



***Maize Fortnight Outlook Report- June, 21***

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## Domestic Fortnight market dynamics- June, 21

Price trend: Fortnight average prices of Maize stood up at Rs.1549.70 per quintal during June-21 and up by 1.77 percent from Rs.1520.22 in May-21. There was no much variation in mandi prices of maize across markets. It's may be due to low arrivals in mandis. Mandi prices of maize were ruling lower than minimum support price (Rs.1850/ qtl) for 2020-21 season.

### Domestic and international market highlights - June, 21

#### Maize market summary - June, 21

Total Arrivals – 26864 MT

Average Price – Rs.1549.70

MSP- Rs.1850/qtl

Indian FOB- \$252/MT

Cheapest market: <b>Shegoan (MH)</b>	Rs.1045/qtl
Costliest market: <b>Pune (MH)</b>	Rs.2209/qtl

**Increased price of sunflower oil and low demand of consumption of soybean oil has led to increase demand for corn refined oil in the past four years.** Which leads to production of corn refined oil doubled in 4 year. Corn oil is consumed more in Gujarat and Maharashtra states.

Country's cereal exports witnessed a sharp surge in 2020-21 including non-basmathi rice, wheat, maize and other coarse cereals. **Export of Maize and other millets jumped by 238.3 percent to USD 694.14 million during 2020-21.** Other cereals, such as non-basmati rice increased by 136 percent to USD 4.8 billion and wheat surged by 774.20 percent to USD 549.20 million.

**Central government is planning to use corn as feed stock for producing ethanol for fuel blending programme.** Hence there is requirement of 15.6 million tonnes of corn to meet the country's ethanol production target in 2025-26.

During June-21, CBOT future quotes are hovering in the range from strong zone to weak tone. After reaching 52-week high in April-21, **CBOT future prices of maize for July-21 contract was projected to decline by \$30 from \$638 to \$608 per bushels.**

### Supply and Demand - India, 2020-21

	Particulars ( Fig. in MMT)	India	
		2020-21	2021-22
1	Opening stock	1.9	1.9
2	Production	30.20	28.30
3	Imports	0.10	0.30
4	<b>Total availability (1+2+3)</b>	32.10	30.50
5	Consumption	28.40	28.70
6	Exports	1.8	0.30
7	<b>Total usage (5+6)</b>	30.20	29
8	Ending stocks	1.9	1.4
9	Average monthly consumption	2.36	2.39

Source : International Grain council (IGC)

As per International grain council (IGC), India's maize production for 2021-22 is forecasted at 28.30 MMT compared to 30.20 MMT in 2020-21. Lower production is expected in 2021-22 due to decrease in demand for poultry feed with effect of bird flu. Average monthly consumption will be 8.93 MMT. Export of maize in 2021-22 will be decrease by 0.5 MMT as per IGC forecast, may be due to more domestic availability for poultry feed.

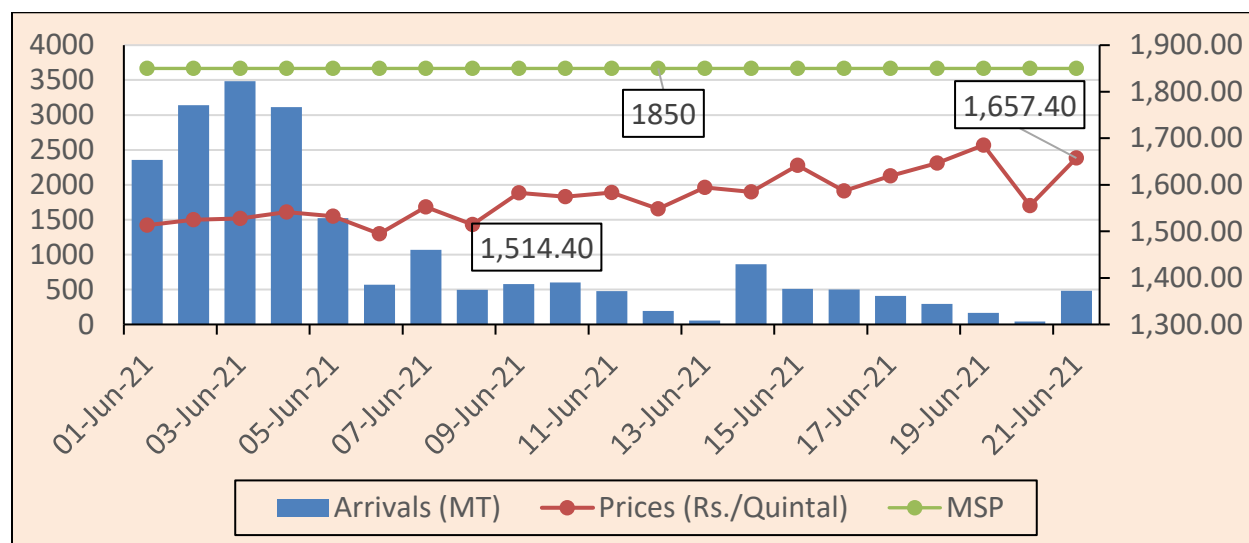
## Percentage growth in monthly arrivals and prices of Maize in India

Date	Prices			Arrivals		
	Rs./qtl	P-o-P % change	Y-o-Y % change	Metric Tonnes	P-o-P % change	Y-o-Y % change
June-21	1,549.10	1.77	-	26864.10*	-	-
May-21	1,520.10	2.30	5.90	78,571.00	-32.30	-77.60
Apr-21	1,486.40	4.20	-5.10	116,037.60	-40.80	-37.90
Mar-21	1,426.70	5.30	-11.10	195,987.20	-42.20	-22.80
Feb-21	1,354.30	-2.90		339,347.10	-14.60	
Jan-21	1,394.10	-3.00	-25.00	397,270.40	-22.30	-41.00

\*fortnight data for June-21

Since Jan-21, monthly maize arrivals are came down by 400 percent from 3.97 lakh MT to 0.78 lakh MT during May-21. When compared to last year also, maize arrivals are not reaching their monthly arrivals in all the months. With low arrivals during last 6 months, prices of maize are stood up by Rs.155 from Rs.1394 to Rs.1549.10 per quintal. Maize prices in coming months would likely to rise some more due to low arrivals.

### Fortnight arrivals and prices analysis of maize during June-21



Maize arrivals during fortnight of June witnessed for high in first week and declined in the second week. So with low arrivals prices are stabilized by Rs.143 quintal from first week onwards to Rs.1657.40 per quintal. However, procurement prices are below the MSP throughout the month.

## State wise fortnight price analysis of Maize (Rs/ qtl) during June-21

State	09-15 Jun 2021	01-08 Jun 2021	09-15 Jun 2020	% Change(Over Previous Week)	% Change(Over Previous Year)
Andhra Pradesh		1271.65	1511	—	—
Haryana		1494.77	1219.37	—	—
Maharashtra	1611.94	1532.5	1217.73	5.18	32.37
Odisha		1346.51	1314.22	—	—
Uttar Pradesh		1533.77	1397.95	—	—
Karnataka	1638.89	1580.31	1401.91	3.71	16.9
Madhya Pradesh		1448.72	1124.67	—	—
Rajasthan		1661.43	1558.83	—	—

Fortnight analysis of maize during June-21 shows the positive trend in prices in all the reported states. But except Karnataka and Maharashtra, other states prices data were not reported for second week. Due to low arrivals of maize, prices have been improved by 3 -5 percent from Rs.1500 to 1600 per quintal.

## Global market outlook

### Free on board prices for maize

Countries -type	10 <sup>th</sup> June	3 <sup>rd</sup> June	\$ change	Annual Change	52 Week High	52 Week Low
Argentina Feed (Up River)	262	256	+6	76%	333	157
Brazil Feed (Paranagua)	297	290	+7	64%	298	178
US 3YC (gulf)	312	303	+9	99%	290	144

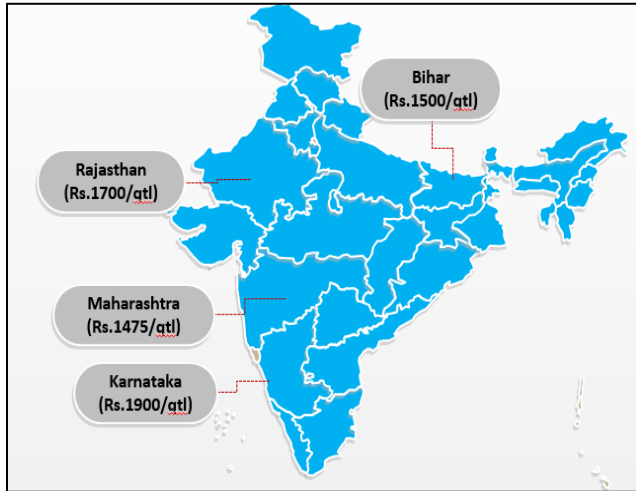
Source: International Grain Council (IGC)

- Currently maize is shipping at \$252 per MT FOB by from India.
- As per above data, Maize price in International market is hovering in steady form to since first week of June. Planting in US was completed in May-21, so expecting more demand in coming months. Corn is currently being shipped at \$297/ MT from Brazil, \$262/MT from Argentina and \$312 / MT form US Gulf as per IGC.
- Since January 21, maize prices have been increased by around 22 percent with annual IGC Maize sub index up by 82 %.

### CBOT future prices of Maize (USD/bushels)

During June-21, CBOT future quotes are hovering in the range from strong zone to weak tone. After reaching 52-week high in April-21, CBOT future prices of maize for July-21 contract was projected to decline by \$30 from \$638 to \$608 per bushels.

## Spot Market Dynamics in Maize during June-21



Area sown under Kharif crops ( As on 11.06.21)			
Crops ( in Lakh Ha)	Area sown in 2020	Area sown in 2021	% Change
Rice	7.47	3.89	-47.92
Pulses	1.86	2.52	35.73
Oil seeds	3.27	2.82	-13.62
Millets	6.69	6.43	-3.93
Sugarcane	45.85	46.32	1.02
Cotton	18.91	16.45	-13.04
<b>Total</b>	<b>66.44</b>	<b>80.46</b>	<b>21.10</b>

### Prices of Maize during June-21

### Price comparison with peers (Cereals and Millets) during June-21

Paddy



Rs.1950/qttl  
(+16.50%)

Wheat



Rs.1858/qttl  
(-2.69%)

Maize



Rs.1549/qttl  
(+1.77%)

Sorghum



Rs.1896.50/qttl  
(-2.42 %)

Pearl Millet



Rs.1386.90/qttl  
(0.70%)

Finger Millet



Rs.2924.30/qttl  
(-0.50%)

\* ( ) parentheses represents the % change from previous month