



# John Stewart AND ASSOCIATES

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## Corn

Better than expected export inspections and FAO China inventory adjustment helped corn propel to a contract high .1525 at 5.6375 for March futures. Weekly USDA corn export inspections came in at 1,576,663MT versus expectations of 1,150,000MT. Farmer selling was quiet today with basis mixed as CIF was a couple weaker. FAO estimated China corn stocks near 139MMT down 54MMT from their previous estimate and compared to USDA January of 192MMT. They raised World corn demand 17MMT to 1.179BMT, and raised China import estimate 10MMT to 20MMT. Trade estimates for tomorrow's report have US 20/21 corn carryout near 1.392Bbu versus USDA at 1.552Bbu. Trade estimates for Argentina corn crop are near 47.0MMT versus USDA at 47.5MMT, and Brazil corn crop is estimated near 108.4MMT versus USDA at 109.0MMT. Cordonnier this afternoon left his 20/21 Brazil corn estimate unchanged at 105MMT, and his Argentina corn estimate unchanged at 44.5MMT. IMEA on Monday afternoon said the 20/21 Mato Grosso Corn sales are 67.9%, that is ahead of the 64.4% in the year earlier period, and ahead of the 49.9% pace long term average. Still concerns that a slow Brazil harvest is going to push second crop corn to be planted late and pollinate in not so ideal conditions. According to IMEA, 2nd crop corn was 8% planted in Mato Grosso vs 39% last year and 29% average.

## Beans

Beans reacting to strength in wheat and corn as SH rallied 21c firmer on the day. Export shipments were five-week lows at 66 mil bu with China taking 32.2 mil bu. This puts YTD at 1,805 mil bu which is 81% of the expected 2,230 mil bu of exports. Rumors of PNW traders looking to sell trains back into the interior. Meantime, March through April premiums in Brazil continue defensive with March and April offered at 33. The trucker strike appears to have no impact with rains continuing in north and central Brazil. Mato Grosso harvest is up to 11% which is well below the five-year average of 32%. WASDE tomorrow with everyone expecting smaller production estimates, larger demand, and smaller carryout. The average trade guess for Argentina and Brazil are roughly .5 mmt less than the USDA estimates (Brazil 133 and Argentina 48). Most are expecting exports to be increased with 97% of expected sales on the books. This should result in an increase in exports of 25 to 50 mil bu. The average guess for carryout is 123 mil bu vs 140 mil in January.

## Wheat

With the exception of a mixed dollar index most all things traded were higher today with corn and beans leading wheat. WH is 14 ½ cent higher and back above the 20-day moving average closing at 6.55 ¾. KWH is 14 ¼ higher at 6.39 ½ and MWH is 9 ¼ higher at 6.35 ¼. KWN settled above WH for the first time since the summer of 2019. Pre-tariff movement of Russian wheat has been pressuring price, but time may be running out on that being a factor. The Matif and Black Sea markets were higher as well. The market is talking of china buying over 1 mmt of Australian and Canadian wheat last week. EU wheat exports continue to exceed the pace their supply would seem to justify. Weekly US exports of 441,000 mt were in the range of estimates with Mexico taking 109,000 mt as the largest receiver with China taking 40,000 mt. Trade estimates for tomorrow's WASDE have both the US and World carryout's all but unchanged.

CASH BASIS BIDS	Nearby	March
<b>Corn Cif Nola</b>	75+H	73+H
Truck Hennepin	13+H	15+H
Truck St Louis	37+H	39+H
Iowa Interior UP		
Columbus CSX	8+H	10+H
Fort Wayne NS	1+H	7+H
Dlvd Hereford		
Dlvd PNW	NB	NB
KC RAIL		
Nebraska Grp 3	6-H	4-H
Dlvd Decatur	15+K	18+K
<b>Wheat Cif Nola</b>	110H	110+H
<b>Beans Cif Nola</b>	72+H	74+H
Truck Hennepin	4+H	11+H
Truck St Louis	35+H	37+H
Dlvd Decatur	10+H	18+H
Dlvd Des Moines	20-H	13-H
<b>IL R Barge Frt.</b>	415	385
<b>BNSF Shuttle Frt.</b>	Tariff	\$50