

# CORN Market



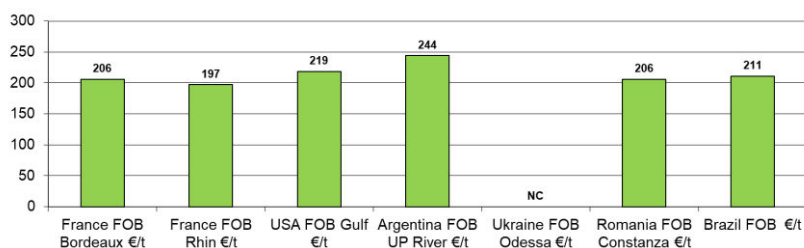
Weekly economic newsletter of the European Confederation of Maize Production

Week 41/2023

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## Indicators

FOB prices 06/10/2023 in €/t – October-December delivery (2023 harvest)



	06/10	29/09
Parity €/€	1,06	1,06
Petrol \$/barrel (NY)	82,8	90,8
FOB Bordeaux*(€/t)	206	207
FOB Rhine* (€/t)	197	203

\*Fob price Bordeaux/Rhine including monthly increases

## WORLD: Falling oil prices

From 29/09 to 06/10, the price of December delivery in Chicago rose by \$6/t to stand at \$194/t. US prices rebounded this week on the back of buoyant exports and the downward revision of 2022/23 stocks at the end of last week. Traders will be watching the impact of this drop on the 2023/24 balance when the USDA publishes its monthly report next Thursday.

On October 1, 19% of US maize had been harvested, compared with an average of 21% at that date. Hot, dry weather in the Corn Belt has enabled the harvest to progress rapidly, but this is set to slow this week as heavy rain is expected in the central Corn Belt. Last week, US maize export contracts were buoyant at 1.82 million tonnes, at the top end of traders' expectations. This was due to substantial Mexican and Chinese purchases, which helped to push up prices last week.

Operators are closely monitoring the fall in oil prices, which could ultimately have an impact on the ethanol industry. The price of a barrel of oil has fallen by almost 10% in the space of a week on fears about global growth. However, geopolitical troubles in the Middle East caused it to rebound at the start of the week.

In Brazil, rain remains scattered over the central-western region, but investment in recent years has enabled soybeans to be sown quickly after a late start. By 5/10, 10% of soya had been sown, a rate similar to the average. In the south of the country, maize sowing is continuing. By 5/10, 32% had been sown, compared with 34% on average.

In Argentina, the lack of a return to rain is causing concern not only for wheat production, but also for maize sowings, which could ultimately reduce area forecasts. At 05/10, 14% of maize had been sown, compared with 22% on average.

## EUROPE: Lower imports

The hot, dry weather in Ukraine is penalising winter crop sowing, but is encouraging a rapid maize harvest. By 05/10, 10% of Ukrainian maize had been harvested. This is boosting Ukrainian exports. After a few weeks' halt, exports from Odessa are accelerating despite the absence of diplomatic and military guarantees. This is not without risk, as demonstrated by the damage sustained last week by a Turkish ship, which was probably hit by a naval mine as it approached the Romanian coast.

On 1 October, the EU imported 4.2 Mt of maize, compared with an average of 5 Mt on this date (2018-2023). This figure will continue to be monitored with the partial resumption of Ukrainian exports and at a time when the European harvest is likely to remain below the average of recent years (around 65 Mt) due to the fall in acreage.

### To be monitored :

- War in Ukraine
- USDA Report
- Grain Strategy Report