



ADM Investor Services, Inc.

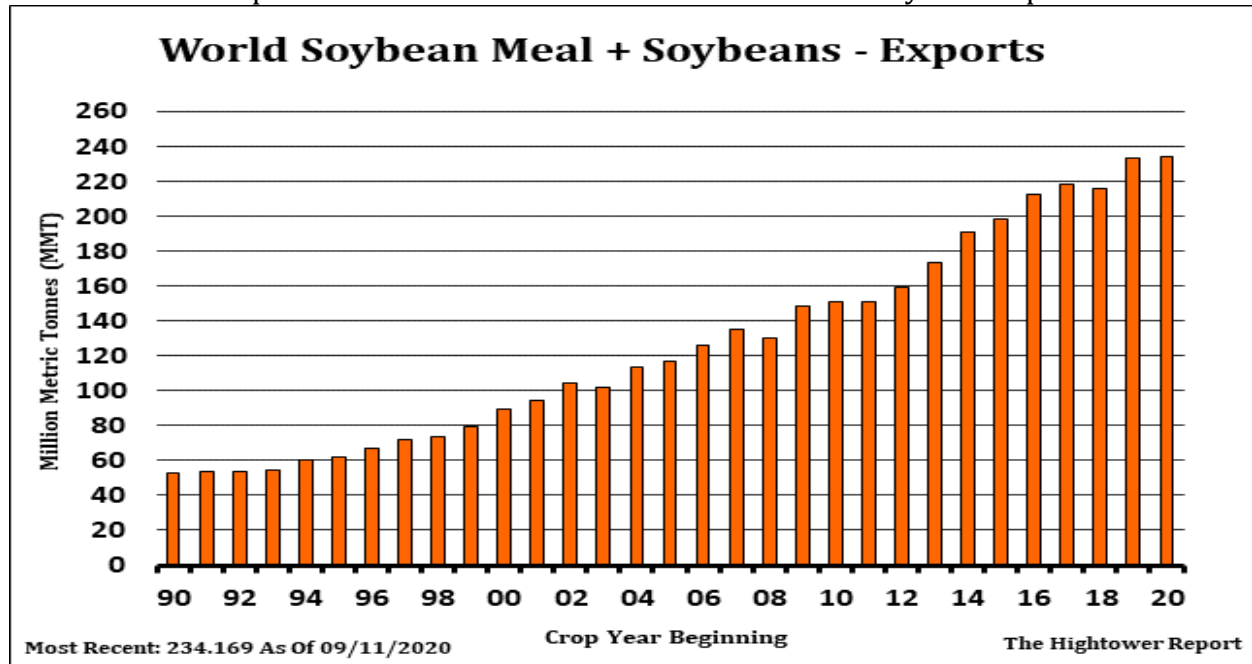
ADM Investor Services Market View

October 20, 2020 by Steve Freed

Soybeans, soyoil, corn and wheat traded higher. US stocks were higher US Dollar was lower.

SOYBEANS

Soybeans traded higher. Talk of higher demand for US soybeans, lower South America 2021 supplies, tight old crop Brazil soybean supplies and lower Argentina crush all supported soybeans. China soymeal futures were higher. Higher palmoil prices helped soyoil gain on soymeal. Managed funds are net buyers of 5,000 soybeans and 2,000 soyoil. We estimate managed funds are net long 242,000 soybeans, 91,000 soymeal and 77,000 soyoil. Market continues to be looking for additional announcements of new US soybean export sales. Today, USDA announced 132 mt US soybean to unknown. Market analyst are becoming more confident that higher demand for US exports and concern about 2021 global weather could help nearby soybean test \$12.00. USDA estimates World 2020/21 soybean trade near 167.8 mmt versus 164.5 last year. US exports are estimated near 59.8 versus 45.6 last year. Brazil is estimated near 85.0 versus 92.4 last year. Argentina is estimated near 7.0 versus 10.0 last year. China imports are estimated near 100.0 versus 97.4 last year. Some could see total China imports closer to 105.0. Some could see US final soybean exports near 64.0.



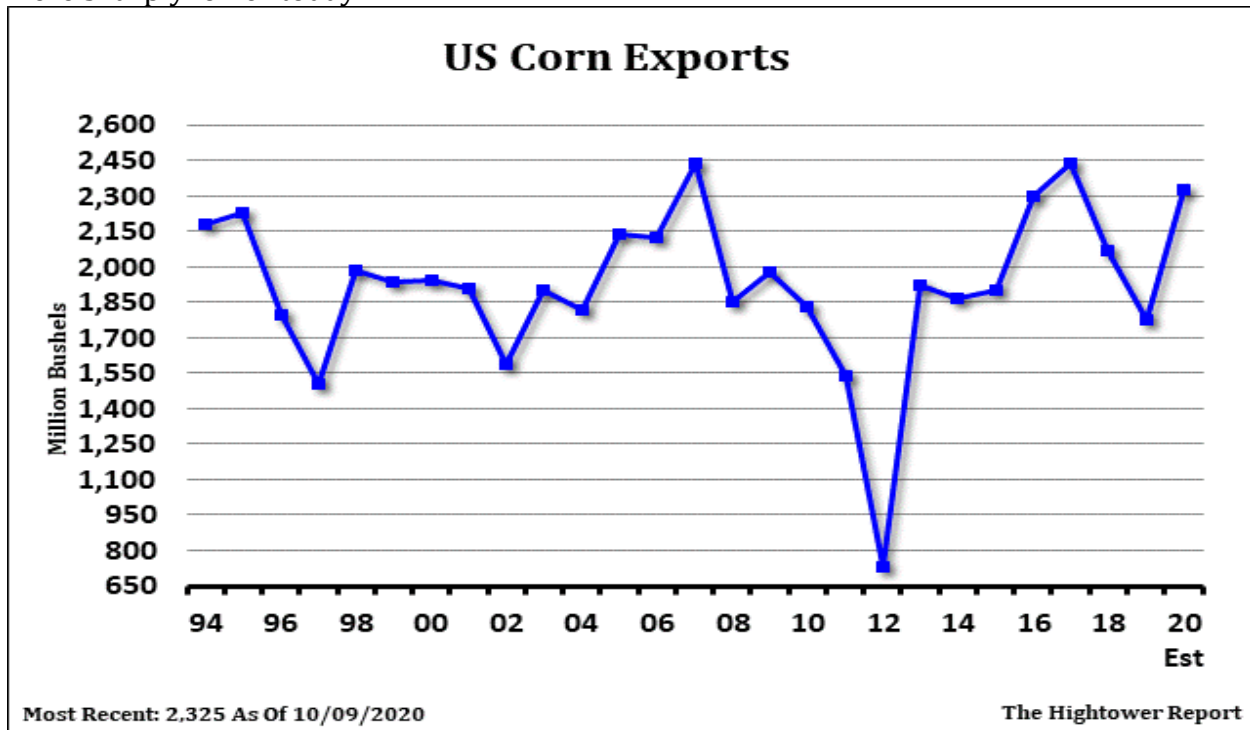
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CORN

Corn futures traded higher. Talk of lower South America 2021 supplies and increase global demand for US corn exports offered support. Lack of US and Argentina farmer selling also offered support. CZ traded closer to 4.10 and CZ21 tested 4.00. Some feel nearby corn futures need to trade closer to 4.30 to trigger increase US farmer selling. Managed funds are net buyers of 2,000 corn. We estimate Managed funds are net long 218,000 corn. Market continues to be looking for additional announcements of new US corn export sales especially to China. Market analysts are becoming more confident that higher demand for US exports and concern about 2021 global weather could help nearby corn test \$5.00. USDA estimates World 2020/21 corn trade near 184.4 mmt versus 170.5 last year. US exports are estimated near 59.0 versus 45.1 last year. Brazil is estimated near 39.0 versus 34.0 last year. Ukraine is 30.5 versus 29.2 last year. Argentina is estimated near 34.0 versus 38.0 last year. China imports are estimated near 7.0 versus 7.0 last year. Some could see total China imports closer to 30.0. Some could see US final corn exports near 64.8. Ukraine fob corn basis is near +1.70 CZ versus +40 last year at this time. Brazil domestic corn price is record high and 79 pct higher than last year. US fob corn price is near \$5.70. Cattle and Hog futures were sharply lower today.





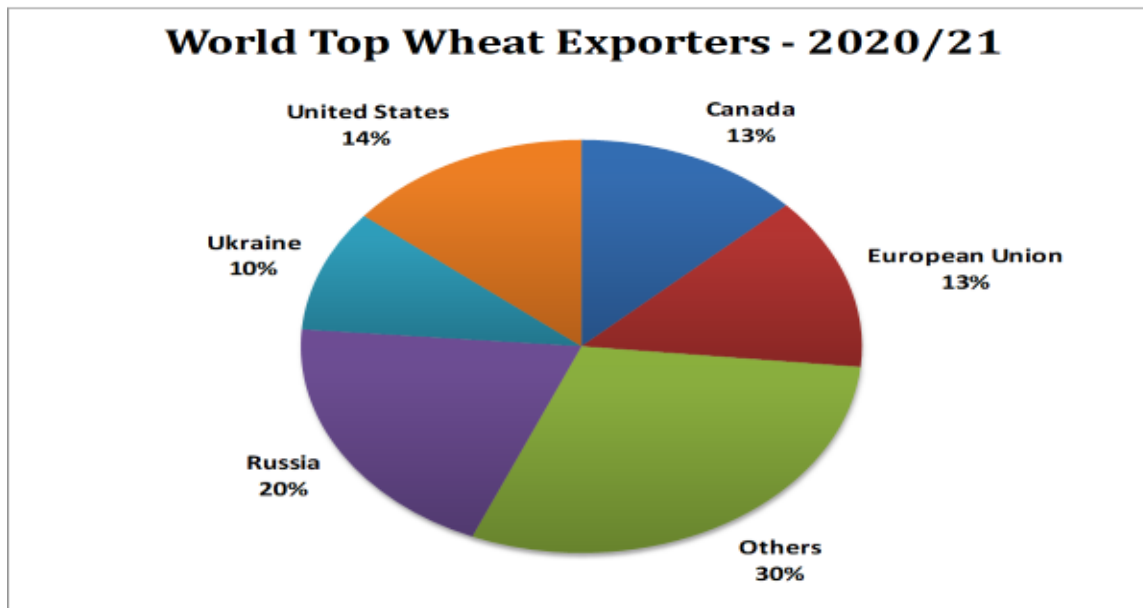
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Market View

WHEAT

Wheat futures traded higher. Concern about global 2021 wheat supplies continues to offer support. Wheat futures are a weather market. Dryness in US south plains, Russia and Argentina could reduce crops there. Too much rain in Australia could lower quality there. USDA estimated that 77 percent of the US winter wheat crop is planted versus 72 average. There are chances of light rain across the US south plains early next week but some maps actually are downplaying this weather event now. Matif and CME Black Sea futures continue to make new highs. Russia domestic Wheat prices remain near all-time highs. There was talk today that Baltic and Ukraine Wheat farmers may default on cash sales due to lower crops. There was also talk that the Sudan asked US today for 1 mmt of US wheat. They are said to be unable to pay for it and looking for US to help with the cost. USDA estimates World wheat trade near 189.9 mmt versus 190.5 last year. Russia is 39.0 versus 34.5 last year. US is 26.5 versus 26.2 last year. EU is 25.5 versus 34.4 last year. Canada is 25.0 versus 24.6. Australia is 19.0 versus 9.5. Key will be Russia exports and US and Black Sea weather.



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