

# CORN Market



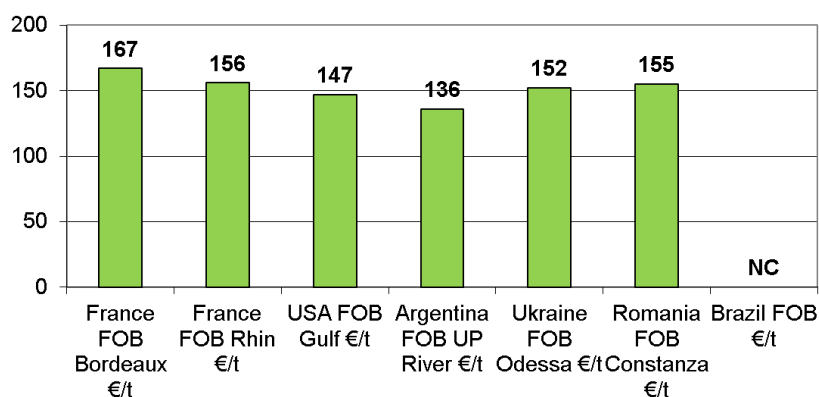
Weekly economic newsletter of the European Confederation of Maize Production

Week 17/2019

N°167

## Indicators

FOB price 19/04/2019 in €/t – April delivery (2018 harvest)



	19/04	12/04
Parity €/€	1.13	1.12
Petrol \$/barrel (NY)	65.7	63,89
FOB Bordeaux*(€/t)	167	169
FOB Rhine* (€/t)	156	158

\*Fob price Bordeaux/Rhine including monthly increases

## WORLD : prices under pressure

US prices are down this week in Chicago, under pressure from excellent production prospects in South America. Indeed, weather conditions in Argentina and Brazil are still favourable. The results recorded in Argentina remain high, 23% of the acreage now having been harvested according to local sources. In Brazil, the safrinha yields could reach a record. As a result, South American prices are very competitive from the summer and put all competitors under pressure.

The US export performance last week was satisfactory but its pace still remains 10% lower than in the previous crop year. The lack of progress between China and the US is also a hindrance for the moment. Maize sowings in the US are currently slightly behind with 6% sown by 21st April (vs 12% on average). But the situation is not worrying and a favourable window seems to appear.

In this context, non-commercial funds still accentuate their net selling position in Chicago to 308,000 lots! This is a record level. This situation is likely to bring volatility in case unforeseen issues occur during the sowing process.

## EUROPE: prices down

Like the US markets, European maize prices on Euronext were down last week to end at € 165.5 / t on the November deadline ( - €2 / t). For the new crop, prices seem to stabilise at € 171.25 / t on the November deadline. Imports for the week ending on 14 April amount to 270 kt, bringing the total to 19.3 Mt since 1st July.

Sowings are starting all over Europe, with an increasing acreage both in the EU and in the Black Sea. However, this increase remains limited around 2%. Prices on Ukrainian ports appear to be falling faster this week than international competitors'. The level of port bases, however, was abnormally high in recent weeks, possibly reflecting some retention on the part of producers. The Ukrainian balance sheet still shows export availability by the next harvest and Ukrainian maize will face the arrival of South American crops on the market as soon as the summer begins.

### To be monitored:

- US weather
- US/China talks
- Northern Hemisphere sowings