

# CORN Market

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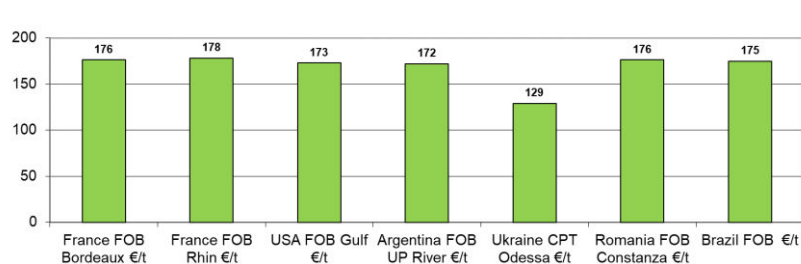
Weekly economic newsletter of the European Confederation of Maize Production

Week 11/2024

N°381

## Indicators

**FOB\* prices 08/03/2024 in €/t – March-June delivery (2023 harvest)**



	08/03	01/03
Parity €/€	1,09	1,08
Petrol \$/barrel (NY)	78,01	80
FOB Bordeaux*(€/t)	176	174
FOB Rhine* (€/t)	178	175

\*Fob price Bordeaux/Rhine including monthly increases

\*CPT price for Odessa

## WORLD: Prices consolidate in Chicago

From 01/03 to 08/03, the May delivery maize price in Chicago had a \$6/t rise, to reach \$167/t. U.S. maize prices continue to consolidate with a 2<sup>nd</sup> consecutive week of gains, following 10 weeks of continuous declines between early January and February 20. This is due to a more cautious attitude on the part of non-commercial funds, which are covering part of their short positions in the absence of any new bearish element on fundamentals, and ahead of the Brazilian harvest and US plantings.

The USDA's monthly report was rather neutral, with the US balance sheet for the 2023/2024 marketing year unchanged from February, whereas operators were expecting a slight drop in stocks (55 Mt). At world level, consumption was revised downwards by 2.3 Mt (1230 Mt), leading to a drop in stocks of the same magnitude (320 Mt), slightly below operators' expectations, as consumption was left unchanged (1190 Mt).

Last week, U.S. maize export contracts reached 1.1 Mt, in line with operators' expectations. Japan was the United States' main customer.

The recent speech by J. Powell, Chairman of the U.S. Federal Reserve, hinted at a future rate cut in the United States. In response, the dollar fell, boosting the competitiveness of US maize exports.

In Brazil, safrinha maize plantings are generally coming to an end in good conditions. However, the dry weather is starting to give cause for concern in the south-central region, where the national weather service is expecting the dry season to arrive earlier. The safrinha (full-season) maize harvest is also continuing, with 29% of maize harvested by 03/03.

In Argentina, the USDA has raised its forecast for production (56 Mt) and exports (42 Mt) by 1 Mt. Late sowings are finishing flowering and benefiting from regular rainfall, while early sowings are being harvested. As of 03/03, 2% of maize had been harvested.

## EUROPE: Will acreage in Ukraine decline in 2024?

Like the government, Ukrainian producers are expecting a drop in maize acreage in favour of soybeans in 2024/2025. According to the UGA, this is due to cash shortages, difficult access to credit and low prices. In a similar context, however, such forecasts were contradicted last year, with maize acreage in 2023 relatively stable compared to 2022.

In March, for the current season, the USDA revised Ukrainian production down by 1 Mt (29.5 Mt), but exports up by 1.5 Mt (24.5 Mt), given the good performance of the maritime corridor. The same report revises European imports down by 1 Mt (22 Mt).

Following in the footsteps of EU member states, the European Parliament's Committee on International Trade adopted a safeguard mechanism against Ukrainian imports that does not include cereals, despite repeated requests to do so. This text must now be adopted by the entire European Parliament this week.

To be monitored:

- Next publication: week of 25/03

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