

CORN Market



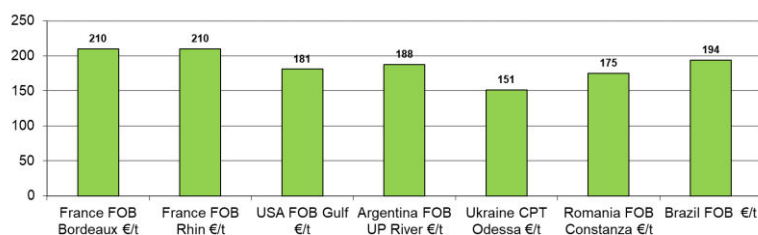
Weekly economic newsletter of the European Confederation of Maize Production

Week 18/2024

N°387

Indicators

FOB* prices 26/04/2024 in €/t – April-June delivery (2023 harvest)



	26/04	19/04
Parity €/€	1,07	1,07
Petrol \$/barrel (NY)	83,9	85
FOB Bordeaux*(€/t)	210	204
FOB Rhine* (€/t)	210	205

*Fob price Bordeaux/Rhine including monthly increases

*CPT price for Odessa

WORLD: New rebound for wheat

From 12/04 to 19/04, the June delivery in Chicago rose by \$5/t to \$177/t. This rebound in U.S. maize prices is linked to the rebound seen on the wheat market, itself linked to major weather concerns among the major exporters in the northern hemisphere.

Unlike maize, the world wheat balance sheet is already tight, with low stocks. However, after the climatic hazards experienced by exporters in the southern hemisphere (Australia, Argentina), it is now the exporters in the northern hemisphere who are at risk: drought in the Great Plains of the United States, cold snap in Western Europe, drought in southern Russia... This situation has triggered a resumption of the bullish momentum on the grain markets, with new hedging operations on the part of funds. Some rain is expected in southern Russia this week, which should calm the upward momentum of recent days.

As of 21/04, 12% of maize had been sown in the United States, compared with an average of 10% at that date (2019-2023). The weather looks set to be very wet in the central Corn Belt, a situation to be monitored by the markets as the bulk of maize acreage is due to be sown in May. Operators will be following the publication of the first balance sheets for 2024/2025 next week, with a particular focus on US stocks.

After 2 difficult weeks, export contracts in the USA came in above expectations last week at 1.3 Mt. As far as ethanol is concerned, producers are concerned about future directives on sustainable aviation fuel (SAF), which could be more restrictive than expected for maize.

In Brazil, hot, dry weather is taking hold in the Centre-North, where water reserves are substantial, and in the Centre-South where, despite the rains in mid-April, the situation is more fragile.

In Argentina, rains in the north of the production zone continue to slow down harvesting operations. As of 24/04, 19.8% of maize had been harvested. These are early sowings which will soon be harvested. Yields are likely to deteriorate sharply with the start of harvesting of late sowings, which have been hit the hardest by the weather and leafhopper attacks.

EUROPE: Towards tariffs on Russian maize

After the European Parliament, Member States are expected to formally adopt the continuation of liberalization measures with Ukraine for a further year from June 2024. They should also adopt the European Commission's proposal to increase customs duties on agricultural imports from Russia (€94/t for maize). Such duties will act as a deterrent to imports from Russia (356 Kt per season on average).

In Ukraine, exports have been disrupted by the resurgence of Russian attacks on rail and port infrastructures. Maize sowings are progressing rapidly: 30% had been sown by April 25.

[Next publication on 13/05/2024](#)

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