

CORN Market



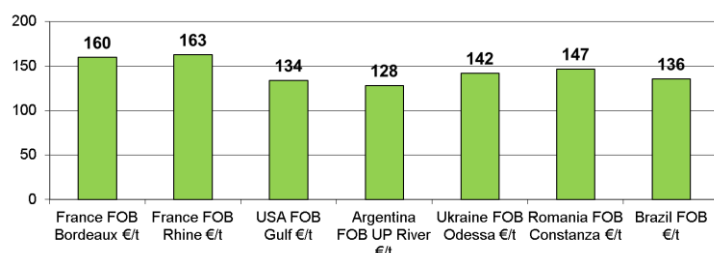
Weekly economic newsletter of the European Confederation of Maize Production

Week 46/2017

N°100

Indicators

FOB price 10/11/2017 in €/t- November delivery (2017 crop)



	10/11	03/11
Parity €/ \$	1.16	1.17
Petrol \$/barrel (NY)	56.7	55.6
FOB Bordeaux* (€/t)	160	156
FOB Rhine* (€/t)	163	163

*Fob Price Bordeaux/Rhine including monthly increases

WORLD : US YIELDS AT 110 Q/HA

The USDA is upgrading its global 2017/2018 production assessment at 1044 Mt (+5 Mt) compared to last month, whereas global stocks are evaluated at 204 Mt (+ 3 Mt). US yields reach a new record, which exceeds expectations, announced by the USDA at 110 q/ha. National production has been reviewed accordingly at 370 Mt, which is 7.5 Mt higher than last month. Progress in US harvests marks a 16% increase this week, with 70% of acreages harvested. US exports assessments are upgraded compared to last month in anticipation of an improvement of US maize competitiveness, together with a decrease of potential exports from Ukraine and an increase of the Mexican demand. Sowings in Argentina are delayed compared to the average of the last 5 years. On 8 November, sowed maize showed favourable growing conditions with 91% of acreages rated as good to very good, according to the Cereal Stock Exchange of Buenos Aires.

In Brazil, the Conab registered a slight decrease of its estimated safra acreages compared to last month. The first Brazilian harvest is expected to be decreased of more than 5 Mt compared to the previous year, whereas estimates for safrinha (second harvest) remain unchanged.

Weekly export sales in the US are in considerable increase this week, at 2.4 Mt. Ethanol uses remain high and stable, whereas stocks are in slight decrease.

While the demand this week is likely to support markets, the release of the USDA Report puts a heavier burden on the global situation both in the US and in the world and weighs on the markets. At 135 \$/t on the December deadline versus 137 \$/t the previous week, the CBOT loses 2 \$/t.

EUROPE : DECREASING YIELDS FOR THE BLACK SEA REGION

With 238 Kt imported this week, the total EU imports since 1st July has exceeded 5 Mt, including 3 Mt of Brazilian origin. During the beginning of the current crop year, the rhythm of Ukrainian exports is slower compared to the previous years because of a delay in harvests, logistics problems for the transit to harbours, and an increased competitiveness of US and Brazilian maize. Indeed, Ukrainian maize is rated at 142 €/t Fob, and faces US and Brazilian maize respectively at 134 €/t and 136 €/t. In Ukraine, drying needs have increased this year, creating management problems with the storage companies. The expected rains together with delays in harvests could also have negative influences on the quality maize that has not been harvested yet. Euronext rates 157.5 €/t on January 2018 deadline which is 0.5 €/t higher compared to the previous week.

To be monitored :

- Ukraine harvest
- Evolution €/ \$

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