



January 11, 2021 by Steve Freed VP ADMIS Grain Research

Soybeans, corn and wheat traded lower. Some feel bulls may have taken some profits before USDA Jan report. Rains in South America may have also triggered some long liquidation. US stocks were lower. Crude was lower. Copper was lower. US Dollar was higher. Democratic control of Washington may be helping US Dollar.

SOYBEANS

Soybean traded lower. Rains in parts of north and central Argentina and east Brazil may have triggered some long liquidation. Since early December, March soybean have rallied from 12.00 to todays high near 13.88. March soymeal has rallied from 400 to todays high near 447. China Dalian soymeal futures have also made new highs and are near 524. Average trade estimate for US 2020/21 soybean carryout near 139 mil bu vs USDA 175. Dec 1 US soybean stocks could be near 2,920 mil bu vs 3,252 last year. Average trade estimate for Brazil+Argentina soybean crop near 179 mmt versus USDA 183. Weekly US soybean exports were near 1.7 mmt versus 1.7 last week and 1.1 last year. Season to date exports are near 40.8 mmt versus 22.9 last year. USDA goal is 59.8 versus 45.6 last year. USDA did announce 132.0 mt US soybean sold to China. Short term, key to prices will be USDA report.

nited States Department of Agriculture					
U.S. Soybeans Su	pply and	Deman	d		
	2019/2020	2020/2021	Change from	Change from	
Item	estimate	forecast	November 10	2019/2020	
Planted area (million acres)	76.1	83.1	_	7.0	
Harvested area (million acres)	74.9	82.3		7.4	
Yield (bushels per acre)	47.4	50.7	-	3.3	
		Millio	n bushels	-	
Beginning stocks	909	523		-386	
Production	3,552	4,170	-	618	
mports	15	15	-	0	
Total supply	4,476	4,709		232	
Crush	2,165	2,195	15	30	
Seed and Residual	112	139		27	
Domestic use	2,277	2,334	15	57	
Exports	1,676	2,200	-	524	
Total use	3,953	4,534	15	581	
Ending stocks	523	175	-15	-348	
	-	Pe	rcent	-	
Stocks to use ratio	13.2	3.9	-0.3	-9.4	
		Dollars	per bushel		
Average market price	8.57	10.55	0.15	1.98	

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ADM Investor Services Market View

CORN

Corn futures traded lower. Rains in parts of north and central Argentina and east Brazil may have triggered some long liquidation. Since early December, March corn has rallied from 4.20 to recent high near 5.02. China Dalian corn futures have also made new highs and are near 11.24. Average trade estimate for US 2020/21 corn carryout near 1,599 mil bu vs USDA 1,702. Dec 1 US corn stocks could be near 11,951 mil bu vs 11,327 last year. Average trade estimate for Brazil+Argentina corn crop near 155 mmt versus USDA 159. Weekly US corn exports were near 1.1 mmt versus 1.1 last week and 482 mt last year. Season to date exports are near 16.2 mmt versus 9.1 last year. USDA goal is 67.3 versus 45.1 last year. USDA did announce 108.5 mt US corn sold to Columbia. Good showers are forecasted to fall across parts of north and central Argentina. Over the next 30 days 55-60 pct of Argentina could see less than normal rains. Rains are also forecasted for east Brazil. Northeast and south Brazil could remain drier than normal over the next 30 days. Colder than normal temps are forecasted over the next 10 days for much of the US Midwest and Russia. This is not expected to stress crops there.

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U.S. Corn Supply a	nd Dema	nd		
	2019/2020	2020/2021	Change from	Change from
Item	estimate	forecast	November 10	2019/2020
Planted area (million acres)	89.7	91.0	-	1.2
Harvested area (million acres)	81.3	82.5		1.2
Yield (bushels per acre)	167.5	175.8		8.3
	-	Millio	n bushels	
Beginning stocks	2,221	1,995		-226
Production	13,620	14,507		887
Imports	42	25		-17
Total supply	15,883	16,527		644
Feed and residual	5,827	5,700		-127
Food, seed, and industrial	6,282	6,475		193
Ethanol	4,852	5,050		198
Domestic use	12,109	12,175		66
Exports	1,778	2,650		872
Total use	13,887	14,825		938
Ending stocks	1,995	1,702		-293
		Ре	rcent	-
Stocks to use ratio	14.4	11.5		-2.9
		Dollars	per bushel	

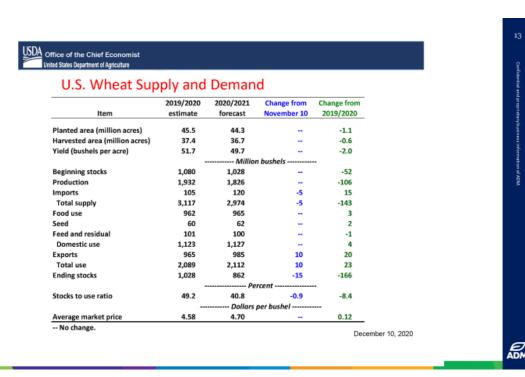
ADN



ADM Investor Services Market View

WHEAT

Wheat traded lower. Managed funds are net sellers of 3,000 SRW Wheat. We estimate Managed Money net long 11,000 contracts of SRW Wheat. US Dollar is higher. Crude is lower. US stocks are lower. Gold is higher. Copper is lower. Index funds continue to rebalance. Uncertainty in Washington, USDA report and increase virus cases is weighing on markets. Since early December, March wheat has rallied from 5.80 to recent high near 6.64. Most of the rally was linked to concern about Russia wheat exports and expanded dryness across US south plains. Average trade estimate for US Dec 1 wheat stocks is near 1,695 mil bu vs 1,841 last year. Average trade estimate for US 2021 winter wheat acres near 31.5 mil vs 30.4 ly. Weekly US wheat exports were near 279 mt versus 475 last week and 561 mt last year. Season to date exports are near 15.3 mmt versus 15.4 last year. USDA goal is 26.8 versus 26.2 last year.



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