

Maize Outlook – May 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 41.31 MMT in the 2020-21 marketing year. At 1.92 MMT (for the period April 16-22, 2021) U.S. Maize exports were up by 19 percent from the previous week and 3 percent from the prior 4-week average; mainly for the destinations like Japan (3,99,500 MT), Mexico (2,87,400 MT), China (5,61,600 MT), and Colombia (94,600 MT). However, it expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.

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

	2018/19 (Estimated)	2019/20 (Forecast)	2020/21 (Projected)
Opening Stocks	343.5	326.1	296.5
Production	1131.2	1125.4	1138.6
Imports	164.6	173.6	185.6
Total Availability	1474.7	1451.5	1435.1
Food	127.1	129.2	130.9
Feed	675.6	693.2	699.5
Industrial	304.4	293.4	297.3
Others	41.5	39.2	39.2
Total Consumption	1148.7	1155	1166.9
Exports	164.6	173.6	185.6
Ending Stocks	326.1	296.5	268.2

Source: <https://www.igc.int/en/markets/marketinfo-sd.aspx>

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	11.80
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	2.68
Domestic Consumption	23.43	22.62	22.52
Total Demand	24.01	23.73	25.2
Ending Stocks	6.42	11.8	11.36
Monthly Use	2	1.98	2.10
Stock to Use Ratio	5.92%	14.38%	10.90%

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 1.88 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), Mahbubabad 14285 ha (35298 acres) and Warangal (Urban) 12204 ha (30156 acres).

Maize on CBOT rose by US\$ 54.23 per MT to US\$ 276.37 per MT for May 2021 contract compared to the previous month due to increase in demand for U.S Maize. It expects that increase in export demand for U.S. Maize, would continue to support CBOT Maize.

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

State	Prices April, 2021	Prices March, 2021	Prices April, 2020	% Change (Over Previous Month)	% Change (Over Previous Year)
Andhra Pradesh	1311.21	1499.61		-12.56	—
Chhattisgarh	1497.59	1394.96	1457.51	7.36	2.75
Gujarat	1672.84	1599.01	1720.66	4.62	-2.78
Haryana		358.77		—	—
Jharkhand	1700	1700		0	—
Karnataka	1545.94	1497.47	1420.81	3.24	8.81
Madhya Pradesh	1339.41	1282.49	1220.88	4.44	9.71
Maharashtra	1445.74	1424.08	1298.58	1.52	11.33
Odisha	1311	1292.77	1630.56	1.41	-19.6
Punjab			2025	—	—
Rajasthan	1639.38	1457.24	1487.36	12.5	10.22
Tamil Nadu	1544.27	1481.97	1576.45	4.2	-2.04
Telangana	1641.48	1794	1732.35	-8.5	-5.25
Uttar Pradesh	1454.06	1398.97	1852.99	3.94	-21.53
Average	1508.58	1398.56	1583.92		

Source: www.agriwatch.com

Table 4: Maize arrivals and prices in Choppadandi Market for the month of April 2021

Date	Arrival (Quintals)	Minimum price (Rs/quintal)	Maximum price (Rs/quintal)	Modal price (Rs/quintal)
3	168	1,541	1,629	1,601
6	291	1,516	1,636	1,623
7	201	1,522	1,633	1,571
8	211	1,436	1,599	1,599
9	197	1,512	1,571	1,555
10	127	1,549	1,577	1,569
15	121	1,491	1,581	1,565
16	320	1,477	1,611	1,551
17	194	1,488	1,559	1,546
19	299	1,438	1,566	1,528
20	204	1,525	1,576	1,525
22	374	1,493	1,634	1,574
23	109	1,528	1,596	1,561
24	50	1,516	1,556	1,556

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

Maize Price Outlook

In Telangana, maize crop arrivals are small in quantity and contain moisture up to 22%. Sources revealed that around 60%-70% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government and also due to uncertainty about market opening hours.

In Karnataka, maize is likely to trade steady to range bound in near term on the expectation of new crop arrivals in the month of May. Maize in Davangere traded in a range of Rs. 1500-1600 per quintal (loose price) during the month of April'21.

In Gulabgh region of Bihar, Maize is being traded between Rs.1,500-Rs.1,725 per quintal (Bilty Price). Maize in Gulabgh would trade steady to range bound in the range of Rs.1,500-1,700 per quintal for the month of May. An expectation of the increase in new crop arrivals in coming week could weigh on market sentiments. However, if fresh export 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 - 1600 quintal during the month of May, 2021.