CORN Market

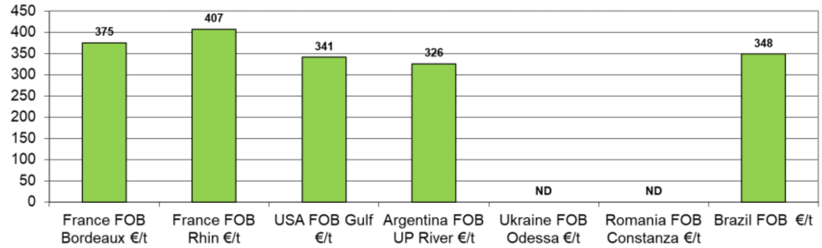
CEPM maiz'EUROP'

Weekly economic newsletter of the European Confederation of Maize Production

Week 11/2022 **N°296**

Indicators

FOB prices 11/03/2022 in €/t – March-June delivery (2021 harvest)



	11/03	04/03
Parity €/$	**1,10**	1,09
Petrol $/barrel (NY)	**109,3**	115,7
FOB Bordeaux*(€/t)	**375**	364
FOB Rhine* (€/t)	**407**	357

**Fob price Bordeaux/Rhine including monthly increases*

WORLD: Increase in US exports

From 04/03 to 11/03, the price of the May delivery in Chicago gained $3/t to reach $300/t. Volatility remains very high due to the war in Ukraine. American prices have hit technical resistance this week.
The USDA published its monthly report last week in a very delicate context. As a result, the American organization specifies that the modifications made to the various balance sheets are short term and do not seek to presage the evolution of the situation. They will therefore be subject to change in the coming months.
In wheat, world exports are revised downwards compared to last month. Exports from Russia and Ukraine are revised down by 7 Mt, partly offset by increases in India (+1.5 Mt) and Australia (+2 Mt). In maize, for the 2021/22 crop year and compared to February, world stocks are revised down by 1 Mt (301 Mt). Ukrainian exports are revised down by 6 Mt (27.5 Mt) and partly offset by an increase in US exports of 1.9 Mt (63.5 Mt).
As a result, and due to a slight upward revision of ethanol production, US stocks for the current crop year are revised down by 2.5 Mt (36.6 Mt). Last week, export contracting for the end of the season exceeded operators' expectations with 2.1 Mt.
In Brazil, safrinha maize sowing is continuing and is on schedule. 81% of safrinha maize is sown. Recent rains in the south are improving growing conditions, while in the centre conditions are likely to deteriorate due to a dry forecast in the coming weeks. Producers are worried about a lack of fertiliser for the next season, as the country is the world's second largest importer of fertiliser and imports massively from the Black Sea. President Bolsonaro has announced that he wants to halve this dependence in 10 years. The USDA (114 Mt) and Conab (112 Mt) harvest projections remained stable this month.
In Argentina, the harvest of early maize has started. As of 08/03, 12% of this maize had been harvested with yields down 20% to 25% depending on the region compared to 2021, as a result of the January drought. Recent rains have stabilised the late maize crop. The country has suspended its export licences for soya and increased export taxes. It may consider doing the same for maize.

EUROPE: Limited recovery of Black Sea exports

Russian analysts and operators have announced the limited resumption of exports through the Black Sea ports. Those on the Sea of Azov remain closed. The Ukrainian railways are exporting some loads to neighbouring countries but their capacity remains limited, especially in the current situation.
To address the local food crisis, Ukrainian operators supported by their government have announced that they want to plant as much as possible of the spring cereals that can be consumed directly by the population, potentially leaving less acreage area for maize.

To be monitored :
-Conflict in Ukraine
-Parity €/$

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