CORN Market
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CEPM maiz'EUROP'

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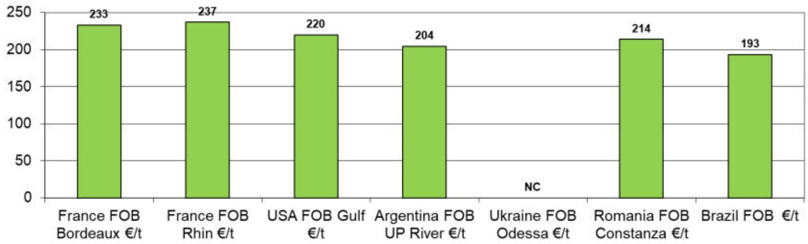
Indicators

FOB prices 30/06/2023 in €/t – June-September delivery (2022 harvest)



	30/06	23/06
Parity €/$	1,09	1,09
Petrol $/barrel (NY)	70,6	69,2
FOB Bordeaux*(€/t)	233	246
FOB Rhine* (€/t)	237	253

Fob price Bordeaux/Rhine including monthly increases

WORLD: Surfaces up sharply in the Corn Belt

From 23/06 to 30/06, the price of September delivery in Chicago fell by $38/t to $192/t. This very sharp fall is linked to the arrival of timely rain in the Corn Belt and, above all, to a new acreage estimate that far exceeded operators' expectations.
At 26/06, 50% of US maize was in "good to excellent" condition, down 5 points on the previous week. However, the central Corn Belt, which has been suffering from water stress since mid-May, has received substantial rainfall. The arrival of this rain triggered the first sharp fall in Chicago prices. The rains came at just the right time, as maize began to flower in the Corn Belt. At 26/06, 4% of maize was in flower, a figure similar to the average.
In addition, the USDA published its acreage report on 30/06. This report updates the estimates made in March every year after sowing. This report came as a major surprise to operators, as grain maize acreage was revised sharply upwards to 34.9 Mha, i.e. 900 Kha more than the March estimates! US maize acreage forecasts for 2023 are now among the highest for 10 years. The prospect of a very large increase in the US balance sheet also weighed heavily on US prices at the end of the week.
The north-east of China, the main maize-producing region, has been experiencing hot, dry weather for several weeks. This situation needs to be monitored, as it could eventually lead to greater reliance on imports.
In its June report, compared with the previous month and for the 2023/2024 crop year, the IGC revised world maize production down by 6 million tonnes (1211 million tonnes) and world consumption down by 6 million tonnes (1205 million tonnes). World stocks are expected to rise by 4 Mt to 276 Mt.
In Brazil, around 10% of safrinha maize has been harvested. The advanced harvest is weighing on Brazilian prices, which are already the most competitive on the international scene. Brazil's annual agricultural subsidy plan will focus over the coming months on storage infrastructures, given the shortfall in this area.

EUROPE: New import record

At 26/06, maize imports into the EU for the 2022/2023 crop year had reached 25.5 Mt. Imports of maize have therefore reached a new record, given the low harvest recorded in the EU in 2022 and the competitiveness of imported origins (Ukraine, Brazil). The European Commission is expecting a drop in imports (17 Mt) for the 2023/2024 crop year, due to a rebound in production. Imports are likely to remain high this summer, however, due to a record, highly competitive harvest in Brazil and Spanish requirements following the heatwave that has had a major impact on straw cereal production.
Central Ukraine received significant rain last week, alleviating the water deficit that has prevailed in recent weeks, before the flowering stage.

To be monitored :
-War in Ukraine
-Brazil harvest

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