John Stewart
AND ASSOCIATES

CASH BASIS BIDS	Nearby	March
Corn Cif Nola	72+H	71+H
Truck Hennepin	11+H	13+H
Truck St Louis	40+H	39+H
Iowa Interior UP	10-H	8-H
Columbus CSX	8+H	10+H
Fort Wayne NS	1+H	7+H
Dlvd Hereford	98+H	95+H
Dlvd PNW	NB	NB
KC RAIL	25+H	25+H
Nebraska Grp 3	6-H	4-H
Dlvd Decatur	15+K	21+K
Wheat Cif Nola	110+H	110+H
Beans Cif Nola	71+H	73+H
Truck Hennepin	4+H	9+H
Truck St Louis	35+H	37+H
Dlvd Decatur	10+H	18+H
Dlvd Des Moines	20-H	15-H
IL R Barge Frt.	410	390
BNSF Shuttle Frt.	$250	$150

February 10, 2021

Corn

Spillover selling from yesterday's neutral WASDE and an "unknown" corn sale cancellation pushed corn to close down .2175 at 5.345 for March futures. This morning started off with the USDA announcing the cancellation of 132,000MT of corn sold to unknown destinations for old crop delivery. Market believes those were Chinese corn sales being replaced by cheaper Argentina corn, and there was a ton of chatter today that China is done buying US corn. Obviously, the market is also still disappointed in the minor changes made by the USDA yesterday, but at this point you can't fight City Hall. Ethanol production for the week averaged 937,000 barrels per day which is up 0.11% vs last week, but still down 9.29% from this week a year ago. Farmer selling all but dried up today as basis was mixed with some processors trying to get some April/May coverage today. CIF market was softer with the weaker Argentina corn basis. Argentina farmer group after meeting with Argentine government officials this afternoon claimed there will not be any tax hikes on export, nor any market interventions. USDA export sales tomorrow are estimated to range between 1.0-1.8MMT.

Beans

Selling all day in beans with SH closing 47 ¾ c lower after a 50c trading range. SHSK lost 1 ½ c today in day four of the Goldman Roll with CIF below delivery equivalents. It is pretty remarkable the spread has hung in there through the roll. A lot of questions about river conditions with low water and ice creating problems. Some conversation about barge operators wanting to stay off the IL river until Feb 21. This would-be bullish CIF as STL, OH, and rail market would have to stem for a week. I don't expect it to impact spreads at this time. Export sales are expected to be 300,000 – 750,000 mt for beans. Meal sales are expected to be 150,000 – 350,000 mt with oil 5,000 – 30,000. Is China done purchasing US? That is the question the market faces with beans finally arriving at Brazilian ports. The lineup has reached 12 mmt with premium levels defensive. Brazil beans loaded in March delivered to China are 90c cheaper than US center gulf beans. Some analysts are still suggesting 75 mil bu of additional exports will hit the US books.

Wheat

All three wheat markets were lower on follow up to yesterday's trade. The selling was encouraged by the sharply lower corn and beans market where the March was 21 ¾ cent lower in corn and 47 ¾ for beans. WH is 14 cents lower at 5.35 ½, KWH is 19 ½ cents lower at 6.14, and MWH is 7 ¾ cents lower at 6.18 ¾. All three are below the 20-day moving average and above the 50-day. Matif futures are at their lowest level in a month. EU exports remain well ahead of USDA estimates and presumably unsustainable. Russia is the world's largest wheat exporter with a government tax formula for later in the year that makes deferred trade virtually impossible as there is no way of calculating that cost. Wheat is at present a mixed bag looking to corn for direction. Weekly export sales estimates are 250,000 to 500,000 mt.