

Maize Price Forecast for October and November- 2022

Maize is the most vital cereal crop around the globe and it is an important staple food too. In India Maize is called “Queen of Cereals” due to its highest genetic yield potential. USA, China, Brazil, India etc. are major producers of maize. Maize also has its significant use for large number of industrial products such as starch industry, corn oil production etc. India exports maize to countries like Nepal, Sri Lanka, Bangladesh, etc.

As per the International Grain Council, during 2021-22, production of maize remained around 1213.8 million tons and estimated consumption was around 1207.5 million tons in terms of food, feed and industrial usage. Export was around 174 million tons and ending stock was around 285 million tons during 2021-22. Over the past few months, world maize (corn) prices have increased by almost 50 per cent, with dramatic rise witnessed since the outbreak of war between Russia and Ukraine. Ukraine is the third largest exporter accounts for about 3 per cent of the global maize production and around 13 per cent of the global export. As export from Ukraine decline, Indian maize exporters have advantage.

In India, during *kharif* season 2021, area coverage under maize was around 81.52 lakh hectare as against 80.23 lakh hectare during 2020. Madhya Pradesh, Karnataka and Rajasthan are major maize producing states in India and area under maize reported 15.15, 13.89 and 8.38 lakh hectare, respectively, for the year 2021-22.

India’s maize production has increased from 316.5 lakh tons in 2020-21 to 331.8 lakh tons in 2021-22. Total supply decreased from 349 to 347 lakh tons, export decreased from 37 to 36 lakh tons and consumption increased from 289 to 297 lakh tons in 2021-22. Maize ending stock is at 14 lakh tons in 2021-22 as compared to 23 lakh tons in 2020-21.

In Gujarat, during 2021-22, cultivated area under maize is reported about 3.91 lakh hectare with a production of around 7.63 lakh tons and yield of 1949 kg per hectare. During 2020-21, it was 3.89 lakh hectares with a production of 6.67 lakh tons and yield of 1716 kg per hectare.

In the month of October-November 2021, price of maize hovered around Rs 1672 per quintal which stood at Rs 1510 during previous year. Prices of maize in April-May 2022 remained around Rs 2300 per quintal. The MSP of maize for the year 2021-22 was declared at Rs 1870 per quintal which was Rs 1850 per quintal during 2020-21. For the year 2022-23, MSP has been declared at Rs 1962 per quintal.

Considering available information on production, international as well as local markets and traders view, the research team of NAHEP-CAAST, IABMI, Anand Agricultural University, Anand, analyzed the monthly maize price data of 17 years collected from Dahod market of Gujarat. The econometric analysis revealed that the price of maize during **October-November 2022** may remain in the range of **Rs 1650 to 2050 per quintal (Rs 330 to 410 per 20 kg)**.

Note: There may be deviation of the actual prices from the predicted prices due to new developments in the commodity markets such as change in international prices, export or import restrictions, etc. And further, these price forecasts are based on past market price data & different econometric models. Thus, actual market price may not remain to be the same as forecasted.