

## Maize Outlook – January 2021

Maize or corn (*Zea mays*) is cultivated globally being one of the most important cereal crops worldwide. As per USDA, U.S. Maize exports have reached 14.23 MMT in 2020-21 marketing year. At 1.34 MMT (for the period December 18 - 24, 2020) U.S. Maize exports were up 60 percent from the previous week and 49 percent from the prior 4-week average; mainly for the destinations like China (492,000 MT), Japan (273,400 MT), Mexico (226,900 MT), Colombia (76,100 MT) and Morocco (65,900 MT). In its December 2020 report, USDA decreased its world Maize ending stock estimate by 2.47 MMT to 288.96 MMT for 2020-21 along with a decrease in production estimates which would support to global Maize market.

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

|                           | 2018/19<br>(Estimated) | 2019/20<br>(Forecast) | 2020/21<br>(Projected) |
|---------------------------|------------------------|-----------------------|------------------------|
| <b>Opening Stocks</b>     | 344.30                 | 326.70                | 297.70                 |
| <b>Production</b>         | 1129.20                | 1123.90               | 1145.90                |
| <b>Imports</b>            | 164.60                 | 173.60                | 185.10                 |
| <b>Total Availability</b> | <b>1473.50</b>         | <b>1450.50</b>        | <b>1443.60</b>         |
| <b>Food</b>               | 127.30                 | 129.70                | 131.40                 |
| <b>Feed</b>               | 673.70                 | 690.70                | 696.50                 |
| <b>Industrial</b>         | 304.40                 | 293.40                | 302.10                 |
| <b>Others</b>             | 41.40                  | 39.00                 | 39.00                  |
| <b>Total Consumption</b>  | <b>1146.90</b>         | <b>1152.80</b>        | <b>1169.00</b>         |
| <b>Exports</b>            | 164.60                 | 173.60                | 185.10                 |
| <b>Ending Stocks</b>      | <b>326.70</b>          | <b>297.70</b>         | <b>274.60</b>          |

Source: International Grains Council as on 26.11.2020

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

|                             | 2018/19<br>(Estimated) | 2019/20<br>(Forecast) | 2020-21<br>(Projected) |
|-----------------------------|------------------------|-----------------------|------------------------|
| <b>Opening Stocks</b>       | 2.50                   | 6.42                  | 11.67                  |
| <b>Production</b>           | 27.72                  | 28.64                 | 24.52                  |
| <b>Imports</b>              | 0.21                   | 0.34                  | 0.02                   |
| <b>Total Supply</b>         | <b>30.43</b>           | <b>35.4</b>           | <b>36.21</b>           |
| <b>Export</b>               | 0.58                   | 1.11                  | 1.42                   |
| <b>Domestic Consumption</b> | 23.43                  | 22.62                 | 23.11                  |
| <b>Total Demand</b>         | 24.01                  | 23.73                 | 24.53                  |
| <b>Ending Stock</b>         | 6.42                   | 11.67                 | 11.68                  |
| <b>Monthly Use</b>          | <b>2.00</b>            | <b>1.98</b>           | <b>1.98</b>            |
| <b>Stock to Use Ratio</b>   | 5.92%                  | 14.38%                | 17.62%                 |

Source: www.agriwatch.com

In India, rabi maize has been sown in around 12.56 lakh hectares (31.04 lakh acres) as on 1<sup>st</sup> January 2021 which is lower than 13.73 lakh hectares (33.93 lakh acres) covered during corresponding period of last year. Major maize growing states are Bihar 4.35 lakh ha (10.75 lakh acres), Maharashtra 2.23 lakh ha (5.51 lakh acres), Tamil Nadu 1.46 lakh ha (3.61 lakh acres), Gujarat 0.87 lakh ha (2.15 lakh acres), West Bengal 0.82 lakh ha (2.03 lakh acres) and Telangana 0.35 lakh ha (0.86 lakh acres).

During yasangi (rabi) in Telangana, it has been sown in 49635 hectares (1.22 lakh acres) as on 6<sup>th</sup> January 2021 which is lower than 1.06 lakh hectares (2.63 lakh acres) covered during corresponding period of last year. The major growing districts are Nirmal 13982 ha (34551 acres), Khammam 13224 ha (32676 acres), Warangal Rural 7151 ha (17670 acres), Mahabubabad 3436 ha (8490 acres) and Kamareddy 2086 ha (5154 acres).

India exported around 2,67,069 MT of Maize in the month of November 2020 at an average FoB of US\$ 212.75 per MT, out of which, 2,17,263 MT was exported to Bangladesh at an average FoB of US\$ 203.25 per MT and around 39,746 MT was exported to Nepal at an average FoB of US\$ 215.63 per MT. Around 3,845 MT was exported to Vietnam at an average FoB of US\$ 229.04 per MT.

Maize on CBOT rose by US\$ 22.83 per MT to US\$ 190.54 per MT for March 2021 contract compared to the previous month due to dry weather in South America. Besides, Argentina has temporarily suspended registration for exports, until March 01, 2021 to safeguard domestic supply which is another reason to increase. It expects that continuous export demand for U.S. Maize and decrease in Global Maize Ending Stock would continue to support CBOT Maize.

**Table 3: State wise Wholesale Prices Monthly Analysis for Maize December, 2020**

| State                 | Prices December, 2020 | Prices November, 2020 | Prices December, 2019 | % Change(Over Previous Month) | % Change(Over Previous Year) |
|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------------|------------------------------|
| <b>Andhra Pradesh</b> | 1333.15               | 1305.96               | 1755.42               | 2.08                          | -24.06                       |
| <b>Chhattisgarh</b>   | 1289.32               | 1298.56               | 1800.62               | -0.71                         | -28.4                        |
| <b>Gujarat</b>        | 1548.06               | 1558.73               | 2096.58               | -0.68                         | -26.16                       |
| <b>Karnataka</b>      | 1356.56               | 1330.96               | 1836.48               | 1.92                          | -26.13                       |
| <b>Madhya Pradesh</b> | 1251.59               | 1320.01               | 1903.64               | -5.18                         | -34.25                       |
| <b>Maharashtra</b>    | 1311.86               | 1336.5                | 1818.16               | -1.84                         | -27.85                       |
| <b>Odisha</b>         | 1368.23               | 1388.04               | 1804.26               | -1.43                         | -24.17                       |
| <b>Rajasthan</b>      | 1440.78               | 1477.54               | 2089.49               | -2.49                         | -31.05                       |
| <b>Tamil Nadu</b>     | 1374.12               | 1496.49               | 1800.93               | -8.18                         | -23.7                        |
| <b>Telangana</b>      | 1533.68               | 1597.84               | 1885.84               | -4.02                         | -18.67                       |
| <b>Uttar Pradesh</b>  | 1707.71               | 1539.47               | 1913.2                | 10.93                         | -10.74                       |
| <b>Average</b>        | 1501.39               | 1465.49               | 2065.03               |                               |                              |

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

**Table 4: Maize arrivals and prices in Kesamudram Market for the month of December 2020**

| Date | Arrival (Quintals) | Minimum price (Rs/quintal) | Maximum price (Rs/quintal) | Modal price (Rs/quintal) |
|------|--------------------|----------------------------|----------------------------|--------------------------|
| 1    | 398                | 1,403                      | 1,555                      | 1,439                    |
| 2    | 200                | 1,411                      | 1,551                      | 1,476                    |
| 3    | 167                | 1,436                      | 1,579                      | 1,469                    |
| 4    | 375                | 1,389                      | 1,581                      | 1,451                    |
| 5    | 214                | 1,411                      | 1,505                      | 1,431                    |
| 7    | 434                | 1,402                      | 1,551                      | 1,521                    |
| 9    | 271                | 1,336                      | 1,471                      | 1,429                    |
| 10   | 83                 | 1,379                      | 1,431                      | 1,431                    |
| 11   | 126                | 1,289                      | 1,511                      | 1,400                    |
| 12   | 14                 | 1,406                      | 1,413                      | 1,409                    |
| 15   | 123                | 1,432                      | 1,461                      | 1,461                    |
| 16   | 62                 | 1,385                      | 1,436                      | 1,436                    |
| 17   | 29                 | 1,360                      | 1,438                      | 1,438                    |
| 18   | 13                 | 1,241                      | 1,241                      | 1,241                    |
| 19   | 6                  | 1,443                      | 1,443                      | 1,443                    |
| 21   | 27                 | 1241                       | 1436                       | 1241                     |
| 22   | 34                 | 1436                       | 1452                       | 1449                     |
| 23   | 7                  | 1442                       | 1453                       | 1453                     |
| 28   | 8                  | 1452                       | 1456                       | 1456                     |
| 29   | 2                  | 1218                       | 1438                       | 1218                     |
| 30   | 33                 | 1226                       | 1491                       | 1491                     |

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

### Maize Price Outlook

In Gulabgh region of Bihar, Maize is being traded at Rs.1,550 per quintal (Bilty Price). Trade activities in Bihar have been lower due to low supply in to the market. Hyderabad poultry feed makers are buying Maize at Rs.1,550-1,600 per quintal; sourced from Nizamabad region. Tamil Nadu feed makers demand has been lower due to start of local crop arrivals which is weighing on Karnataka maize prices.

In Karnataka, maize is likely to trade steady to range bound in near term amid sluggish demand as Tamil Nadu feed makers demand has been lower due to start of local crop arrivals which is weighing on Karnataka maize prices. It expects that maize in Davangere would trade in a range of Rs. 1300- 1400 per quintal (loose price) during the month of January'21.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in price range of Rs. 1450 - 1650 quintal during the month of January, 2021.