



# John Stewart AND ASSOCIATES

April 7, 2021

## Corn

Corn being led higher by threatening SA weather and stronger cash market as it closed up .0625 at 5.605 for May futures. In Brazil, isolated to scattered storms focus on Mato Grosso into tomorrow, then end while the rest of the corn belt stays dry over the next five to seven days. Ethanol production for the week averaged 975,000 barrels per day which is up 1.04% vs last week and up 45.09% from a year ago. Producer selling remains slow as domestic and CIF basis remains firm. Producer is focused on planting now, in my drive from St. Louis to Bloomington, IL on Monday about every 5<sup>th</sup> field had a piece of equipment working. We had heard that China has bought 1-2MMT of US new crop corn over the Easter break so it will be interesting if it shows up in the export sales tomorrow. USDA export sales estimates are 500-900,000MT for old crop and 50-300,000MT for new crop.

## Beans

Beans weaker, following weakness in bean oil on reports a fund might have liquidated its position before the WASDE Friday. Once again, the strength in the overnight cannot be maintained with SK closing down 10 c. SK led the way lower with the first day of the Goldman roll today and weakness in CIF. April CIF traded at 57 yesterday, a 9c discount to May trading at 66K. The weakness nearby continues today as CIF traded another 6c lower in April this morning to +51K. CIF is already below delivery equivalents and if the April weakness rolls into May the only stopper could be a crusher in a delivery system designed for the export world. The SKSN spread traded into 5 ¼ c before the roll and closed at 5 ¾ c. China crush margins are defensive as some traders cite ASF. Brazil premiums seem to have found a bottom as harvest is finishing up and rumors of a couple cargos trading into the southeast of the US. Bean sales are guessed at 100,000 – 400,000 for old crop and 0 – 200,000 mt for new crop. Meal sales are guessed at 100,000 – 250,000 for old and 0 – 50,000 for new. Soybean sales are guessed 0 – 30,000.

## Wheat

The wheat complex is higher and MGE led the day's buying on the key North American weather concern being limited to the US spring wheat region of US and Canada. MWK closed 13 ¾ cents higher at 6.24 ¾. WK gained only ¾ cents closing at 6.16 ¼ and KWK is 7 ¾ cents higher at 5.63 ¼. The forecast remains stingy for precip in the spring wheat region. Matif futures made a new low today but closed higher yet 7 euros below Matif corn. Black Sea feed wheat is the cheapest feed grain in the world May through Sep. Japan tendered for 90,815 mt optional origin, and Egypt bought 345,000 mt with 290,000 from Russia and 55,000 Ukraine. Algeria bought 30,000 to 50,000 mt and Tunisia is tendering for 75,000 mt. The average carryout estimate for US wheat on Friday's WASDE is 847 mbu with a range of 827 to 872. The average estimate for the world carryout is 301.6 mmt. Weekly export sales estimates are 100,000 to 500,000 mt for old crop and 50,000 to 200,000 for new crop.

CASH BASIS BIDS	Nearby	May
<b>Corn Cif Nola</b>	73+K	67+K
Truck Hennepin	20+K	16+K
Truck St Louis	44+K	38+K
Iowa Interior UP	1+K	2+K
Columbus CSX	18+K	20+K
Fort Wayne NS	7+K	10+K
Dlvd Hereford	112+K	112+K
Dlvd PNW	134+K	130+K
KC RAIL	30+K	30+K
Nebraska Grp 3	8+K	8+K
Dlvd Decatur	20+K	24+K
<b>Wheat Cif Nola</b>	95+K	90+K
<b>Beans Cif Nola</b>	53+K	65+K
Truck Hennepin	5-K	8+K
Truck St Louis	21+K	33+K
Dlvd Decatur	40+K	40+K
Dlvd Des Moines	5+K	15+K
<b>IL R Barge Frt.</b>	350	340
<b>BNSF Shuttle Frt.</b>	\$500	\$50

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