



Tuesday, March 30, 2021

Upcoming Reports

EIA Report – Tomorrow, 9:30 am
Grain Stocks – Wednesday 11:00 am
Prospective Plantings – Wednesday, 11:00 am
USDA Export Sales – Thursday, 7:30 am
Commitments of Traders –Friday, 2:30 pm

Indices and Futures

Index	Last	Change
Dow Fut	33,016	-0.05%
S&P Fut	3,950	-0.23%
Nasdaq Fut	12,878	-0.51%
Nikkei	29,415	+0.19%
FTSE100	6,694	+0.03%
DAX	14,936	+0.63%
Shanghai	5,094	+0.95%

Macro News

The Biden administration announced an effort across several agencies to bolster deployment of wind energy, focusing the initial effort on an area off the New York and New Jersey coast. The Bureau of Ocean Energy Management (BOEM) announced the Wind Energy Area in the New York Bight (between Long Island and the New Jersey coast) with BOEM planning to announce a Proposed Sale Notice which will include a public comment period. The goal is for a lease sale late this year or in early 2022. The administration also announced it would seek to employ tens of thousands of workers to deploy 30 Gigawatts (30,000 megawatts) of offshore wind by 2030, including 44,000 workers in offshore wind by 2030 and 33,000 additional jobs in communities to support the wind activity. The effort would produce enough electricity for 10 million homes for one year and avoid 78 MMT of CO2 emissions.

The latest Census Bureau survey found about 17% of adults said they would either definitely or probably not get vaccinated, down from 22% in January, while a new CDC study showed vaccines from Pfizer-BioNTech and Moderna were effective in real-world use. President Joe Biden said new vaccine sites are being added, and asked Americans to keep taking precautions. With Covid-19 cases on the rise, the head of the CDC described a feeling of “impending doom.”

The Biden administration announced a three-month extension to a national eviction moratorium, a move designed to help millions of tenants who have fallen behind on their rent even as courts have disagreed on whether the relief is legal. The Centers for Disease Control and Prevention extended the eviction moratorium through June 30. It had been set to expire Wednesday.

Grain News

T-Storm Weather Summary: The central U.S. is moist after substantial rains this month, except for the Dakotas where drought worsened. Most areas will be dry over the next week as areas of high pressure dominate and turn a wide area mild early next week, except for a brief round of t-storms in the mid-South tonight-tomorrow. Some t-storms then follow in one to two weeks when a couple systems pass, but the setup does not appear conducive to repeated heavy rains. In Argentina, dry weather aids harvesting over the next 7 to 10 days. The same setup turns the southern half of second-corn in Brazil drier through the first third of April, but not the northern half where t-storms recur.

The 2020-2021 La Nina weather phenomenon has concluded as ocean temperatures in the Pacific have returned to normal levels, the Australian Bureau of Meteorology (BOM) said Tuesday. BOM changed its ENSO (El Nino–Southern Oscillation) Outlook to inactive after being in La Nina since October, adding that normal conditions are expected to remain in place until at least the end of September. “The 2020–21 La Niña has concluded. All of the international climate models surveyed by the Bureau anticipate [conditions] will remain neutral until at least the end of winter,” the BOM said.

Cordonnier raised his Brazilian soybean crop projection by 1 MMT to 133 MMT, citing welcome rains in Rio Grande do Sul. His bias is neutral going forward. Drier weather the next two weeks should allow harvest to accelerate across central Brazil. Cordonnier made no change to his Brazilian corn crop estimate of 105 MMT, and his bias is neutral to lower going forward. “The safrinha corn has been planted the latest in at least the last 10 years and now the forecast is calling for drier than normal weather across much of central Brazil for the next two weeks, which is very worrisome,” Cordonnier says. He also maintained his Argentine soybean and corn crop projections of 46 MMT and 45.5 MMT, respectively. His bias toward both crops is neutral to slightly lower going forward. “The recent rainfall in Argentina appears to be enough to stabilize the crops at a somewhat lower level, at least for the time being,” Cordonnier says.

U.S. farmers will likely plant 93 million acres to corn this season with yields likely to come in at 177.5 bu. per acre, generating a 15.12 billion bu. crop, Crop Consultant Dr. Michael Cordonnier said in his initial projections for the U.S. growing season. His yield projection is 2 bu. below USDA’s trendline yield, as he expects the addition of fringe area acres to lower the average. Cordonnier’s initial soybean planted acreage projection is 90.5 million, with an average yield projection of 50.8 bu. per acre. He suspects prevent plant acres will be low in 2021 given limited remaining snowpack, below-normal soil moisture during the winter for western and northwestern areas of the Midwest and the fact that no major Midwest rivers are in flood stage. If weather is good, he says corn and soybean plantings could edge higher.

The use of illicit African swine fever vaccines in China last year caused infections that cut hog supplies and lifted prices, said Ma Xiangjie, president of Henan Shuanghui Investment and Development, WH Group’s domestic unit. China’s largest processor WH Group in an earnings release said hog processing tumbled 46% in 2020 from the year prior due to tight supplies. The company also said it imported 700,000 MT of meat in 2020, with 70% of it coming from the United States. The processor expects hog production to climb in 2021, but it also commented that prices will likely remain well above those of overseas markets.

Yesterday, Argentina’s ag ministry announced it had discovered several meat export operations had undercut competitors and evaded taxes by failing to properly register their business with the state. Therefore, the country has suspended 15 meat exporters, impacting at least 40 MT of shipments. The report did not name the companies involved. The ag ministry says state prosecutors will begin preparing formal complaints soon.

Private exporters reported to the U.S. Department of Agriculture export sales of 100,800 metric tons of corn for delivery to unknown destinations during the 2020/2021 marketing year.

24-Hour Precipitation Map

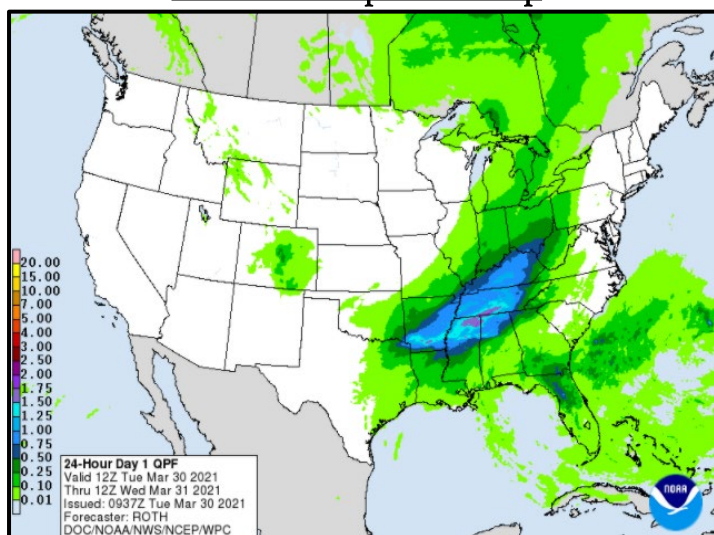


Chart of the Day

