



John Stewart AND ASSOCIATES

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Corn

Argentina weather, late planting of 2nd crop Brazil corn, and support from soybeans pushed corn to close up .0275 at 5.5375 for March futures. In Argentina, passing areas of high pressure likely leave a wide area drier and warmer than normal over the next 10 to 14 days by keeping humidity too low for thunder to organize. Survey among analysts by Reuters expect Brazil's 20/21 corn production at 108.2MMT compared to 102.5MMT last year and the last USDA at 109.0MMT. They are also calling for higher planted acreage at 19.4M/ha versus 18.5M/ha last season. Even with estimates of 25% of the crop to be planted outside the ideal window they expect higher production. Mato Grosso's agriculture statistics agency IMEA has now pegged the rate of planting at just under 36% of the total planted area in the state, down from close to 80% a year earlier. There was an uptick today in farmer selling with part of it being new crop. We saw some strength in basis in the West while nearby CIF corn was off 5 cents due to barges getting loaded. Interesting that as we have moved into higher prices and they are back from holiday there have been no announcements on sales to China even with rumors last week of 7 cargoes.

CASH BASIS BIDS	Nearby	April
Corn Cif Nola	74+H	71+K
Truck Hennepin	13+H	14+K
Truck St Louis	47+H	39+K
Iowa Interior UP	10-H	2-K
Columbus CSX	15+K	25+K
Fort Wayne NS	11+K	13+K
Dlvd Hereford	95+H	95+K
Dlvd PNW		118+K
KC RAIL	25+H	25+K
Nebraska Grp 3	5-H	2+K
Dlvd Decatur	15+K	24+K
Wheat Cif Nola	110+H	110+K
Beans Cif Nola	80+H	75+K
Truck Hennepin	13+H	12+K
Truck St Louis	44+H	40+K
Dlvd Decatur	15+H	24+K
Dlvd Des Moines	20-H	15-H
IL R Barge Frt.	410	380
BNSF Shuttle Frt.	Tariff	-\$175

Beans

Soybeans were firmer overnight, closing 21c higher on the day. The highs were hit early in the trading session with the market closing 20c off highs. The market traded within 5c of January highs. Brazil continues wet in the north with harvest only 15% complete which is half of normal (31%). Brazil has shipped 3.44 mmt of beans in Feb. Argentina and southern Brazil on the other hand are forecast to remain dryer than normal over the next two weeks. Paranagua premiums remain on the defensive. US Cif beans are below delivery value equivalent, but the SH/SK spread is most likely as wide as it is going to get. FND is Thursday which could take a lot of fireworks out of the spread. Bean oil led the charge higher with the strength starting in overseas markets. There was also word out of DC that the EPA was not going to allow waivers to refiners which should boost biofuels.

Wheat

The wheat complex saw mixed trade with only CBOT wheat higher. WH is 1 ¾ cents higher at 6.65 ¾, KWH is 3 ½ lower at 6.41 and MWH dropped 1 ¾ to 6.36. Matif made a new contract high close remaining near 7 ½ year highs. A negative factor appeared to be the 3% drop in KS and TX ratings with the trade looking for more of a decline due to last week's Artic blast. TX is 30% good to excellent and KS is 40% 22% of TX wheat is headed, seemingly leaving it quite vulnerable to damage. The Philippines tendered for 70,000 mt of milling wheat and 75,000 feed wheat. Australia should be the supplier given their freight advantage. All three of the US classes remain well above the 20-day average.

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