

# CORN Market



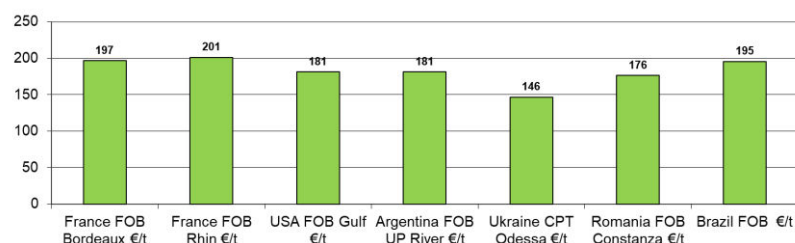
Weekly economic newsletter of the European Confederation of Maize Production

Week 16/2024

N°385

## Indicators

FOB\* prices 12/04/2024 in €/t – April-June delivery (2023 harvest)



	05/04	29/03
Parity €/€	1,07	1,08
Petrol \$/barrel (NY)	85	86,9
FOB Bordeaux*(€/t)	196,5	191,5
FOB Rhine* (€/t)	201	199

\*Fob price Bordeaux/Rhine including monthly increases

\*CPT price for Odessa

## WORLD: Lower production in Argentina

From 05/04 to 12/04, the May delivery price in Chicago remained relatively stable at \$171/t. The market remained undecided between a neutral USDA report, a tense geopolitical context and concerns about demand.

As of 07/04, 3% of maize had been sown in the United States, compared with an average of 2% at this date (2019-2023). Weather conditions are complicated by rains in the north-western Corn Belt, but nothing prohibitive at this stage.

The USDA's April report was deemed neutral by operators, as the adjustments made to the balance sheets were minimal and widely expected. At world level, the USDA revised production down by 2 Mt (1228 Mt), consumption remained relatively stable (1212 Mt) and stocks were revised slightly down by 1.3 Mt (318 Mt). They are slightly above expectations.

In the United States, stocks for the current season have been revised down by 1.3 Mt (53.9 Mt), due to a slight increase in the use of maize for ethanol and livestock feed. Stocks remain high and slightly above expectations. The May report is more eagerly awaited: it will present the first results for the 2024/2025 season. The extent of the increase in US stocks will be decisive.

In the United States, export contracting reached a low point last week at 326 Kt, well below operators' expectations. Weekly figures are much better for ethanol. The markets remain attentive to the high tensions between Iran and Israel, which, if they were to escalate, would have a major impact on oil prices.

In Argentina, 15.3% of maize had been harvested by 11/04. Heavy rain is slowing down work in the north. Growers are increasingly concerned about leafhopper damage to late-planted crops. As a result, prospects for a near-record harvest have been dashed: the Rosario exchange has revised production downwards by 6.5 Mt (50.5 Mt), and the Buenos Aires exchange has made a further cut of 2.5 Mt (49.5 Mt).

In Brazil, rains should continue to relieve the Centre-South this week. CONAB has revised production downwards by 1.8 Mt (111 Mt), due to a slight drop in acreage and yields. This widens the gap with the USDA's projection, maintained this month at 124 Mt.

## EUROPE: Lower Chinese demand in Ukraine

China has raised its import forecast by 2.5 Mt (20 Mt) for the campaign, but rumours of a drop in Chinese demand are confirmed. According to the state-owned Sinograin organization, mentioning the need to limit pressure on the domestic market before sowing, 300 Kt of the 1 Mt of purchases planned for April-May have been cancelled. This news is likely to weigh on Ukrainian and European markets, which are already under pressure. It could also lead to a reduction in maize acreage in Ukraine, expected to be between 3.7 and 3.9 Mha.

The euro continues to fall against the dollar, as monetary policies in the US and the EU are likely to diverge in the coming weeks. This trend is favourable to the competitiveness of European cereals.

### To be monitored:

- War in Ukraine
- EU imports

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