

# CORN Market



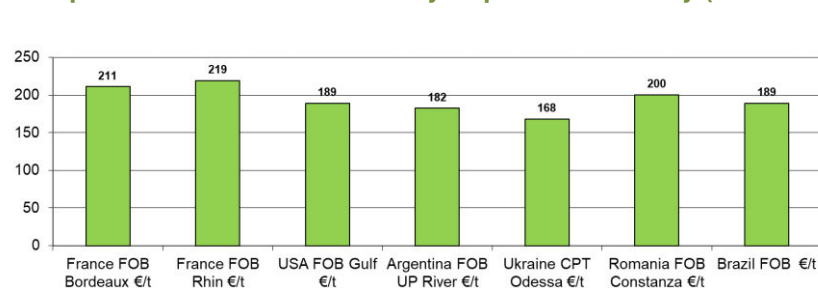
Weekly economic newsletter of the European Confederation of Maize Production

Week 25/2024

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## Indicators

**FOB\* prices 14/06/2024 in €/t – July-September delivery (2023 harvest)**



	14/06	07/06
Parity €/€	1,07	1,09
Petrol \$/barrel (NY)	78,5	75,5
FOB Bordeaux*(€/t)	211	220
FOB Rhine* (€/t)	219	225

\*Fob price Bordeaux/Rhine including monthly increases

\*CPT price for Odessa

## WORLD: A neutral USDA report

From 07/06 to 14/06, the July delivery in Chicago remained relatively stable at \$177/t. The USDA report for June was neutral for maize and confirmed the tension for wheat.

Compared with its May estimates, the USDA left the US balance sheet unchanged. This was expected by operators, who are focusing instead on the next report on US maize acreage, due out on 28/06. At world level for the 2024/2025 season, production has been revised upwards by 0.6 Mt (1221 Mt), consumption has been revised upwards by 1.4 Mt (1222 Mt) and stocks have been revised downwards by 1.5 Mt (311 Mt). The absence of downward revisions to Brazilian and Argentinian maize production came as a surprise. The USDA maintains a gap of 10 to 15 Mt with local estimates.

In the United States, 85% of maize had been harvested by 09/06, compared with an average of 84% by that date (2019-2023). 74% of maize was in "good to excellent" condition, down one point on last week.

Export contracts to the United States reached the top of operators' expectations with 1.1 Mt for the end of the campaign, including 71 Kt for China. China is currently experiencing a heat wave and a marked water deficit in the regions around Beijing, the country's 2nd largest production zone. If this weather continues over the coming weeks, it will be even harder for the Chinese government to meet its target of limiting maize imports for the coming season.

In Brazil, 7.5% of safrinha maize had been harvested by 09/06, compared with 2% on this date last year. In its June report, CONAB raised Brazilian production by 2.5 million tonnes (114 million tonnes) compared with last month, thus coming closer to most local analysts, but still far from the USDA's projection (123 million tonnes), which is seen as overestimated.

## EUROPE: China threatens the European pork industry

China has announced the opening of an anti-dumping investigation into the European pork industry in retaliation to the EU's recent announcements of higher customs duties on Chinese vehicles. This could have far-reaching consequences: the EU is the world's leading exporter of pork, and China is its largest market. It could also have an impact on the cereals and maize markets: of the 149 million tonnes of animal feed produced in the EU, just over 50 million tonnes are consumed by the pig industry, including a significant proportion of maize.

After a dry start to spring in Central Europe, rainfall in recent weeks has alleviated the water deficit. The situation is much more mixed in the Black Sea basin, with a west-east rainfall gradient, with southern Russia the worst affected by the water deficit.

The euro fell against the dollar last week due to the tough stance taken by the US Federal Reserve and the uncertainty surrounding the French political situation. This situation is making European cereals more competitive with their rivals.

### To be monitored:

- War in Ukraine
- Corn Belt weather
- IGC Report

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