

CORN Market



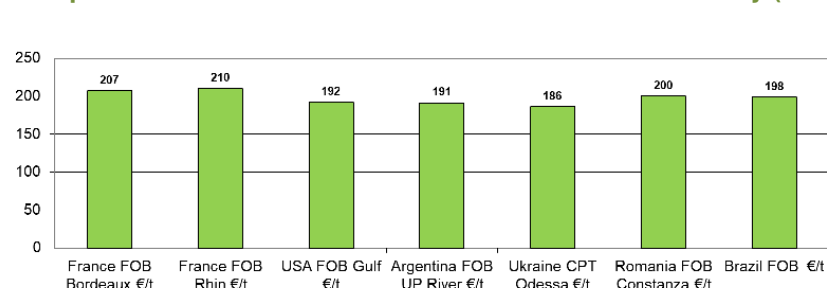
Weekly economic newsletter of the European Confederation of Maize Production

Week 45/2024

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Indicators

FOB* prices 01/11/2024 in €/t – November-December delivery (2024 harvest)



	01/11	25/10
Parity €/€	1,09	1,08
Petrol \$/barrel (NY)	69,5	71,8
FOB Bordeaux*(€/t)	207	208
FOB Rhine* (€/t)	210	206

*Fob price Bordeaux/Rhine including monthly increases

*CPT price for Odessa

WORLD: Waiting for US election results

From 10/25 to 11/01, the December delivery price in Chicago remained relatively stable at \$163/t. Lower oil prices put pressure on prices at the start of the week, before they recovered on the back of further export sales. The market remains very cautious ahead of the US elections on November 5 and the publication of the USDA report on November 8.

As of 10/27, 81% of US maize had been harvested, compared with 61% on average at that date. This rapid harvest continues to put pressure on prices.

Last week in the US, export contracts reached 2.3 Mt, in line with operators' expectations. The weekend also saw the announcement of a 781 Kt sale to Mexico. The dynamism of US exports should be reflected in the USDA report due out this week. Further rains are expected in the Mississippi basin, which is good news for river levels, which have been struggling since the summer. As a result, barge loads have been reduced by 10% to over 40% in some areas. This puts exporters in the Gulf of Mexico in a tricky position at the height of the harvest, with premiums on New Orleans rising.

Traders are awaiting the outcome of the US elections, which are expected to be very close and could be contested. A Donald Trump victory in particular would herald an intensification of the trade war with China that had destabilized US soybean and maize markets in 2019 and 2020. Against this backdrop, non-trade funds hedged their short positions, returning to a net neutral position overall.

In Brazil, rains have accelerated soybean sowings, which are almost back to their average level. By 10/30, 56% of soybeans had been sown, compared with 62% on average at that date. This should enable safrinha maize to be sown in satisfactory conditions. At this date, 52% of safra (full-season) maize had been sown, in line with the average.

In Argentina, by 10/30, before the traditional pause in sowing in November to avoid the dry season, 35% of maize had been sown, a slightly above-average rate. Growers are reassured by the low number of maize leafhoppers due to a cold winter.

EUROPE: China threatens pork industry

The European Commission has confirmed the introduction of anti-dumping duties on Chinese electric cars. In retaliation, China could threaten the European pork industry, which it is investigating and for which it is the leading export customer. This would destabilize this major outlet for European maize.

European institutions are also awaiting the American elections. A Donald Trump victory could severely limit American support for Ukraine, a major maize producer and exporter that is already in difficulty.

To be monitored :

- US election impacts
- USDA Report
- Ethanol in India