



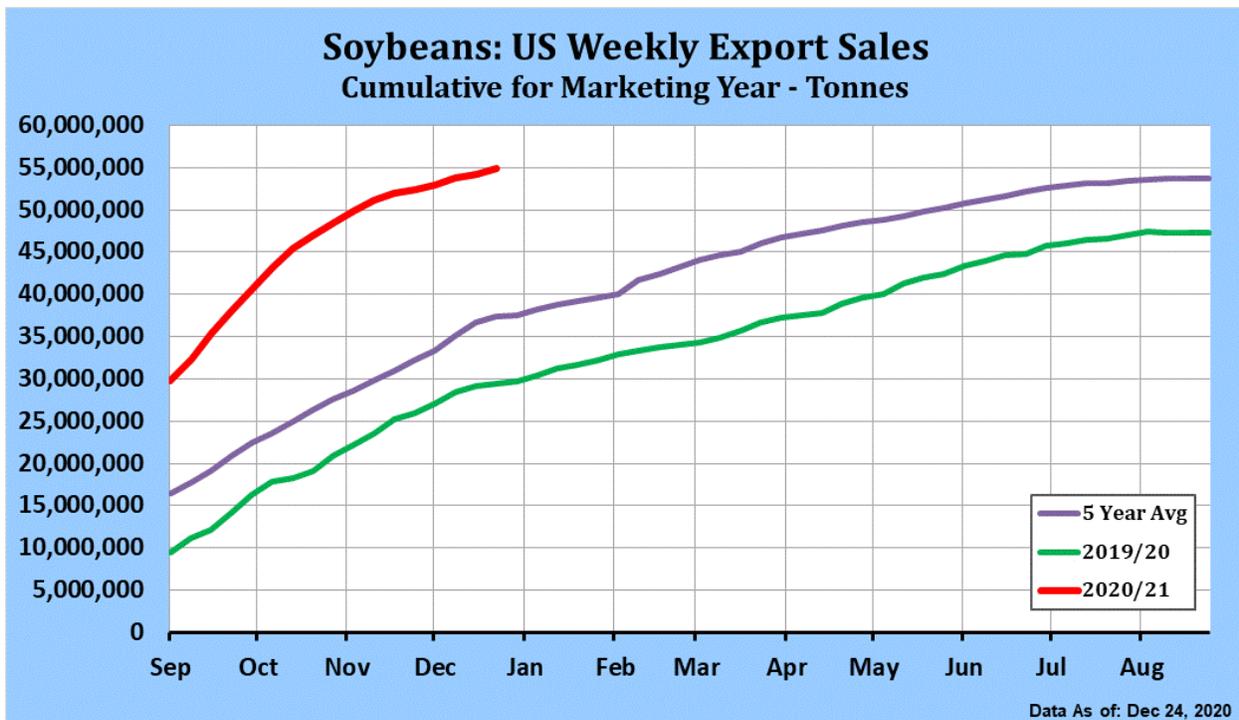
ADM Investor Services Market View

December 31, 2020 by Steve Freed VP ADMIS Grain Research

Soybeans, soymeal, soyoil, corn and wheat traded higher. Good bye 2020. Hello 2021. US stocks were mixed. US Dollar was higher. Hogs and cattle were higher.

SOYBEANS

Soybeans traded higher. Talk that South America 2021 soybean supplies could be lower than recent USDA guess is also supporting soybean futures. New highs in World vegoil prices is also support soyoil futures. Some now estimate Brazil and Argentina combined 2021 soybean production near 168 mmt versus USDA 183. Some could see China soybean imports closer to 110 mmt versus USDA 100. Weekly US soybean export sales were near 695 mt with new crop near 315 mt. Total commit is near 55 mmt versus 29 last year. USDA goal is 59 mmt versus 45 last year. Some could see exports closer to 64. China commit is near 32 mmt with 6 mmt in unknown. China has bought 7.5 mmt of Feb soybean from Brazil. Some feel Brazil may not be able to ship that if the crop is late. Brazil previous record Feb soybean exports to all origins was 5.2 mmt

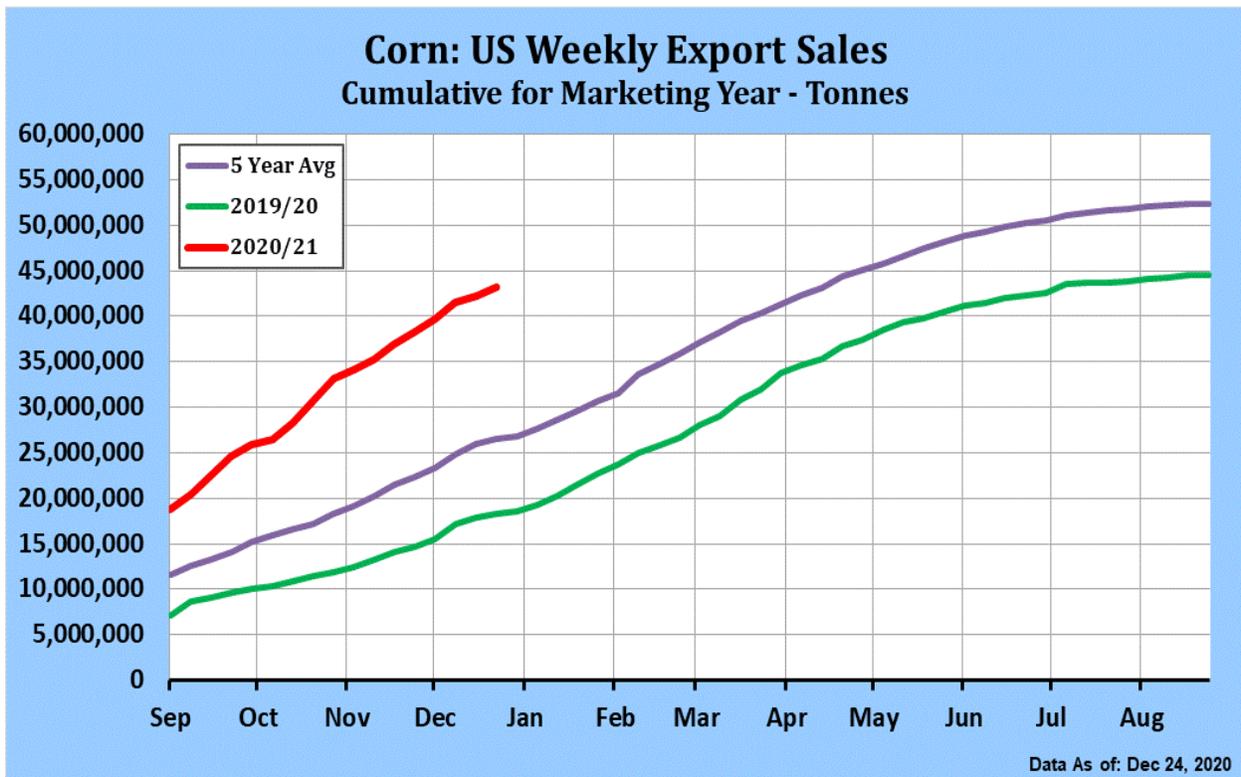




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CORN

Corn futures traded higher. CN gained on CZ. US domestic corn basis remain strong. Talk of record US Jan- May corn exports offers support to futures, spreads and basis. Fact Argentina has suspended corn exports for the rest of their market year continues to offer support to corn futures. Argentina rated their 2021 corn crop at only 17 pct good/ex. La Nina Weather could keep Argentina and south Brazil drier than normal. Some now estimate South America 2021 corn production near 147 mmt versus USDA 159 and exports near 66 mmt versus USDA 73. Weekly US corn export sales were near 964 mt. Total commit is near 43 mmt versus 18 last year. USDA goal is 67 mmt versus 45 last year. Some could see exports closer to 71. China commit is near 12 mmt with 7 mmt in unknown. Some could see final US corn exports to China closer to 21 mmt. USDA estimate of all origins is 16. Passed relief includes another 11.2 billion CFAP payment to farmers. Most hope vaccine will help rebound US economy and increase demand for food, fuel and feed.



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WHEAT

Wheat futures managed small gains. Prices were up this week on rumors US wheat export prices may be competitive for new demand. Some feel higher freight from US to North Africa continues to limit UIS exports to those buyers. Still, some feel drop in Russia and EU exports and talk of higher 2021 corn and soybean prices could support wheat futures. US plains and Russia winter wheat areas will need spring rains. Weekly US wheat export sales were near 530 mt. Total commit is near 20 mmt versus 19 last year. USDA goal is 27 mmt versus 26 last year. China commit is near 2 mmt with 1 mmt in unknown. Lower US Dollar in 2021, successful vaccine and increase demand for food could support 2021 wheat prices. Talk of inflation could also help push commodity prices higher. Resistance could come from improved 2021 wheat weather, countries like China, Russia, Iran and N Korea testing the new administration and a Democratic Congress raising taxes.



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