

# CORN Market



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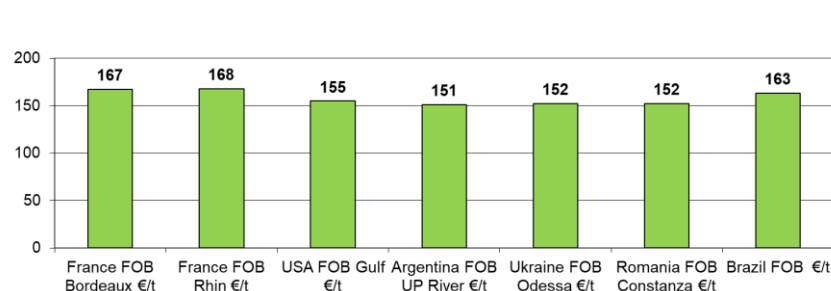
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## Indicators

FOB price 22/11/2019 in €/t – December delivery (2019 harvest)



	22/11	15/11
Parity €/€	1,11	1,10
Petrol \$/barrel (NY)	57,7	57,2
FOB Bordeaux*(€/t)	167	168
FOB Rhine* (€/t)	168	169

\*Fob price Bordeaux/Rhine including monthly increases

## WORLD: acreage decrease in Argentina

From 15/11 to 22/11, the December deadline in Chicago lost \$ 1 / T to reach \$ 145 / T. Weekly demand figures are deemed insufficient by analysts to reach the USDA's projections, even if ethanol stocks are at their lowest for 2019, and if the 788 Kt exported last week remains within the operators' expectations. The harvest delay was not sufficient to stop the fell in prices. The return of the rains last week slowed harvesting in the Corn Belt and this should continue with the expected rains this week. As of 17/11, 76% of US maize had been harvested compared to 66% in the previous week. In addition, there are continuing tensions over propane supply in some Corn Belt states and Quebec, while the need for corn drying is greater than usual. In this context, non-commercial funds accentuate their short position.

In its November report, the CIC re-evaluated global production figures up by 4 Mt since October due to a better harvest in Russia and a closer position to the USDA's US production estimate. Final stocks are revised up 1 Mt to 279 Mt, the lowest figure in six years.

In Argentina, the Buenos Aires Grain Exchange has seen a 100 Kha decline, reaching 6.3 Mha, due to drought and political problems. To date, 46% of maize has been planted vs 43% at the same date in 2018. 47% of maize are in "good to excellent" conditions, a 2 points decrease compared to the previous week.

In Brazil, recent rains did not affect the south of the country. Rains are expected this week. Some states like Mato Grosso do Sul are still late in their soybean planting which could reduce the window of safrinha maize sowing. Maize availability for exports is becoming scarce, raising the FOB price. From now on, the American origin is in competition with Ukraine for exports, in particular on Asia.

## EUROPE: drop in wheat acreage

From 15/11 to 22/11, the January maturity on Euronext gained €0.5 / T to reach €164.75 / T. This can be explained by the rise in prices in Ukraine in a context of dynamic sales to Asia and the Mediterranean region.

As of 17/11, the EU had imported 7.7 Mt of maize compared to 5.1 at the same time on average over the past 3 years.

Due to the drought in the Balkans and the rains over the Western EU, the ICC, in its November report, estimates the EU's wheat acreage at 26.6 Mha, a 300 Kha decline compared to 2018/2019. Because of the drought, the wheat acreage in Ukraine is, according to the same report, reaching 6.7 Mha in 2019/2020, a 400 Kha decline compared to the previous crop year. These acreages will revert to spring crops including maize.

### To be monitored:

- US harvest
- MARS Report