

Supply and Demand

World maize production for the 2018/19 season was estimated at 1 129.0 million tons according to the *International Grains Council Grain Market Report GMR 510 – 28 May 2020*, with the major maize producing countries being the USA, China and Brazil. The USA, Brazil, Argentina and the Ukraine are the biggest exporters of maize. Maize usage figures are estimated at 127.8, 303.9 and 675.3 million tons respectively for food, industrial and feed purposes. World production for the 2019/20 season is forecasted at 1 118.3 million tons and the 2020/21 figure is projected to be 1 168.6 million tons.

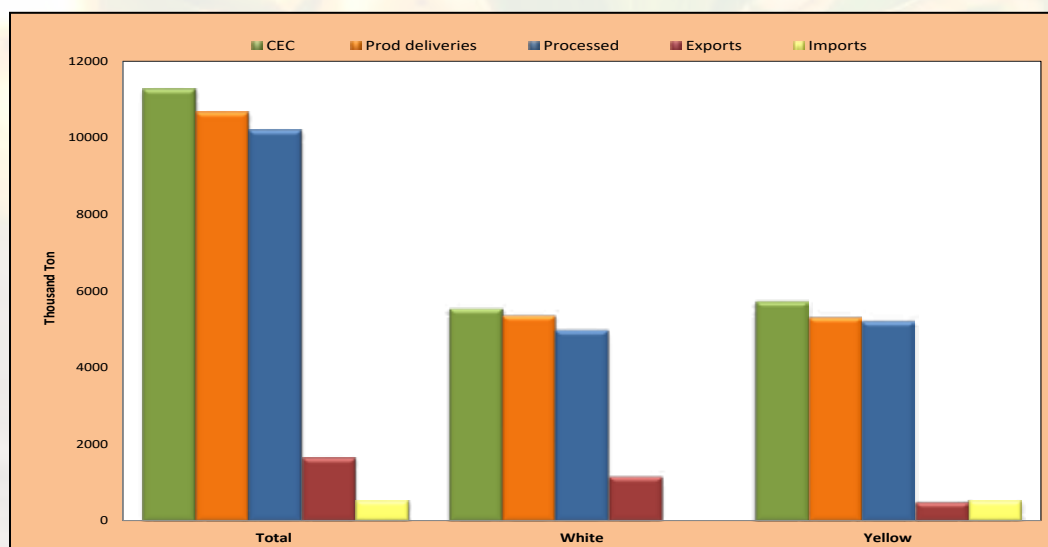
According to *The Bureau for Food and Agricultural Policy (BFAP) Baseline, Agricultural Outlook 2019 – 2028*, demand growth prospects for different summer crops differs substantially over the next decade, due to the differences in use and the underlying consumption trends related to these different products. While staple grains such as white maize is predominantly consumed as food, the bulk of yellow maize consumption is as primary energy source in most animal feed rations.

Although white maize consumption declined on a per capita basis over the past decade, a marginal increase is projected over the coming decade. Demand for meat products both domestically and in the export market (despite slowing significantly relative to the last decade), is still expected to support substantially faster growth in the demand for yellow maize and soybeans than is the case for white maize.

Area trends over the coming decade also reflect this continued shift in demand, with white maize area continuing to decline, by a total of 17% by 2028 relative to the 2016-2018 base period. Reasons for the decline in white maize area are weaker demand growth as well as the poor profitability of maize production in the Western production regions, where the bulk of white maize is produced. Yield gains (assuming stable rainfall and continuously improving cultivars) of 23% over the same period are however sufficient to meet projected demand growth. The removal of more marginal areas also supports this greater average yield gains. By contrast, the area cultivated to yellow maize continue to expand, increasing by 15% over the 10-year period to 2028.

Local Supply and Demand figures, compiled by SAGIS, are provided in graphs and tables below and on pages 8 to 13.

Graph 14: Maize supply and demand overview 2019/20 marketing season



Information provided by SAGIS.