

CORN Market



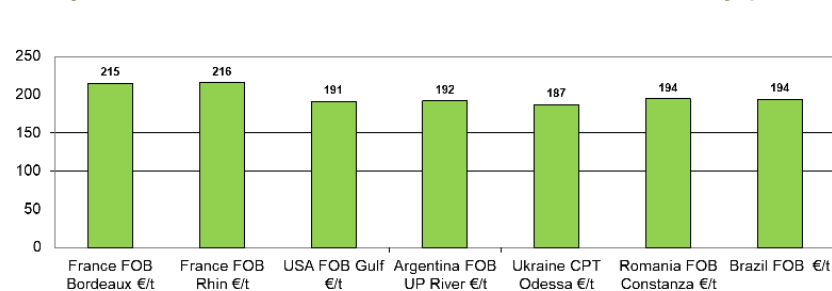
Weekly economic newsletter of the European Confederation of Maize Production

Week 42/2024

N°402

Indicators

FOB* prices 11/10/2024 in €/t – October-December delivery (2024 harvest)



	11/10	04/10
Parity €/€	1,09	1,10
Petrol \$/barrel (NY)	75,6	74,4
FOB Bordeaux*(€/t)	215	214
FOB Rhine* (€/t)	216	217

*Fob price Bordeaux/Rhine including monthly increases

*CPT price for Odessa

WORLD: Stocks revised slightly downwards in the United States

From 04/10 to 11/10, the December delivery price in Chicago fell by \$4/t to \$163/t. US maize is under pressure from the harvest, in the absence of any further bullish elements in the USDA report.

As at 06/10, 30% of US maize had been harvested, compared with 27% on average at that date. In its October report, compared with September, the USDA revised the already record US yield (115.4 q/ha) slightly upwards. Carryover stocks for the 2024/25 campaign were revised down by 1.5 Mt (51 Mt), but remained higher than operators' expectations.

At world level, for the 2024/25 campaign, the USDA revised production down by 1.4 Mt (1217 Mt), consumption up by 2.8 Mt (1217 Mt) and stocks down by 1.5 Mt (307 Mt), slightly below expectations.

Last week in the United States, export contracting reached 1.22 Mt, in line with operators' expectations. Port operations are being held up by hurricanes in the Gulf of Mexico until November, but the port of New Orleans has not yet been affected. Ethanol stocks were revised down by 1.3 million barrels last week (22.2 million barrels). This sharp drop was due to buoyant exports.

In Brazil, scattered rains affected the central-western region. More heavy rains are expected this week. This should enable a marked acceleration in soybean planting, the crop that precedes safrinha maize, whose acreage is expected to be down by 2 to 3% at this stage. Given the severity of the drought, rainfall will not be sufficient in the short term to help the rivers reach low water levels. The Amazon is at its lowest level in Manaus for 122 years. This is pushing up freight costs on the "northern arc".

In Argentina, heavy rains have affected the heart of the production zone, which should enable early planting to be accelerated. As of 10/10, 19% of maize had been sown, compared with an average of 22% at that date.

EUROPE: Russia targets ships in Ukraine

In addition to the numerous attacks on Ukrainian port infrastructures, Russia seems to be increasingly targeting ships. 3 ships have been hit since the beginning of the month near Odessa. This has no impact on freight costs at this stage. These are rising mainly due to the very dynamic pace of exports. Against this backdrop of strong demand, the price of Ukrainian maize delivered Odessa continues to rise, and now stands at \$204.5/t.

World maize production has been revised downwards by the USDA, mainly due to a reduction in the Black Sea: -1 Mt in Ukraine (26.2 Mt) and -0.5 Mt in Russia (13 Mt). Due to the poor harvest in Russia, the Russian authorities have once again increased the export tax on maize by \$1/t (\$29/t). The tax on wheat has risen by \$6/t (\$19.5/t), and exporters are required to pay a minimum FOB price of \$250/t for wheat. This should reduce the competitive gap with the EU.

To be monitored:

- War in Ukraine
- China imports
- Demand from the Dark Sea

EUROPEAN CONFEDERATION OF MAIZE PRODUCTION

23-25 avenue de Neuilly - 75116 PARIS • Tél. + 33 (0)1 47 23 48 32 - Fax. + 33 (0)1 40 70 93 44
Square de Meeûs 21 - 1050 Bruxelles • Tél. +32 2 230 38 68