

Maize Price Forecasting for the month October-November 2021

Maize is the most vital cereal crop around the globe and 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 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, Srilanka, Bangladesh etc.

According to USDA, in 2020-21, production in India is 302.00 lakh tonnes as against 287.66 lakh tonnes in the year 2019-20. Sowing Maize at national level in 2020-21 was 97.00 lakh hectare as against 95.69 lakh hectare in 2019-20. In India, from 2019-20 to 2020-21, export would increase from 1.11 to 2.68 lakh tonnes and consumption would decrease from 226.2 to 225.2 lakh tonnes. Maize ending stock remain at 113.6 lakh tonnes in 2020-21 than 118.0 lakh tonnes in 2019-20.

In Gujarat for the year 2020-21; as per Third Advance Estimates by Directorate of Agriculture, cultivated area under maize reported about 3.88 lakh hectares, production estimates of Maize are 6.48 lakh tonnes than final advance estimates of 2019-20 which reported cultivated area as 4.38 lakh hectares, production as 7.96 lakh tonnes.

In the month of April 2021 price of maize hovered around Rs.1643 per quintal which in previous years of 2020 and 2019 stood at Rs.1758 & Rs. 2157 respectively. This dip in prices can be attributed to bird flu that prevailed earlier in the year 2020 adding to the decreased demand in poultry sector and thereby hitting maize demand directly as maize accounts for 60 per cent of chicken feed by weight. Government has also allowed use of maize with FCI for production of Ethanol. During October and November 2020 which is the harvesting period, prices were Rs 1463 and Rs 1558, respectively. India enjoys by exporting higher corn during 2020 due to competitiveness in the international market. Hence, looking all these international and national markets condition, there may be chances for prevalence of competitive prices of maize.

In line with the accessible information and reviews from active traders, the research team of NAHEP-CAAST, IABMI, Anand Agricultural University, Anand analysed the historical monthly price data of maize collected from major market of Gujarat. The econometric analysis revealed that the prices of maize during October-November, 2021 i.e. at harvest may remain in the range of **Rs. 1500 to Rs. 1850 per quintal (300-370/ 20kg)**. Accordingly, farmers may take their own decision to grow maize accordingly.