692
11	410	1,000	1,712	1,682
12	890	1,309	1,745	1,703
15	645	1,450	1,769	1,675
16	420	1,509	1,769	1,655
17	381	1,100	1,786	1,729
18	236	1,405	1,795	1,621
22	150	1,301	1,776	1,635
23	154	1,301	1,789	1,656
24	94	1,607	1,805	1,719
25	79	1,321	1,818	1,815
26	73	1,689	1,826	1,826
29	105	1,605	1,832	1,832

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

Maize Price Outlook

In Karnataka, maize is likely to trade in a range bound zone with firm bias for good quality material. Also, there is expectation of increase in demand from poultry industry with winter season to be at its peak. It is expected that maize in Karnataka would trade in a range of Rs.1,700-1,850 per quintal (loose price) during the month of December'21.

In Naugachia region of Bihar, Maize is being traded at Rs.2,150 per quintal (Bilty Price). In Gulabgh, it is being traded at Rs. 2,100 per quintal (Bilty Price). It is expected that maize would trade steady to slightly firm in near term due to limited arrivals. It is expected that maize in Gulabgh would trade in a range of Rs. 1,800-2,500 per quintal (Bilty Price) during the month of December'21.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in price range of **Rs. 1650 - 1870** quintal during the month of December, 2021.