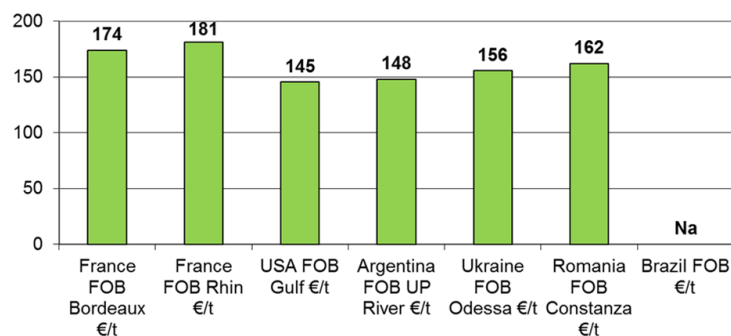


Week 13/2017

N°70

Indicators

FOB price on 24/03/2017 in €/t – April delivery (2016 crop)



	On 24/03	On 17/03
Parity €/ \$	1.08	1.07
Petrol \$/barrel (NY)	48	48.8
FOB Bordeaux*(€/t)	174	175
FOB Rhine* (€/t)	181	182

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

WORLD: THE USDA PUBLISHES DETAILS ON US SOWING INTENTIONS THIS WEEK

This Friday 31 March the USDA will publish its annual report of polling data on farmers' sowing intentions for the Spring of 2017. The USDA's February forecasts currently envision a 4% fall in maize acreage compared to last year. This drop will benefit soybean, which is expected to see an increase in its acreage. This prediction seems to have already been confirmed by the operators, though the Friday report is still forthcoming.

This publication will be followed by a quarterly stock report on maize.

As sowing begins, weather conditions remain favorable with a welcome return of rainfall, particularly across the Midwest. On the market side of things, weekly export activity is keeping up with expectations.

It bears mentioning that maize of US origins remain especially competitive even as the South American harvest is expected to rise sharply.

Indeed, South American weather conditions are almost perfect, particularly for the development of Safrinha in Brazil. A record harvest is increasingly likely, leaving substantial supplies available for export.

In the face of these factors, the price of US maize reached a new low last week (-5 \$/t on the FOB Gulf), touching its lowest valuations since the start of the year. Funds have simultaneously increased their selling positions.

EUROPE: EU IMPORTS IN DECLINE

EU maize imports remain down compared to last year, and also compared to the European Commission's forecasts. The latest figures show imports reaching heights of 7.8 Mt since 1 July, vs. 10 Mt over the same period last year. We are therefore currently quite far from the 13 Mt forecasted by the Commission and integrated into its balance sheets as of 30 June. The EU would have to import more than 1.5 Mt per month from now until 1 July to meet the forecast. This situation raises questions: What is the actual consumption of maize in the EU during this crop year? What does this mean for the forecasts presented by the Commission?

Further east, Ukraine has notably continued to diversify its customer base. After exporting around 2 Mt to Iran, Ukraine has sold 450 kt to Kenya.

European prices remain stable and are not, for now, following the decline seen in the US.

To be monitored:

- 31 March USDA report on US sowing intentions
- EU maize consumption and imports
- Sowing progress