

# CORN Market



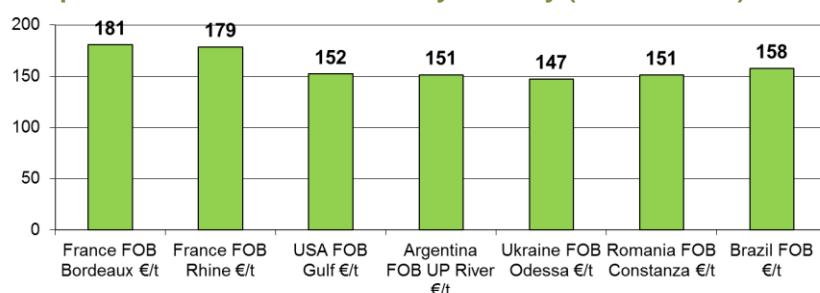
Weekly economic newsletter of the European Confederation of Maize Production

Week 50/2018

N°150

## Indicators

### FOB price 7/12/2018 in €/t – January delivery (2018 harvest)



	7/12	30/11
Parity €/€	1.14	1.14
Petrol \$/barrel (NY)	52.6	50.9
FOB Bordeaux*(€/t)	181	179
FOB Rhine* (€/t)	179	179

\*Fob price Bordeaux/Rhine including monthly increases

## WORLD: soybean harvests approaching in Brazil

Sowings in Argentina progressed by a few points this week. The Buenos Aires Bolsa de Cereales estimates 50% of "first sowing" maize to be in good to very good conditions. For now, they seem to benefit from sufficient water. In Brazil, soybean still benefit from very good growing conditions and the first harvests should start next week. The country exported 4 Mt maize in November, but its presence on the market should now decrease until the next harvest of "safrinha" maize, next summer.

Demand is still strong in the US, with weekly export sales at 1.2Mt and ethanol production increasing compared to last week.

At the geopolitical level, no new announcement has been made following last week's "agreement" between Presidents Trump and Xi Jinping. American markets progressed after the announcement of last weekend's truce, then stabilised around \$152/t in Chicago.

## EUROPE: stock only at 19 Mt for the end of June 2019

The Commission made some changes to its provisional EU figures. The stocks of the beginning of the crop year are revised downwards compared to last month (-3.5 Mt), down to 20 Mt. Production figures are revised upwards to reach 63 Mt, and imports are assessed to 18.5 Mt vs 16.3 Mt last month. This adjustment was expected by operators, but seems weak compared to the sustained flow of imports. Among uses, industrial uses and animal feed uses were revised upwards by respectively 700 Kt and 500 Kt. To the contrary, human uses and exports were revised downwards respectively by 500 Kt and 300 Kt. To finish, with decreasing supply (-740 Kt) and increasing uses (+380 Kt) compared to last month, the provisional stock for the end of June 2019 are revised to only 19.1 Mt (-1.1 Mt), which is less than 3 months average EU consumption.

As evoked earlier, the flows of imports into the EU are still strong. With an average of 360 Kt imported each week since July, cumulated imports reach 8.3 Mt on 2 December.

In Ukraine, the challenge will be to export as much volume as possible before South-American maize enter the markets. Compared to last year, the country is already ahead on the first few months of the crop year.

Euronext resumes slightly compared to last week. We rate €174/t on the January 2019 deadline.

### To be monitored:

-11/12 USDA Report

-US-China talks