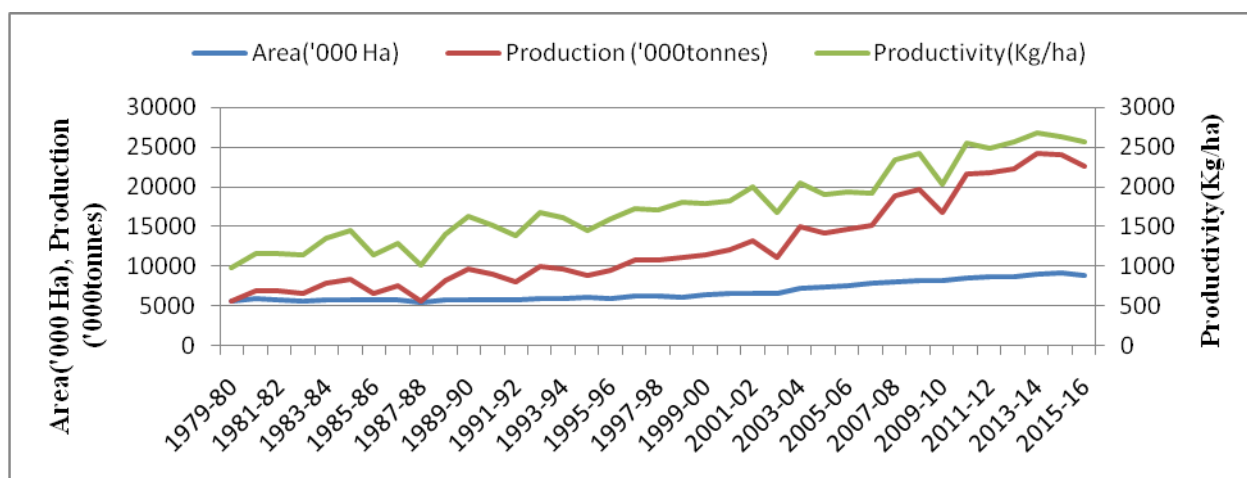


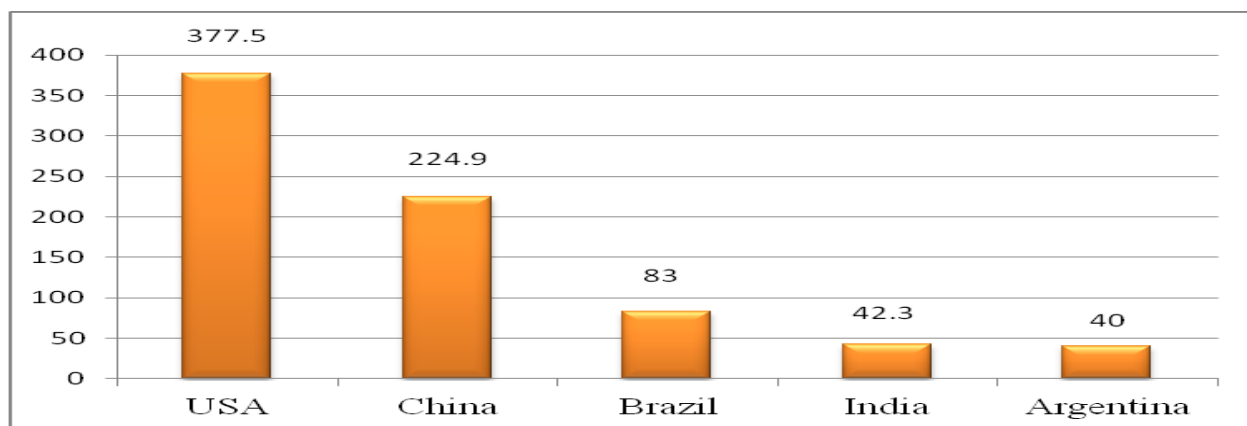
Maize Outlook – May 2018

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 on nearly 150 m ha in about 160 countries having wider diversity of soil, climate, biodiversity and management practices that contributes 36% (782 m t) of the global grain production. The United States of America (USA) is the largest producer of maize contributes nearly 35% of the total production in the world and other important growing countries are China, Brazil, India, Argentina, Ukraine, and Mexico. In India, major maize growing states are Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Bihar, Uttar Pradesh, Telangana, Gujarat and Tamil Nadu. In Telangana, Nirmal, Kamareddy, Warangal (Rural), Warangal (Urban), Medak, Khammam, and Jagtial are the major maize growing districts constituting nearly 85% of total maize production.



Source: www.indiastat.com

Fig. 1: Area, production and productivity of maize in India from 1979-80 to 2015-16



Source: The daily records, March 2018

Fig. 2: Top five maize producing countries in the World in 2018 (million metric tonnes)

Table 1: India's maize balance sheet

Maize Year-(Oct-Sep)	2016-17 E	2017-18 F	Oct-Dec'17 F	Jan-Mar'18 F	Apr-Jun'18 F
Opening Stocks (MMT)	2.21	2.97	2.97	6.57	3.21
Production (MMT)	23.84	21.93	12.53	3.13	5.02
Farmer's Release (MMT)	20.55	18.93	9.3	3.98	3.95
Govt. Procurement (MMT)	0.06	0.06	0.02	0.04	
Pvt. Trade Release (MMT)	20.49	18.87	4.63	8.59	3.39
Seed Retention (MMT)	0.26	0.26	0.05		0.21
Imports (MMT)	0.02	0.02	0	0.02	0
Total Supply (MMT)	26.07	24.92			
Quarterly Add On(MMT)			12.53	3.15	5.02
Export (MMT)	0.54	0.59	0.18	0.17	0.1
Domestic Consumption (MMT)	22.56	21.55	8.75	6.34	3.88
Total Demand (MMT)	23.1	22.14	8.93	6.51	3.98
Ending Stock (MMT)	2.97	2.78	6.57	3.21	4.25

E= Agriwatch Estimate F= Agriwatch Forecast

Source: Agriwatch maize monthly research report, May 2018

Table 2: Domestic Consumption Break Up For 2017-18 F (in Million Metric Tonnes)

Poultry & Cattle feed	14.20
Starch & Brewery	4.24
Human Consumption	1.78
Seed	0.26
Shortage & Wastage	0.64
Storage and Moisture Loss	0.43

Source: Agriwatch maize monthly research report, May 2018

Corn prices on Chicago Board of Trade (CBOT) rose by 1.87 USD/MT to 154.52 USD/MT for May contract compared to last month on the concern over delayed start to planting across much of the U.S. Midwest. USDA decreased its global corn ending stocks estimates by 1.387 MMT to 197.78 MMT for 2017-18 compared to last month due to decrease in production estimates by 5.66 MMT to 1036.07 MMT for 2017/18 compared to last month. In U.S, 17% corn has planted as of 29th April, 2018, lower by 15% compared to last year and 10% from last 5 year average period. Corn has emerged 3% as of 29th April, 2018, lower by 5% compared to last year and 3% from last 5 year average period. International Grains Council (IGC) increased its global corn production forecast by 2 MMT to 1054 MMT compared to previous forecast for 2018-19.

Table 3: Month-wise Average Prices of Maize at Various Markets

Market	2018- April	2018-March	2017-April	% Change from Prev. Month	% Change from Prev. Year
Delhi	1441	1360	1527	5.96	-5.63
Davangere	1195	1190	1532	0.42	-22
Shimoga	1360	1329	1567	2.33	-13.21
Bagalkot	1188	1120	1491	6.07	-20.32
Gadag	1101	1069	1517	2.99	-27.42
Nizamabad (Bilty)	1334	1337	1473	-0.22	-9.44
Khanna	1457	1293	1512	12.68	-3.64
Sangli	NA	NA	1561	--	--
Gulababagh (Bilty)	1291	1263	1363	2.22	-5.28
Naugachia	1233	NA	1322	--	-6.73

Source: Agriwatch maize monthly research report, April 2018

Table 4: Prices and Arrivals of Maize at Kesamudram Market in the Month of April 2018

Date	Arrivals (Tonnes)	Min Price (Rs/quintal)	Max Price (Rs/quintal)	Modal Price (Rs/quintal)
2	565.5	1050	1212	1194
3	790.3	1089	1202	1175
4	611	1071	1195	1160
6	631.1	1050	1201	1160
10	285	1039	1229	1208
11	193.8	1065	1237	1208
12	161.2	1061	1238	1185
13	260.1	1051	1238	1221
16	0	1001	1242	1190
17	752.8	1001	1242	1190
18	552.8	1000	1210	1185
20	684.5	1051	1203	1185
21	58	1081	1125	1108
23	353.1	1011	1182	1141
24	416.4	1032	1187	1159
30	837.8	1000	1188	1145

Source: <http://agrimarketing.telangana.gov.in/indexnew.jsp>

Overall maize cash markets traded firm during the month of April'18 compared to previous month but lower than from the corresponding period of last year, due to high carry forward stock amid sluggish stockiest demand. In Ahmadabad region of Gujarat, poultry feed makers quoted maize (monthly average) firm by 0.75% to Rs. 1350 per quintal while starch feed makers quoted it firm by 1.83% to Rs. 1390 per quintal compared to last month. Considering the current situation, there is not much risk of drastic fall in prices as it is already being traded at the lower end.

In Naugachia and Gulabgh region of Bihar, new crop arrivals of maize, has started to increase and we are expecting that peak crop arrivals could be seen during the month of May which would weigh on all Indian maize prices. In Nizamabad too, despite new crop arrivals maize could trade steady to range bound as at the lower level, stockiest demand could limit the market from fall. As per trade sources, in Nizamabad, stock of maize in the Government warehouses could be around 30,000 MT while private traders could have 5,000 MT stock of maize which is same during corresponding period of last year.

At the demand side, maize is moving towards Punjab and Haryana at Rs. 1500 per quintal while U.P at Rs. 1425 per quintal; sourced from Naugachia region of Bihar. Meanwhile, it is moving towards Bangalore at Rs. 1310 per quintal, Nammakal at Rs. 1380 per quintal, Sangali at Rs. 1275 per quintal and Chennai at Rs. 1380 per quintal; sourced from Davangere. During the month of Mar'18, India exported 98,773 MT of maize at an average FoB of \$ 234.85 / MT, mainly to Vietnam followed by Nepal and Malaysia mainly through JNPT Sea followed by Tondiapet and Raxaul.

Under these circumstances, it is expected that maize domestic market could trade steady to slightly weak during the month of May'18 due to high carry forward stock and new crop arrival pressure. Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in a range of **Rs. 1250-1350** per quintal during the month of May, 2018.