

CORN Market

CEPM
maiz'EUROP

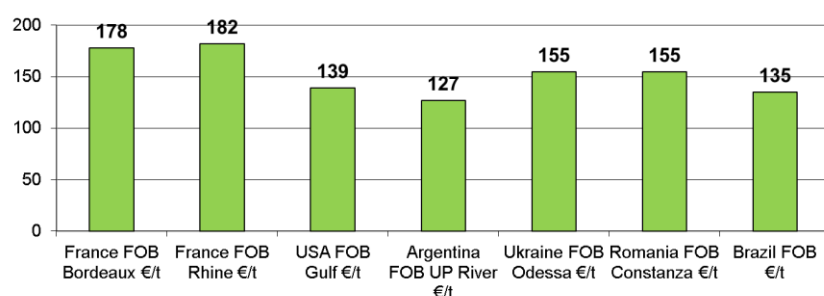
Weekly economic newsletter of the European Confederation of Maize Production

Week 26/2017

N°83

Indicators

FOB price on 23/06/2017 in €/t- April delivery (2016 crop)



	On 23/06	On 16/06
Parity €/ \$	1.12	1.12
Petrol \$/barrel (NY)	43	45
FOB Bordeaux* (€/t)	178	175
FOB Rhine* (€/t)	182	178

* FOB prices Bordeaux/Rhine take into account monthly increase and correspond to the 2016 crop year.

WORLD: DECREASE IN INTERNATIONAL PRICES

Last week was marked by a significant decline in international maize prices, particularly in the Americas.

Upcoming weather forecasts for the Great American Plains are favourable to crop development, with precipitation and cooler temperatures expected. Despite strong demand for both the domestic market (particularly ethanol) and for exports, Chicago market prices are down.

Thus, US prices hit a 7-month low. In the longer term, weather patterns still seem to indicate dry conditions with higher temperatures than normal. It should also be noted that after a period of buy-backs, the funds have once again "bet" on a decline next week based on selling positions.

South American prices are also experiencing a significant decline in both Brazil and Argentina. In Brazil, safrinha harvests are advancing slowly, limiting for the time being the fall in Brazilian maize prices, which remain almost at parity with US prices.

The operators will of course remain attentive to the evolution of weather conditions over the coming days, especially on the Corn Belt. The two USDA reports published this weekend (June 30) will also be closely monitored, on the one hand monitoring the reality of acreages sown in the spring and on the other hand based on quarterly stocks. The first report should provide answers to the questions asked a few weeks ago about the areas sown with maize. Some believe that acreages are weaker than was stated, with a greater transfer of acreages over to soybeans.

EUROPE: HOT AND DRY IN EASTERN EUROPE

Weather forecasts indicate dry weather and rising temperatures in eastern Europe for this week as the maize crop flowers.

For the time being, cultivation conditions in the East, particularly in Ukraine, were favourable to good crop development. The availability of Ukrainian maize for export is diminished, even if the country still exported 550 kt of maize last week, including 150 kt to China.

In the EU, the week was marked by the heat wave to the west. On August maturity, Euronext prices are up in the past week (175 €/t, +1.25 €/ in the past week).

To be monitored:

- USDA report 30 June
- South American harvest progress
- Weather conditions in the northern hemisphere

EUROPEAN CONFEDERATION OF MAIZE PRODUCTION

23-25 avenue de Neuilly - 75116 PARIS • Tél. + 33 (0)1 47 23 48 32 - Fax. + 33 (0)1 40 70 93 44
Square de Meeûs 21 - 1050 Bruxelles • Tél. +32 2 230 38 68