

CORN Market



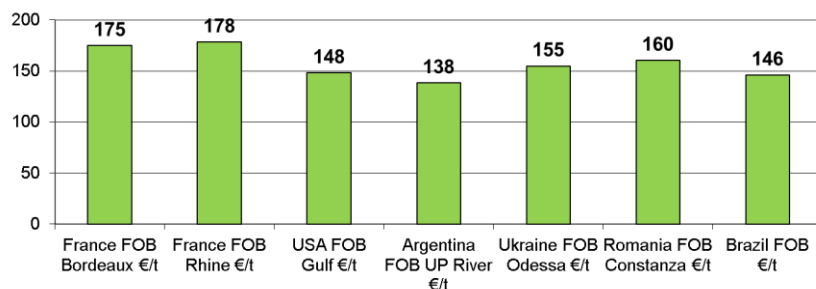
Weekly economic newsletter of the European Confederation of Maize Production

Week 25/2017

N°82

Indicators

FOB price on 16/06/2017 in €/t- April delivery (2016 crop)



	On 16/06	On 09/06
Parity €/ \$	1.12	1.12
Petrol \$/barrel (NY)	45	46
FOB Bordeaux* (€/t)	175	NC
FOB Rhine* (€/t)	178	178

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

WORLD: MASSIVE FUND BUYBACKS

As of 15 June, 45% of acreages, i.e. 2.2 Mha, was harvested in Argentina. The Bolsa de Cereales estimates that national yields will rise to more than 8.6 t/ha. The harvest is progressing slowly in Brazil.

The USDA estimates that 67% of maize acreages in the US are of good to very good quality as of 11 June, compared with 75% the year before.

US demand is encouraging this week, with weekly export sales increasing to 600 Kt and ethanol production at around 1 million barrels per day. Ethanol inventories, however, are up +2.5% on last week.

The CBOT uptrend over the previous week seems to be over. Indeed, it was motivated by fears of a lack of precipitation on the Corn Belt as well as by the significant fund buybacks. While fears for wheat are still high, especially for spring wheat (which has seen its "crop rate" revised downward by the USDA), weather patterns are at least more assuring for a large part of the maize-producing areas. Maize costs \$ 151/t on Chicago for July maturity.

EUROPE: EU IMPORT PACE MAINTAINED

The EU maintains a sustained import pace with, according to DG AGRI, more than 360 Kt imported this week. The European Union has imported 11.8 Mt of grain maize since 1 July 2016, compared with 13 Mt last year over the same period.

The outlook looks good overall in the EU, but expected hot and dry weather will be followed very closely. Euronext also close on a decrease on last week (-2 €/t on August maturity).

Harvest conditions are good in Ukraine, but weather conditions over the coming weeks will be decisive.

To be monitored:

- Northern Hemisphere wheat situation
- US weather

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