

CORN Market



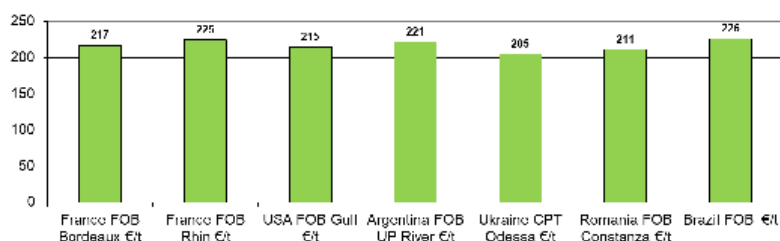
Weekly economic newsletter of the European Confederation of Maize Production

Week 4/2025

N°411

Indicators

FOB* prices 17/01/2025 in €/t – January-March delivery (2024 harvest)



| | 17/01 | 10/01 |
|-----------------------|-------|-------|
| Parity €/€ | 1,03 | 1,03 |
| Petrol \$/barrel (NY) | 77,9 | 76,6 |
| FOB Bordeaux*(€/t) | 217 | 215,5 |
| FOB Rhine* (€/t) | 224,5 | 225 |

*Fob price Bordeaux/Rhine including monthly increases

*CPT price for Odessa

WORLD: Inauguration of Donald Trump

From 10/01 to 17/01, the March delivery price in Chicago rose by \$2/t to stand at \$187/t. After a particularly bullish USDA report for maize in January, the upward momentum was maintained last week by major purchases by funds, which regained their largest net buying position since May 2022. However, as a result of recent price rises, and despite a downward revision of soybean stocks, the soybean/maize price ratio is at its lowest level at this date since 2013. This situation is conducive to an increase in US maize acreage in 2025. This could weigh on prices from the end of February, with the USDA's initial projections.

Last week in the United States, export contracts reached 1 Mt, confirming the recovery in activity after the end-of-year festivities. However, operators are concerned about Donald Trump's customs plans, as he promised to impose substantial customs duties on his partners as soon as he was inaugurated. This is a source of volatility. This threat is particularly strong for Canada and Mexico, the main destinations for American maize (grain and ethanol), which are accused of not controlling their borders sufficiently and could retaliate if Trump carries out his threats.

At world level, in its January report for the current season and compared with December, the IGC revised production down by 6 Mt (1219 Mt), consumption up by 4 Mt (1239 Mt), to a new record, and stocks down by 3 Mt (272 Mt). (272 Mt). After the USDA, the IGC confirms the renewed pressure on the world maize balance sheet, mainly due to the fall in US stocks.

In Argentina, rain has been scattered and temperatures have occasionally exceeded 38°C, penalising early flowering sowings. This led the Rosario grain exchange to revise production downwards by 4 million (48 million tonnes) on its initial estimate.

In Brazil, sowing of safrinha maize (75% of production) is starting. The area sown is now expected to rise slightly as a result of higher prices linked to demand from the ethanol industry in recent months. Persistent rainfall in the Centre-West could eventually put the brakes on the soya harvest and safrinha maize sowings, a situation to be monitored over the coming weeks.

EUROPE: Trump wants to end the war in Ukraine

The euro remains weak against the dollar against a backdrop of economic weakness in the EU, a second year of recession in Germany, and ambitious tax reforms promised by Donald Trump. This situation is supporting the competitiveness of European cereals.

The US President has made ending the war in Ukraine a priority at the start of his term of office. If this were to happen, it would affect cereals markets, given the Black Sea's dominant role in world trade.

In Ukraine, Odessa-delivered maize maintained its upward momentum last week, rising by \$3.5 a tonne to \$211 a tonne.

To be monitored :

- Trump's announcements
- Chinese demand