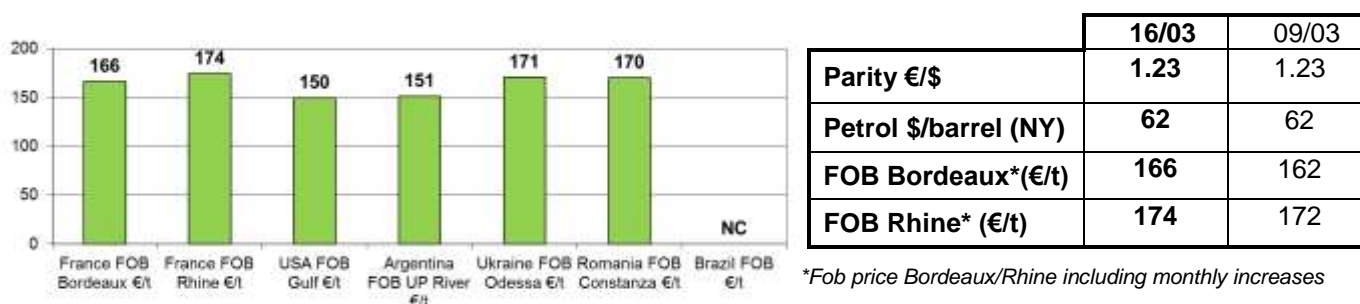


Week 12/2018

N°116

Indicators

FOB price 16/03/2018 in €/t- March delivery (2017 harvest)



WORLD: slight decline of rates in Chicago

The much-needed rains in Argentina are still not coming, maintaining pressure on the international market. The *Bolsa de Cereales* in Buenos Aires evaluates the progress of the country's harvests to 8% of its acreage, for a lower return than in the past 5 years. The organisation also breaks down its estimates of culture conditions. Indeed, approximately three-quarters of the Argentinian acreage have been assessed as being in "bad" to "very bad" conditions.

Brazilian safra maize harvests have been lagging behind compared to previous years, the priority being to collect soybeans.

Safrinha maize sowing is expected to end soon in the State of Mato Grosso, which currently benefits now from good growing conditions.

The USA had the highest weekly export sales of the season, at 2.5 Mt. Uses for production of ethanol declined compared to last week (-3%), which is insufficient to reduce stocks.

They actually reached a level never seen in the last 5 years.

Despite the situation in Argentina and the good American sales, the Chicago market fell following the peak reached on the day the USDA report was released. The CBOT rates 150.5 \$/t for the May 2018 deadline. The purchases of non-commercial funds continue at a high pace, reflecting a rising market expectation

EUROPE : Which limits for EU imports ?

EU cumulated imports reached 12 MT on 13 March, compared to 7.8 MT and 10.1 in the same period of 2016/17 and 2015/16.

Ukrainian and Brazilian origins each represent more than 5 Mt of this total. Note that if the level of weekly imports is maintained over the one of the last few weeks, the Commission's already high forecast of imports (14.5 Mt) could be largely exceeded by the end of the season. Will the renewed competitiveness of EU maize and the rise in Ukrainian Fob prices increase be sufficient elements to reduce this rate?

Euronext is up 1 €/t from one week to the next, rating 164.5 €/t for the June 2018 deadline.

To be monitored :

- Weather forecast in South America
- EU imports
- Purchase of non-commercial funds