

RABI 2019-20 PRE-HARVEST PRICE FORECAST OF MAIZE

Maize Price per Quintal will be around Rs. 1900-2100 at the Time of Harvesting (January to March 2020)

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 contribute 36% (782 metric tonnes) of the global grain production. The United States of America is the largest producer of maize contributing nearly 35% of the total production in the world. Other important growing countries are China, Brazil, European Union, Argentina, India, Ukraine and Mexico.

USDA increased its global corn ending stock estimates by 4.61 MMT to 300.56 MMT for 2019/20 compared to previous month due to increase in production estimates for 2019/20. There is maize ending stock of 1.44 MMT in 2019-20 (Forecast) as compared to 1.43 MMT in 2018-19 (Estimated).

In India, during Rabi 2019-20, area under maize was 9.43 lakh hectares as on 13th Dec'19 which is lower than 10.23 lakh hectares during same period of last year 2018-19. Major rabi maize growing states in India are Bihar (3.39 lakh hectares) and Tamil Nadu (1.40 lakh hectares). According to the 1st Advance Estimates of Production of food grains for 2019-20, maize production estimate was 19.89 million tonnes as compared to last year production of 21.47 million tonnes. In Telangana, during rabi 2019-20 area under maize was 0.48 lakh hectares as against 0.71 lakh hectares during rabi 2018-19. Major maize growing districts in Telangana include Nizamabad, Warangal (Rural), Karimnagar, Jagtial, Kamareddy and Khammam contributing nearly 70% of total maize production.

In Nizamabad, maize is likely to trade firm on the expectation of increase in feed makers demand. Maize arrivals are containing fungus nearly 5% and damaged grains around 5-7%. Maize is moving towards Hyderabad at Rs. 2200 - 2300 per quintal while it is being bought by local starch feed makers at Rs. 1925 per quintal.

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 2019-20 rabi pre-harvest price forecast of maize. Under expected normal crop coverage, it is expected that the maize price per quintal will be around **Rs.1900-2100** at the time of harvesting (Jan to Mar 2020). This price forecast is based on the monthly modal price of maize obtained for 17 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.