

CORN Market



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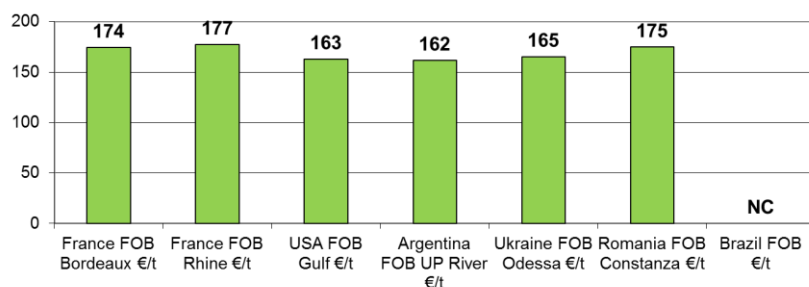
Weekly economic newsletter of the European Confederation of Maize Production

Week 22/2018

N°125

Indicators

FOB price 25/05/2018 in €/t - June delivery (2017 harvest)



	25/05	18/05
Parity €/€	1.17	1.18
Petrol \$/barrel (NY)	67.9	72.2
FOB Bordeaux*(€/t)	174	172
FOB Rhine* (€/t)	177	178

*Fob price Bordeaux/Rhine including monthly increases

WORLD: Truckers' strike in Brazil

Harvests in Argentina are still slow, progressing this week by less than 1% for a total of 35% of sown acreages.

In Brazil, in addition to concerning weather conditions for the markets, the truckers' strike puts additional pressure on the market. Indeed, if this movement was to be extended, it could get exporters into trouble, particularly for soybeans trade. Furthermore, it should be noted that soybeans must be collected in order to leave room for the safrinha maize harvest which is expected to start next month.

In the USA, the progress of sowings and seedling of maize, entirely in line with the average figures, let us forget the few delays feared at the beginning of the crop year.

Regarding demand in the USA, the total of sales and exports of the ongoing crop year, which accounts for well over 53 Mt, is for the first time higher than last year's figure at the same date. However, ethanol production is down by 3% compared to last week, while stocks are up. Moreover, it should be noted that the latter remains at a lower level than last year at the same time.

Prices are up on the CBOT, respectively rating \$160/t and \$163 /t for the July and September 2018 deadlines. Funds are once again preparing for purchase this week.

EUROPE : Euronext is up

Imports still continue at the same pace in the EU, now largely exceeding previous years' figures. The total between July and 22 May is now at 15.4 Mt. The Commission's import estimation, at 15Mt for the moment, will therefore be reviewed in the next report.

In its March report, the European Commission announced good conditions for Italy, Austria, southern Germany and Poland, which allowed fairly early sowing. Due to the bad conditions in the beginning of the spring, sowings have however begun with a little delay in Spain, Romania, Hungary and Bulgaria, as well as in the western part of France. According to the Commission, the impact of these delays should not globally be significant.

For Ukraine, sowing have made rapid progress, without significant delay. Concerning the country's exports, once again they are lagging behind last year's totals, especially because of fierce competition from South America in this crop year.

Euronext is up this week, particularly for the November deadline, with a €4/t progress compared to last week. Rates are respectively at €170 and €174.75 /t for the July and November 2018 deadlines. The decrease in €/€ exchange rate is continuing this week again, against a background of political crisis in Italy.

To be monitored :

- Strikes in Brazil
- Sowings in the USA

The CEPM would like to invite you to its first European Maize Congress
 « **What role for maize in the future CAP** »
5 June 2018, 1.30pm-4pm – at Copa-Cogeca (61 Rue de Trèves 61, Brussels)
 More information and registration on [this link](#) or by email : cepm@pacteurope.eu

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