

CORN Market



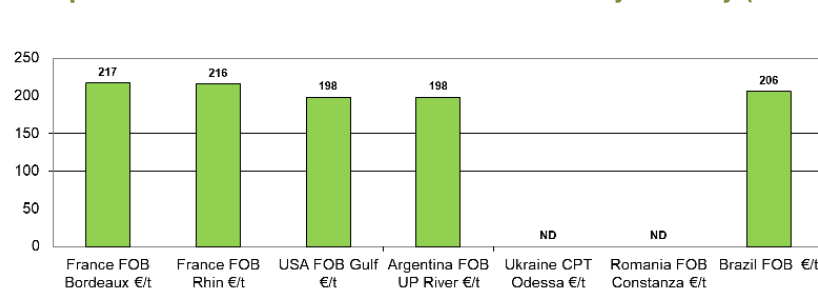
Weekly economic newsletter of the European Confederation of Maize Production

Week 51/2024

N°408

Indicators

FOB* prices 13/12/2024 in €/t – December-January delivery (2024 harvest)



	13/12	06/12
Parity €/€	1,05	1,06
Petrol \$/barrel (NY)	71,3	67,2
FOB Bordeaux*(€/t)	217	204
FOB Rhine* (€/t)	216	212

*Fob price Bordeaux/Rhine including monthly increases

*CPT price for Odessa

WORLD: World and US stocks down

From 06/12 to 13/12, the March delivery price in Chicago rose by \$1/t to \$174/t. US maize confirmed its upward trend after a USDA report revised US and world stocks downwards. This led US maize prices to come up against resistance at \$176/t (\$4.5/bushel) despite an increase in the buying position of non-commercial funds.

In its December report for the current marketing year, the USDA revised US demand upwards by 5.1 Mt, given the good performance of exports and ethanol production in recent months. This increase in demand has been passed on to end-of-season stocks, which have fallen by the same amount to 44.2 Mt, below operators' expectations. The stocks announced are now lower than those of last season (44.7 Mt).

The USDA has also revised downwards its projections for Chinese maize imports in 2024/2025 by 2 Mt (14 Mt).

At world level, the USDA has revised production for the current marketing year down by 1.5 Mt (1218 Mt), consumption up by 8.2 Mt (1238 Mt) and stocks down by 7.7 Mt (296 Mt), below operators' expectations.

In Argentina, 56% of maize sowings had been completed by 11/12, further outstripping the 5-year average. The national weather service is forecasting an average summer in terms of rainfall, but hotter than normal. This could have a detrimental effect on maize and soya over the coming weeks, despite the excellent conditions they have enjoyed to date.

In Brazil, planting of soya and safra (full-season) maize is coming to an end. Overall, both crops are in very good condition. The rains of the past few weeks have also allowed the return of partial or total river freight on the main tributaries of the Amazon serving the ports of the 'Northern Arc', which saw 43% of Brazilian maize exports transit last year. The export programme continues to lag behind, penalised since the start of the campaign by a lack of competitiveness in relation to the United States, and competing with strong local demand from the ethanol industry.

EUROPE: Rising Ukrainian prices

The euro fell back below \$1.05 to the euro after the ECB cut interest rates by a further 25 basis points, as expected. This weakness in the euro is helping European cereals to remain competitive with their rivals.

After a pause at the beginning of December, the price of Ukrainian maize has risen again, slightly above the \$200/t Odessa delivery level, on the back of buoyant demand and lower supplies due to the summer drought. However, the USDA has revised Ukrainian production up very slightly by 300 Kt (26.5 Mt).

As for the EU, the USDA has revised production down by 800 Kt (58 Mt) and imports up by 500 Kt (19.5 Mt).

CEPM wishes you a Merry Christmas and a Happy New Year - Next publication 07/01/2025

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