

CORN Market



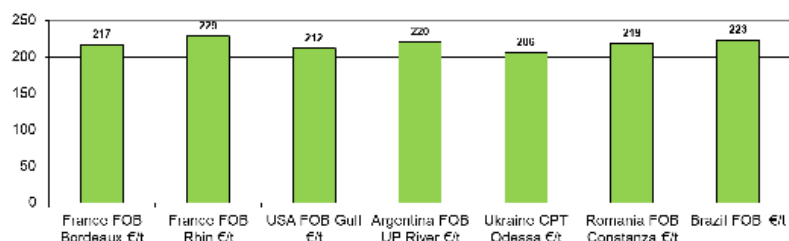
Weekly economic newsletter of the European Confederation of Maize Production

Week 6/2025

N°413

Indicators

FOB* prices 31/01/2025 in €/t – January-March delivery (2024 harvest)



	24/01	17/01
Parity €/ \$	1,04	1,05
Petrol \$/barrel (NY)	72,5	74,7
FOB Bordeaux* (€/t)	217	215,5
FOB Rhine* (€/t)	228,5	227,5

*Fob price Bordeaux/Rhine including monthly increases

*CPT price for Odessa

WORLD: Trump has the markets in a tizzy

From 24/01 to 31/01, the March delivery price in Chicago fell by \$1/t to \$190/t. Operators are concerned about the tariffs imposed by the United States. Volatility is likely to be high over the next few weeks, as the parties make their announcements. Donald Trump announced additional tariffs of 10% on Chinese imports and 25% on Canadian and Mexican imports on February 1, before announcing a one-month pause for the latter two countries. These announcements have caused panic on the financial markets, as they are aimed at the United States' main economic partners, who have announced that they are considering a response. Corn Belt producers are worried because, if the measures are implemented, they could eventually lose market share in grain maize and ethanol if Canada and Mexico turn to Brazil, for example, even though this seems difficult to achieve in the short term. Against this backdrop, funds stopped adding to their long positions and sold off sharply at the end of the week.

Last week in the United States, export contracts reached 1.36 Mt, in line with operators' expectations. Ethanol production fell back slightly, and stocks remained at the high levels usually seen at this time of year.

Weather worries persist in South America, although they took a back seat after Trump's announcements. In Argentina, the rains have returned, but a new heat wave is expected this week. This time, it is likely to penalise the late sowings which are starting to flower. In Brazil, the rainy weather is spreading across the entire production zone. This is beneficial in the south of the country, which was suffering from slight water stress, but very detrimental in the centre-west, where the delay in soya harvests and safrinha maize sowings is getting worse. Brazilian soya is also facing quality problems, which have led China to temporarily limit its imports. This has bolstered the price of soybeans in the United States just a few weeks ahead of the USDA's first 2025 acreage estimates.

Chinese maize is suffering from quality problems. Although imports have fallen sharply since the start of the campaign, this could lead the country to import better quality maize in the coming months.

EUROPE: Trump also threatens the European Union

Donald Trump has also threatened the European Union with additional tariffs in the near future, without giving a clear timetable. In the first half of this marketing year, American maize is the second most imported product into the EU after Ukrainian maize. This origin had already been the subject of trade retaliation by the EU between 2018 and 2021.

The euro has resumed its slide against the dollar. The dollar is strengthening, as players see Trump's customs measures as inflationary.

In the Black Sea, mild temperatures are a cause for concern. They favour diseases and pests in wheat and limit snow cover, which is essential to protect crops from a cold snap.

To be monitored :

- War in Ukraine
- Outlook in the EU

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