

## **Maize Price Forecasting (Oct- Nov 2022)**

Maize is the vital cereal crop around the globe. It is an important staple food apart from being a major ingredient of feed industry. In India, maize is called “Queen of Cereals” due to its higher genetic yield potential. USA is the largest maize producing country in the world followed by China, Brazil, and India. Maize has its significant use for large number of industrial products such as starch industry, corn oil production etc.

As per the data of International grain council, in 2022-23 projected production of maize is likely to be 11786 lakh tons and estimated consumption is expected to remain around 11968 lakh tons in terms of food, feed and industrial usage. Exports will remain around 1733 lakh tons. As per FAO AMIS outlook, the worldwide supply is likely to be around 14910 lakh tons, whereas opening stocks would be 3099.1 lakh tons and closing stocks would be 2996.5 lakh tons during 2022-23.

In India, during Kharif Season 2022, area coverage under maize was 81.52 lakh hectare as against 80.37 lakh hectare in 2021. Production estimates during the year 2021-22 is 336.2 lakh tons and it was 316.5 lakh tons in the year 2020-21. The MSP of maize for the year 2022-23 has been declared at Rs 1962 per quintal which was Rs 1870 per quintal for the year 2021-22. India’s maize exports was at an all-time high of USD 10208.8 lakh with quantity of 36.90 lakh tons during the year 2021-22, surpassing the USD 6348.5 lakh and quantity of 28.70 lakh tons achieved during the year 2020-21. Maize exports jumped nearly six-fold in the last three years despite the Covid-19 pandemic. Bangladesh, Vietnam and Nepal are amongst the key export destinations for maize exports from India.

In Gujarat, during 2022-23, cultivated area under maize is reported about 2.87 lakh hectares with a production estimate of 4.64 lakh tons, while it was 3.91 lakh hectare and 7.63 lakh tons during the year 2021-22. In the month of August 2022, price of maize hovered around Rs 2407 per quintal which was Rs 1951 in previous year 2021. This rise in price may be attributed mainly to higher exports and hike in MSP price.

Maize crop across major producing states is in good condition as a result, production is likely to be higher which means price of Maize crop may be down in near future. During current year there is ban on export of broken rice, which increases the availability of rice in domestic market and ultimately mounting the pressure on Maize prices.

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 prices data of 18 years collected from Dahod market of Gujarat. The econometric analysis revealed that the prices of maize during **October-November 2022 may remain in the range of of Rs 1750 to 2100 per quintal (Rs 350-420 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.*