

# CORN Market



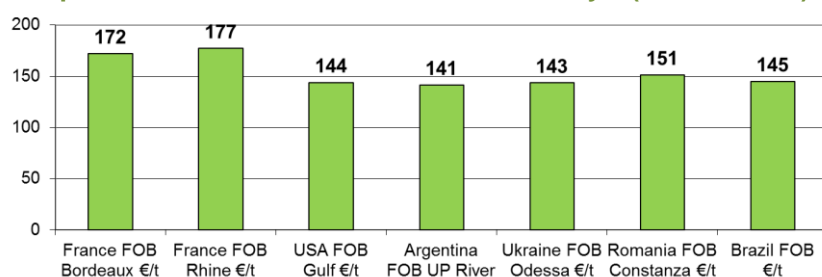
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## Indicators

### FOB price 19/10/2018 in €/t – November delivery\*\* (2018 harvest)



\*\* Fob price Rhine January 2019 deadline

	19/10	12/10
Parity €/€	1.15	1.16
Petrol \$/barrel (NY)	69.1	71.3
FOB Bordeaux*(€/t)	172	177
FOB Rhine* (€/t)	177	NC

\*Fob price Bordeaux/Rhine including monthly increases

## WORLD: US demand slowing down

Soy sowings in Brazil are ahead of average progress levels, which let us envisage second harvest maize sowings on time in early 2019. In Argentina, the Buenos Aires Bolsa de Cereales only estimates 29% of early maize to be in good to very good conditions, compared to 69% last year on the same date. The water shortage slows sowings down in certain regions.

In the US, harvests are still progressing ahead of last year's level, despite rainfalls in the country a few weeks ago. But demand is the most striking feature this week. Indeed, weekly export sales, which have never gone under the million ton threshold since early September, have fallen under 400 kt this week. The level of weekly ethanol production, which is still above a million barrels per day, is as low as the level of last April. The ethanol stock, increasing over the past week, shows higher levels than historic trends.

The markets are lower this week in Chicago, a probable result of the decrease in US demand and the ongoing harvest. Following the 11 October USDA report, non-commercial funds are net sellers, which had not happened since last June.

## EUROPE: decrease in Euronext ratings

Ukrainian FOB prices have decreased over the past weeks, aligning themselves to be competitive with US FOB prices.

In its MARS letter, the European Commission evaluates average EU yield to 76.3 q/ha, decreasing by more than 2 q/ha compared to last year. Favourable harvesting conditions have been signaled in Hungary and Romania, with yields slightly increasing compared to last year. Hungary (80q/ha), Bulgaria (78q/ha) and Romania (61q/ha) all show increasing yields by respectively +17%, +25% and +34% compared to the five-year average.

Euronext maize prices are decreasing (-€5.75/t on the November 2018 deadline), under the pressure of global prices and import competition.

### To be monitored:

- Sowings in South America
- Harvests in Northern Hemisphere
- EU imports