

VANAKALAM(KHARIF) 2023-24 PRE-SOWING PRICE FORECAST OF MAIZE

Maize Price per Quintal will be around Rs. 1740-2015 at the Time of Harvesting (October to November 2023)

Maize (*Zea mays L.*) is one of the most versatile emerging crops having wider adaptability under varied agro-climatic conditions. Globally, maize is known as queen of cereals because it has the highest genetic yield potential among the cereals. It is cultivated in about 165 countries having wider diversity of soil, climate, biodiversity and management practices. United States of America is the largest producer of maize contributing nearly 34% of the total production in the world. Other important growing countries are China, Brazil, Argentina, Ukraine, India, Mexico, Indonesia and South Africa.

In the world during 2021-22, about 2059.02 lakh ha (508.79 lakh acres) area was covered under maize with a production of 12104 lakh tonnes and yield 5878 Kg/ha (2378 Kg/acre). Maize area coverage in top most cultivating countries of the world is as follows i.e., China 433.56 lakh ha (1071.3 lakh acres), United States of America 345.56 lakh ha (853.89 lakh acres), Brazil 190.25 lakh ha (470.1 lakh acres), India 98.60 lakh ha (243.65 lakh acres), Argentina 81.47 lakh ha (201.3 lakh acres), Mexico 71.40 lakh ha (176.42 lakh acres), Nigeria 60 lakh ha (148.26 lakh acres) and Ukraine 54.82 lakh ha (135.46 lakh acres).

World's maize production forecast has increased from 1150 lakh tonnes in 2022-23 to 1202.4 lakh tonnes in 2023-24. Accordingly, total supply would increase from 14309 to 14589 lakh tonnes, export would increase from 1678 to 1732 lakh tonnes and consumption would increase from 11744 to 11981 lakh tonnes in 2023-24. World's carryout stocks at the end of 2023-24 was estimated at 2608 lakh tonnes up by 1.71% from 2766 lakh tonnes recorded during the corresponding period of last year 2022-23.

In India, during kharif 2022-23, area coverage under maize was around 84.23 lakh hectares (208.14 lakh acres) as compared to 81.52 lakh hectares (201.44 lakh acres) during kharif 2021-22. Major maize growing states are Madhya Pradesh 16.14 lakh ha (39.88 lakh acres), Karnataka 14.49 lakh ha (35.83 lakh acres), Rajasthan 9.39 lakh ha (23.22 lakh acres), Maharashtra 8.78 lakh ha (21.70 lakh acres), Uttar Pradesh 7.52 lakh ha (18.59 lakh acres), Bihar 3.32 lakh ha (8.20 lakh acres), Gujarat 2.87 lakh ha (7.11 lakh acres), Himachal Pradesh 2.79 lakh ha (6.89 lakh acres) and Telangana 2.51 lakh ha (6.20 lakh acres). According to 2nd Advance Estimates of Production of Food grains for 2022-23, all India Maize production estimate was 34.61 million tonnes.

As per the 2nd advance estimates, India's maize production is likely to increase by 2.94% from 336.2 lakh tonnes in 2021-22 to 346.1 lakh tonnes in 2022-23. Total supply would increase from 513.9 to 537.5 lakh tonnes, export would decrease from 34 to 17.2 lakh tonnes and consumption would increase from 291 to 295 lakh tonnes in 2022-23. Maize ending stock is at 225.3 lakh tonnes in 2022-23 as compared to 188.9 lakh tonnes in 2021-22. This higher ending stock is due to increase in production.

According to trade sources, India exported a total of 300,220.11 metric tons of maize in March 2023, achieving an average free on board (FOB) price of approximately 290.89 USD per metric ton. Bangladesh and Nepal were the primary destinations for India's maize exports, receiving 138,514.54 metric tons and 10,991.92 metric tons, respectively, at average FOB prices of roughly 295.76 USD per metric ton and 294.79 USD per metric ton. In Devangere, the average price per quintal of maize witnessed an increase from INR 1937.5 to INR 1994. Similarly, in Bangalore, the average price rose from INR 2187.5 per quintal to

INR 2200. In Namakkal, prices also experienced an upward trend, with a rise from INR 2237.5 per quintal to INR 2250.

In Telangana, during kharif 2022-23 area under maize was 2.51 lakh hectares (6.20 lakh acres) as against 2.89 lakh ha (7.14 lakh acres) during kharif 2021-22. The major growing districts are Kamareddy 36640 ha (90540 acres), Rangareddy 29616 ha (73182 acres), Vikarabad 23294 ha (57561 acres), Mahabubabad 21885 ha (54080 acres), Mahabubnagar 14888 ha (36789 acres), Nizamabad 13462 ha (33266 acres) and Siddipet 13059 ha (32270 acres) contributing nearly 80% of total maize production. It is expected that increase in acreage and increasing production would decline maize prices in the state. According to 3rd Advance Estimates of Production of Food grains for 2022-23, Maize production estimate was 28.80 lakh tonnes in Telangana State.

The Agricultural Market Intelligence Centre established under a research project for development of price forecasting mechanism in the Department of Agricultural Economics, College of Agriculture, Rajendranagar, Hyderabad at Professor Jayashankar Telangana State Agricultural University with the financial support of Agricultural Marketing Department, Telangana State has assessed 2023-24 vanakalam (kharif) pre-sowing price forecast of maize. Under expected normal rainfall and crop coverage, it is estimated that the maize price per quintal will be around **Rs.1740-2015** at the time of harvesting (Oct to Nov 2023). This price forecast is based on the monthly modal price of maize obtained for 21 years from Badepalli regulated market using econometric models like ARIMA, ARIMAX, SARIMA, ARCH, GARCH and also the market survey.

Note: There may be any possible deviation of the actual prices from the predicted prices in light of tentative developments in the commodity markets such as change in international prices, export or import restrictions, etc. And these price forecasts are based on past market price data & different econometric models and that actual market price may not turn out to be the same as forecasted.