

Maize price forecast for the month October and 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 is the largest maize producing country in the world which produces around 34 per cent of global production followed by China, Brazil, Argentina, Ukraine, 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.

As per the data of International Grain Council, in 2021-22 projected production of maize will 12021 lakh tonnes and estimated consumption will remain around 12007 lakh tonnes in terms of food, feed and industrial usage. Export will remain around 179.2 million tonnes and ending stocks will remain around 270.1 million tonnes.

In India, as per the *kharif* area progress report by Ministry of Agriculture and Farmers Welfare, Sowing in Maize at national level during 2021-22 is 80.36 lakh hectare as against 78.73 lakh hectare in 2020-21. Madhya Pradesh, Karnataka and Maharashtra are major maize producing states in India and area under maize is 15.13, 13.82 and 8.60 lakh hectare, respectively.

India’s maize production is likely to decrease by 4.79 per cent from 315.1 lakh tonnes in 2020-21 to 300 lakh tonnes in 2021-22. Total supply and export of India decrease by 334 to 328 lakh tonnes and 28 to 13 lakh tonnes, respectively and consumption increase from 282 to 294 during 2021-22. The total ending stock of maize is lower as compare to last year (25 lakh tonnes in 2020-21 to 21 lakh tonnes in 2021-22) (International Grains Council). The lower end stock is mainly due to the increase demand in poultry sector because it affects maize demand and prices directly as maize accounts for 60 per cent of chicken feed by weight.

In Gujarat for the year 2021-22; as per First Advance Estimates by Directorate of Agriculture, cultivated area under maize reported about 2.94 lakh hectares, Production estimates of Maize is 4.67 lakh tonnes compared to third advance estimates of 2020-21 which reported cultivated area about 3.87 lakh hectares, Production estimates of Maize as 6.48 lakh tonnes.

In the month of October-November, 2019, price of maize prevailed around Rs.1932 to 2062 per quintal which was in the year 2020 stood at Rs.1463 to 1558. The MSP of Maize for marketing season of 2021-22 has been declared as Rs. 1870 per quintal which stood Rs. 1850 per quintal for year of 2020-21.

Considering this all and traders reviews, the research team of Centre for Agricultural Market Intelligence, NAHEP-CAAST, IABMI, Anand Agricultural University, Anand analysed the previous years monthly price data of maize collected from selected market yard. The econometric analysis revealed that the prices of maize during **October-November, 2021 i.e. at harvest** may remain in the range of **Rs.290 to 375 per 20kg (Rs. 1450 to 1875 per quintal)**.

Note: There may be some 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 these price forecasts are based on past market price data & different econometric models and that actual market price may not remain to be the same as forecasted.