

# CORN Market



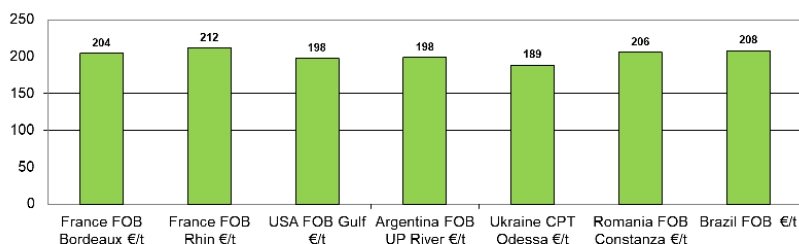
Weekly economic newsletter of the European Confederation of Maize Production

Week 50/2024

N°407

## Indicators

FOB\* prices 06/12/2024 in €/t – December-January delivery (2024 harvest)



	06/12	29/11
Parity €/€	1,06	1,04
Petrol \$/barrel (NY)	67,2	71,2
FOB Bordeaux*(€/t)	204	209
FOB Rhine* (€/t)	212	212

\*CPT price for Odessa

\*Fob price Bordeaux/Rhine including monthly increases

## WORLD: More maize than expected in South America?

From 29/11 to 06/12, the March delivery price in Chicago rose by \$3/t to stand at \$173/t. Maize was once again buoyed by buoyant demand, ahead of the USDA's monthly report due out on Tuesday. US stocks should be reduced as a result. US production will not be reassessed this month.

Last week in the United States, export contracts reached 1.73 million tonnes, exceeding operators' expectations, as has frequently been the case since the start of the campaign. Ethanol production has remained at a high level, but stocks have risen above the 23-million-barrel mark they left at the end of September. Producers are also concerned about the vagueness and further delays announced concerning the conditions for access to the tax credit for sustainable ethanol for aviation, planned by the Biden administration.

In Argentina, as of 04/12, 48% of maize sowings were ahead of the 5-year average, due to a higher proportion of early sowings. On the other hand, 54% of soybean sowings were slightly behind the average. This could be the result of last-minute decisions in favour of late sowing of maize, which has just begun, even though acreage was expected to fall sharply (-1.3 Mha) at the start of the campaign due to the damage caused last year by the maize leafhopper, which is less noticeable this year.

In Brazil, maize prices have risen in the centre-west as a result of last year's fall in production and strong demand from the ethanol industry. Maize ethanol production is expected to rise by 22% to 72 million hectolitres in 2025. This should encourage producers to increase their acreage, whereas stagnation has been expected until now.

In addition, the good prospects for soya production in South America are weighing on prices, which are struggling to exceed \$10/bushel for the 2025 harvest in the United States. As a result, the soybean/maize price ratio is currently very favourable to an increase in maize acreage in 2025 in the United States

## EUROPE: Russian wheat sowings in difficulty

According to government sources, 37% of winter wheat sown in Russia is in poor condition or has not germinated due to very dry autumn conditions. Analysts are taking these factors into account, and most of them are lowering their 2025 harvest forecasts to 81-82 Mt, the same level as in 2024, when Russian wheat was already suffering from drought. The deterioration in the potential of this wheat will be monitored in the spring and could support European cereal prices.

Turkey opened a quota of 1 Mt of maize at reduced customs duties over the November-December period to deal with tensions on its domestic market. This quota was used up very quickly, and operators are calling for it to be extended. In Romania, the Constitutional Court invalidated the 1st round of the presidential election, which had seen the victory of a candidate promising to ban Ukrainian cereal exports through the port of Constanța

### To be monitored :

- USDA report
- Logistics and exports in Brazil

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