

# CORN Market

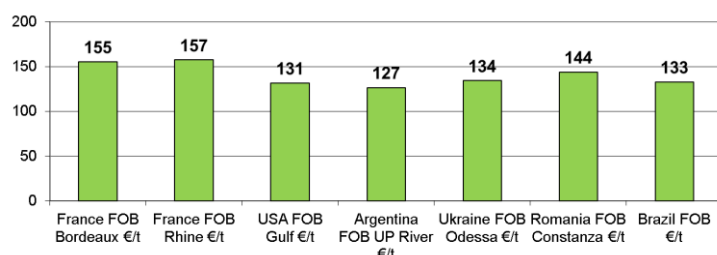


Weekly economic newsletter of the European Confederation of Maize Production

**Week 40/2017**  
**Indicators**

**N°94**

**FOB price 29/09/2017 in €/t- October delivery (2017 crop)**



	29/09	22/09
Parity €/€	1.18	1.20
Petrol \$/baril (NY)	51.7	50.7
FOB Bordeaux*(€/t)	153	155
FOB Rhin* (€/t)	158	157

\* Price FOB Bordeaux/Rhin including monthly increase (2016 crop)

## WORLD : STRONG EXPORTS FROM BRAZIL

According to the Bolsa de Cereales, sowings in specific regions of Argentina suffer new delays compared to the past year, which is principally due to excess in water flow. Indeed, on 27 September, maize had been sowed at 9.5% in the country vs the 21,5% registered in the same period one year ago. The organisation estimates the entire acreage to be at 5.4 Mha in 2017/18, with an increase by 6% compared to 2016/17. This increase retains a growth potential to the extent that late sowings could be achieved after the draining of the lands affected by excessive water flow. The USDA reports that on 18 September, 12% of maize surfaces in the Brazilian state of Parana had been sowed, with the heat limiting the first soybean sowings in the country. The daily loading at the export in Brazil amounts in average to 290 KT in the first 20 business days of September, versus 140Kt in September 2016.

In the United States, only 11% of surfaces had been harvested on 24 September, showing a delay compared to the five-year average (17%). Furthermore, reports on the yields from the first harvest, tend to confirm the national USDA estimates (106.6 q/ha), according to the US Grain Council. The US demand this week is not likely to support the market with weekly export sales at 320 Kt in the US and a 3.6% decrease in ethanol production compared to last week.

The USDA evaluates stocks on 1 September at 58.3 Mt, slightly lower compared with market expectations, however largely "comfortable".

## EUROPE : STRENGTHENING OF THE DOLLAR VS THE EURO

The EU import pace remains stable, which already amounts to 3.4 Mt vs 2.1 Mt at the same date last year. The dollar has strengthened vs the euro and Euronext registers a slight increase from one week to the next (+ 0.5 €/t), rating 155.5 €/t on the November 2017 deadline.

The autonomous trade measures granted by the EU in favour of Ukraine entered into force on 1<sup>st</sup> October 2017. As a reminder, they grant a new zero duty tariff quota of 655 KT per year for Ukrainian maize that will be added to the volumes already granted within the framework of the association agreement (450 KT in 2017 and 500 Kt in 2018). The conditions for implementation, particularly for maize, will have to be defined by the Commission.

*To be monitored :*

- Soybean sowings in Brazil
- US harvest
- Evolution €/€

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