

CORN Market



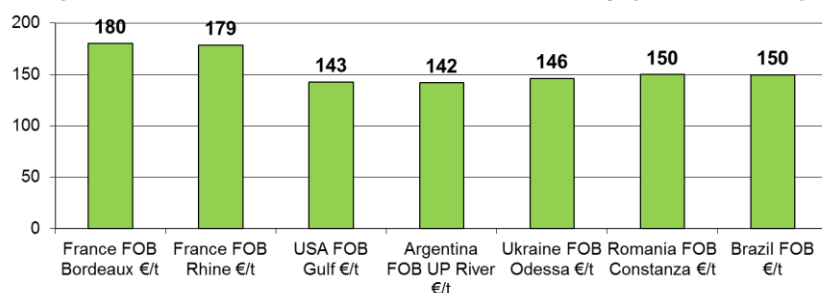
Weekly economic newsletter of the European Confederation of Maize Production

Week 48/2018

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Indicators

FOB price 23/11/2018 in €/t – December** delivery (2018 harvest)



	23/11	16/11
Parity €/€	1.14	1.13
Petrol \$/barrel (NY)	50.4	56.5
FOB Bordeaux*(€/t)	180	178
FOB Rhine* (€/t)	179	179

*Fob price Bordeaux/Rhine including monthly increases
**Fob prices Rhine for the January 2019 deadline

WORLD: the US harvest approaches the end of the season

In its November report, the CIC maintains a 2018/19 global balance sheet equivalent to that of last month. Consumption reaches a record of 1112 Mt, while production at 1073 Mt is the second largest in history. Expected stocks at 266 Mt would decrease by 13% compared to last year.

In Argentina, sowings show little progress during the month of November, a period of juncture between "early" and "late" sowing. According to the Buenos Aires Grain Exchange, 37% of the acreage had been sown by November 21st, compared to 36% last week. Late sowing is expected to begin next week in the center of the country. In Brazil, soybeans are still growing at a record pace. They are almost ready in the state of Mato Grosso, first producer of second harvest maize in Brazil. In Parana State, the second largest safrinha corn producer, about 90% of the sowings are planted. Thus, weather permitting, soybean harvests in key states for the Brazilian maize production are expected to occur on time, allowing for optimal maize planting. In the US, with 90% of areas harvested, harvests are slowly coming to an end. Now that volumes are guaranteed, the operators' view is more focused on US demand. Weekly export sales remain at levels equivalent to last week (880 Kt). For US ethanol, production and inventories are down this week. Note that low or even negative margins for some production plants are reported.

The Chicago market is slightly down compared to last week. As a reminder, the expected meeting between the US and Chinese presidents at the G20 this weekend could move the markets.

EUROPE: 19.4 Mt of imports into the EU for the CIC

EU imports continue to grow at a brisk pace, now exceeding a total of 7 Mt since July. The Ukraine origin is taking over Brazil little by little. The CIC is reviewing its import estimates for the EU at a new record of 19.4 Mt (18.2 Mt last year).

In its report, the European Commission reports safely completed harvests in the EU. They ended earlier than usual in many areas.

In Ukraine, export volumes are increasing in recent weeks.

Euronext is slightly down from one week to another (-0.75 €/t), rating € 174 / t in the January 2019 deadline.

To be monitored:

- G20 summit end November
- South American weather forecast
- US demand