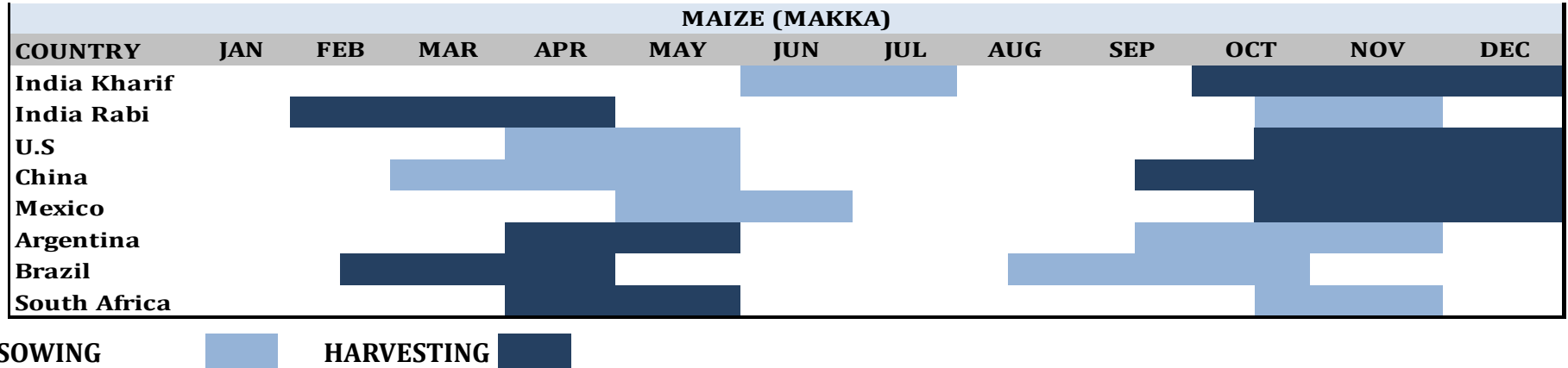


# *Maize*

Monday, July 14, 2014

- ❖ Maize or Corn is known as Queen of Cereals due to its diverse uses
- ❖ In India, It is mostly grown as a rain-fed crop and is consumed as a staple food in many countries like South America, sub-Saharan Africa and Kenya
- ❖ In India, maize is mostly produced in Karnataka, Andhra Pradesh, Uttar Pradesh, Bihar, Punjab, and Tamil Nadu
- ❖ The major producers in the world are US, China, Brazil, Mexico, India and the major consuming countries are China and the USA
- ❖ India has a competitive advantage in supplying produce to the world markets since it has a dual crop season.
- ❖ In the case of any production problems or climatic concerns in Brazil, India will be in a position to supply to the major maize consuming countries



- ❖ Globally, corn is grown in all the seasons and hence, is available throughout the year. The crop seasons of China, India and United States are similar i.e. summer months of April and May
- ❖ On the other hand, the Rabi season in India starts just a few days after the crop harvesting in China and the US. Hence, maize is grown throughout the year in India
- ❖ Maize's Kharif production share is about 75% and Rabi's share is about 25% in India

# Maize Supply and Demand: Global

Years	Total Supply (Million Tonnes)			Total Demand (Million Tonnes)		
	Beg. stocks	Imports	Production	Exports	Consumption	Ending Stocks
2007-08	110.74	98.20	795.15	98.54	773.96	131.59
2008-09	131.59	82.26	800.26	84.15	782.58	147.37
2009-10	147.37	89.63	825.45	96.62	819.54	146.28
2010-11	146.28	92.31	834.21	91.25	852.46	129.10
2011-12	129.10	99.91	885.99	116.97	865.57	132.46
2012-13	134.63	99.40	868.80	95.15	869.49	138.19
2013-14*	138.19	115.29	979.02	121.86	942.22	168.42
2014-15*	168.42	114.27	979.08	115.72	964.32	181.73

Source: USDA (\* Estimates), (Unit – Million Tonnes)

- ❖ The US and China are the largest maize producers in world, followed by the EU-27, Brazil and Ukraine
- ❖ The global corn acreage has grown at a rate of 1.4% and production by 2.5% in the last five years
- ❖ Most of the global demand is estimated to be driven by China, because of its increasing Hog herd and poultry population
- ❖ The largest corn importer in the world is Japan followed by Mexico, South Korea, the EU and China
- ❖ The United States is the largest corn exporter in world followed by Argentina, Ukraine and Brazil

# Maize Supply and Demand: India

Years	Total Supply (Million Tonnes)			Total Demand (Million Tonnes)		
	Beg. stocks	Imports	Production	Exports	Consumption	Ending Stocks
2007-08	0.32	0.004	18.96	4.47	14.2	0.61
2008-09	0.61	0.013	19.73	2.61	17	0.75
2009-10	0.75	0.024	16.72	1.94	15.1	0.45
2010-11	0.45	0.019	21.73	3.50	18.1	0.58
2011-12	0.58	0.003	21.76	4.57	17.2	0.57
2012-13	0.57	0.010	22.23	4.80	17.4	0.61
2013-14*	0.65	0.010	23.00	3.00	19.10	1.56
2014-15*	1.56	0.010	22.00	2.50	20.30	0.77

Source: USDA (\* Estimates), (Unit – Million Tonnes)

- ❖ India's contribution to the world production is barely 2%
- ❖ Andhra Pradesh is the largest producer of maize, contributing around 21% to the total production, followed by Karnataka (16.5%), Rajasthan (9.9%), Maharashtra (9%) and Bihar (8.9%)
- ❖ The maize acreage, productivity and the yield kept increasing till 2010, after which they started declining due to the shifting of acreage towards more profitable crops
- ❖ Most of the maize in India is used in the poultry feed industry, as it is growing at the rate of 12-15% annually
- ❖ Around 52% of the total demand is from poultry feed and the remaining 48% is from human consumption and the processing sector

- ❖ Maize has many applications in various fields; as such, it is consumed after boiling and in fried form, it is also used in poultry and cattle feed, bio-ethanol production and the production of industrial products like starch, protein etc
- ❖ Prices depend on the demand and supply factors
- ❖ Domestic and international demand
- ❖ Consumption levels of meat
- ❖ Government interventions in the Minimum Support Price (MSP) etc
- ❖ Demand from local millers
- ❖ Global inventory level
- ❖ Current Production numbers

CBOT: Trading Unit- cents/bushel

NCDEX: Trading Unit- Rs./Quintal

Spot Markets: Nizamabad (Andhra Pradesh), Davangere (Karnataka), Gulabbagh  
(Bihar)

*Thank you*

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