

Maize Outlook – February 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 20.02 MMT in the 2020-21 marketing year. At 1.00 MMT (for the period January 22-28, 2021) U.S. Maize exports were down 30 percent from the previous week and 17 percent from the prior 4-week average; mainly for the destinations like Japan (2, 53,600 MT), China (2, 09,500 MT), Mexico (1, 90,900 MT), Colombia (1, 08,800 MT), and Chile (45,300 MT). However, it is expected that increase in export demand for U.S. Maize would support CBOT Maize. USDA decreased its world Maize ending stock estimate by 5.13 MMT to 283.83 MMT for 2020-21 along with a decrease in production estimates which would support global Maize market.

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

	2018/19 (Estimated)	2019/20 (Forecast)	2020/21 (Projected)
Opening Stocks	344.7	326.8	297.2
Production	1129.2	1123.9	1132.5
Imports	164.6	173.6	182.9
Total Availability	1473.9	1450.6	1429.7
Food	127.5	129.8	131.5
Feed	673.8	692.2	692.3
Industrial	304.4	293.3	299.3
Others	41.3	38.2	38.3
Total Consumption	1147.1	1153.4	1161.3
Exports	164.6	173.6	182.9
Ending Stocks	326.8	297.2	268.4

Source: International Grains Council

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

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

Source: www.agriwatch.com

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).

During yasangi (rabi) in Telangana, it has been sown in 1.28 lakh hectares (3.16 lakh acres) as on 03rd February 2021 which is lower than 1.55 lakh hectares (3.84 lakh acres) covered during corresponding period of last year. The major growing districts are Nirmal 13637 ha (33697 acres), Khammam 25450 ha (62887 acres), Warangal Rural 21787 ha (53836 acres), Mahabubabad 8813 ha (21777 acres) and Kamareddy 5540 ha (13690 acres).

As per trade sources, India exported around 3,59,265 MT of Maize in the month of December 2020 at an average FoB of US\$ 221.05 per MT, out of which, 2,02,092 MT was exported to Bangladesh at an average FoB of US\$ 212.49 per MT and around 73,632 MT was exported to Nepal at an average FoB of US\$ 218.98 per MT. Around 69,647 MT was exported to Vietnam at an average FoB of US\$ 229.60 per MT.

Table 3: State wise Wholesale Prices Monthly Analysis for Maize January, 2021

State	Prices January, 2021	Prices December, 2020	Prices January, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1248.82	1333.15	1831.39	-6.33	-31.81
Chhattisgarh	1234.91	1289.32	1772.3	-4.22	-30.32
Gujarat	1486.02	1548.06	2073.89	-4.01	-28.35
Jharkhand	1700			—	—
Karnataka	1310.16	1356.56	1846.71	-3.42	-29.05
Madhya Pradesh	1212.8	1251.59	1806.27	-3.1	-32.86
Maharashtra	1306.65	1311.86	1806.21	-0.4	-27.66
Odisha	1282.42	1368.23	1837.72	-6.27	-30.22
Rajasthan	1373.75	1440.78	1914.97	-4.65	-28.26
Tamil Nadu	1335.77	1374.12	1810.27	-2.79	-26.21
Telangana	1368.97	1533.68	1890.03	-10.74	-27.57
Uttar Pradesh	1674.94	1707.71	1936.01	-1.92	-13.48
Average	1377.93	1501.39	1913.22		

Source: www.agriwatch.com

Table 4: Maize arrivals and prices in Choppadandi Market for the month of January, 2020

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
2	55	1,433	1,462	1,446
4	5	1,428	1,428	1,428
5	2	1,351	1,351	1,351
6	21	1,421	1,471	1,421
8	12	1,357	1,443	1,443
12	15	1,411	1,463	1,463
18	3	1,436	1,442	1,442
20	4	1,151	1,236	1,236
21	2	1,428	1,428	1,428
22	6	1,452	1,453	1,453
25	6	1,426	1,426	1,426
27	19	1,276	1,456	1,456
28	2	1,377	1,377	1,377
29	23	1,366	1,456	1,437

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

Maize Price Outlook

Maize cash markets traded weak during the month of January 2021 compared to previous month and corresponding period last year. Despite continuous export demand, maize in domestic markets showed weak trend due to trade of low quality material and several widespread cases of bird flu in India. For the month of February 2021, it expects that Maize would trade steady to slightly firm due to continuous demand from International feed makers. However, higher stock availability would limit the gain.

In Karnataka, maize is likely to trade steady to range bound in near term despite fresh export demand. Maize is being loaded for Krishnapatnam, Vizag and Chennai port at Rs.1,555 per quintal, Rs.1620 per quintal and Rs.1551 per quintal, respectively; sourced from Davangere and Kotturu region of Karnataka. It expects that maize in Davangere would trade in a range of Rs. 1300- 1400 per quintal (loose price) during the month of February'21.

In Gulabgh region of Bihar, Maize is being traded at Rs. 1,525-1,550 per quintal (Bilty Price). The trade activity in Bihar was lower due to low supply in to the market.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expects that maize could trade in price range of Rs. 1400 - 1550 quintal during the month of February, 2021.