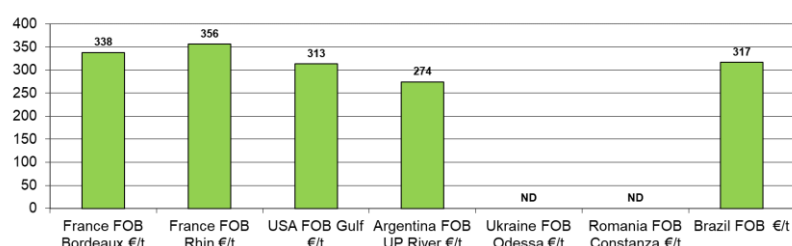


Week 14/2022

N°299

Indicators

FOB prices 01/04/2022 in €/t – April-June delivery (2021 harvest)



	01/04	25/03
Parity €/€	1,11	1,10
Petrol \$/barrel (NY)	99,3	113,9
FOB Bordeaux*(€/t)	338	363
FOB Rhine* (€/t)	356	387

*Fob price Bordeaux/Rhine including monthly increases

WORLD: US maize acreage down in 2022

From 25/03 to 01/04, the May delivery lost \$7/t to stand at \$289/t. The week was marked by high volatility due to the war in Ukraine and acreage projections for 2022 in the US.

Chicago corn prices lost ground mid-week on rumours of a ceasefire agreement in Ukraine, which were quickly denied, before rebounding strongly on the USDA's 2022 planting outlook. The USDA forecasts maize acreage for 2022 at 36.2 Mha, down sharply from operators' expectations (37.2 Mha) and from the 2021 area sown (37.8 Mha). This is mainly due to very high fertiliser prices, which favour soya sowing, despite very attractive prices for maize. Due to the very uncertain context this year, these forecasts are likely to change until the area report to be published at the end of June. Some elected officials are calling for the possibility of bringing the US CRP into cultivation, but this is unlikely.

In China, the government is asking to secure rice and maize production, which could involve a review of agricultural support policies. The country is also embarking on the rapid introduction of GMO varieties in order to obtain better yields. Finally, the Chinese government plans to tighten controls on biofuel production. On the other hand, the US administration is now considering authorising the sale of E-15 all year round to limit fuel inflation.

In Brazil, due to the rapid planting of safrinha maize and favourable weather so far, the analyst StoneX has revised its production forecast for 2021/22 upwards by 2.5 Mt (118.6 Mt).

In Argentina, 14% of the maize area is harvested, mostly early maize. Most of the late maize is starting to mature.

EUROPE: Hungary called to order

The measures concerning cereal exports have come and gone in recent times. The European Commission has called Hungary to order after it introduced, but did not activate, measures to restrict grain exports in violation of the free movement of goods within the EU. Ukraine has abolished its export licensing system for maize, which was put in place at the beginning of the invasion. Finally, Russia has officially declared that it reserves the right to supply only those countries deemed friendly with wheat in order to put pressure on its partners.

EU maize imports have slowed down significantly since the start of the war. Ukraine can only export a few tens of thousands of tonnes per week by rail.

To be monitored :

- Ukraine conflict
- EU imports
- EU balance sheet