

Maize Outlook – June 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 49.13 MMT in the 2020-21 marketing year. At 1.92 MMT (for the period May 14-20, 2021) U.S. Maize exports were down by 17 percent from the previous week and 6 percent from the prior 4-week average; mainly for the destinations like China (8,47,000 MT), Mexico (3,79,000 MT), Japan (2,00,000 MT), Colombia (2,00,700 MT), and South Korea (61,500 MT). However, 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	326.6	297.4	266.9
Production	1125.5	1134.1	1193.9
Imports	174.5	187.2	182.4
Total Availability	1452.1	1431.5	1460.8
Food	129.5	130.6	132.3
Feed	692.2	695.4	717.2
Industrial	293.4	299.5	307.8
Others	39.6	39.2	42.4
Total Consumption	1154.7	1164.7	1199.8
Exports	174.5	187.2	182.4
Ending Stocks	297.4	266.9	261

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	2.78
Domestic Consumption	23.43	22.62	22.52
Total Demand	24.01	23.73	25.3
Ending Stock	6.42	11.8	11.03
Monthly Use	2	1.98	1.98
Stock to Use Ratio	5.92%	14.38%	17.62%

Source: www.agriwatch.com

Table 3: State wise area under maize in India

State	2019-20			2020-21		
	Lakh ha	Lakh acres	% to total area	Lakh ha	Lakh acres	% to total area
Bihar	5.05	12.48	28.89	5.27	13.02	31.13
Maharashtra	2.27	5.61	12.99	2.72	6.72	16.07
Tamil Nadu	1.64	4.05	9.38	1.57	3.88	9.27
West Bengal	1.45	3.58	8.30	1.52	3.76	8.98
Andhra Pradesh	1.67	4.13	9.55	1.28	3.16	7.56
Telangana	1.38	3.41	7.89	1.07	2.64	6.32
Gujarat	1.32	3.26	7.55	0.97	2.40	5.73
Others	2.70	6.67	15.45	2.53	6.25	14.94
India	17.48	43.19	100.00	16.93	41.83	100.00

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

In India, rabi maize has been sown in around 16.93 lakh hectares (41.83 lakh acres) as on 29th January 2021 which is lower than 17.48 lakh hectares (43.19 lakh acres) covered during corresponding period of last year. Major maize growing states are Bihar 5.27 lakh ha (13.02 lakh acres), Maharashtra 2.27 lakh ha (6.72 lakh acres), Tamil Nadu 1.57 lakh ha (3.88 lakh acres), Gujarat 0.97 lakh ha (2.40 lakh acres), West Bengal 1.52 lakh ha (3.76 lakh acres) and Telangana 1.07 lakh ha (2.64 lakh acres).

Table 4: State wise Wholesale Prices Monthly Analysis for Maize May, 2021

State	Prices May, 2021	Prices April, 2021	Prices May, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Andhra Pradesh	1340.52	1311.21	1631.83	2.24	-17.85
Chhattisgarh	1367.4	1508.89	1240.06	-9.38	10.27
Gujarat	2060.79	1672.84	1757.31	23.19	17.27
Jharkhand	1707.04	1700.00		0.41	—
Karnataka	1568.13	1545.63	1332.92	1.46	17.65
Madhya Pradesh	1460.99	1344.55	1080.93	8.66	35.16
Maharashtra	1471.66	1446.39	1153.54	1.75	27.58
Odisha	1318.12	1311	1510.12	0.54	-12.71
Rajasthan	1573.54	1639.38	1391.36	-4.02	13.09
Tamil Nadu	1693.06	1544.27	1442.72	9.63	17.35
Telangana		1633.15	1493.77	—	—
Uttar Pradesh	1545.34	1454.06	1748.53	6.28	-11.62
Average	1540.55	1509.28	1434.83		

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

Table 5: District wise area under maize in Telangana State

Districts	2019-20			2020-21		
	Hectares	Acres	% to total area	Hectares	Acres	% to total area
Warangal (Rural)	39969	98766	17.05	44157	109113	23.41
Khammam	34595	85485	14.75	32597	80550	17.28
Nirmal	33525	82841	14.30	19656	48571	10.42
Mehabubabad	14248	35207	6.08	14285	35298	7.57
Warangal (Urban)	10771	26615	4.59	12204	30156	6.47
Badradri Kothagudem	7255	17927	3.09	10635	26279	5.64
Kamareddy	13821	34152	5.89	7851	19399	4.16
Siddipet	7677	18971	3.27	3926	9701	2.08
Nizamabad	12903	31884	5.50	2142	5294	1.14
Others	59705	147535	25.46	41144	101668	21.82
Telangana	234468	579383	100.00	188596	466029.00	100.00

Yasangi (rabi) in Telangana, it has been sown in 1.88 lakh hectares (4.66 lakh acres) as on 24th March 2021 which is lower than 2.34 lakh hectares (5.79 lakh acres) covered during corresponding period of last year. The major growing districts are Warangal Rural 44157 ha (109113 acres), Khammam 32597 ha (80550 acres), Nirmal 19656 ha (48571 acres), Mehabubabad 14285 ha (35298 acres) and Warangal (Urban) 12204 ha (30156 acres).

Maize on CBOT rose by US\$ 3.34 per MT to US\$ 258.55 per MT for July 2021 contract compared to the previous month due to decent demand of Maize crop in international market, even though world Maize production estimates were higher than expected according to WASDE Maize report published during second week of May.

Sources revealed that (loose) Maize in Bihar markets is being traded at Rs. 1,400 per quintal, and (Bilty) Maize in Bihar is being traded at Rs. 1,450 per quintal. Also Maize in Badwani, M.P is being traded between Rs. 1300 – Rs. 1600 per quintal, containing moisture between 20%-14%. And in villages nearby Nizamabad, maize is being traded at Rs. 1,500 - Rs. 1550 per quintal.

Table 6: Maize arrivals and prices in Badepalli Market for the month of May 2021

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
3	467	1,523	1,605	1,585
5	184	1,380	1,602	1,302
6	247	1,200	1,581	1,200
7	199	1,300	1,576	1,576
8	125	1,360	1,581	1,555
17	95	1,330	1,571	1,541
20	704	1,401	1,572	1,480
24	324	1,317	1,563	1,547
27	655	1,357	1,571	1,545
31	860	1,200	1,583	1,577

Source: <http://tsmarketing.in>

Maize Price Outlook

In Karnataka, maize is likely to trade steady to range bound in near term on the expectation of crop arrivals in the month of June containing high moisture percentage. Maize in Davangere would trade in a range of Rs. 1450- 1700 per quintal (loose price) during the month of June 2021.

In Gulabghat region of Bihar, in the month of May Maize traded almost steady at Rs. 1,500 per quintal (Bilty Price). Maize in Gulabghat would trade steady to range bound in the range of Rs. 1,500-1,700 per quintal for the month of June, since the expectation of an increase in the new crop arrivals containing high moisture percentage in coming days could weigh on market sentiments. However, if cattle feed makers, millers and stockiest demand comes; could lead the market.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in price range of **Rs. 1500 - 1700** quintal during the month of June, 2021.