



# John Stewart AND ASSOCIATES

**March 8, 2021**

## Corn

Corn reversed off a strong overnight opening to move lower during the day session on long liquidation ahead of tomorrow's report, only to come back towards the close to end up .015 at 5.47 for May futures. Mainly dry weather affects Argentina over the next five to seven days. Scattered storms follow once or twice within Sun.-Wed. when a system and cool front pass, most likely generating 0.50" to 1.50". In Brazil, isolated to storms unfold each day within central and northern areas, while southern Brazil and Paraguay stay fairly dry until possibly 10 to 14 days out. This morning USDA weekly corn export inspections came in at 1,544,460MT versus expectations of 1,450,000MT. Of the total 277,612MT was loaded out of Gulf and 70,831MT off the PNW. With talk now that ADM's 2 big ethanol plants in West will be coming up in April corn basis has a firmer tone. Farmer selling today was pretty light as CIF corn was up 3 cents with barge freight up 5%. Both Cif barges and PNW rail delivered are showing March at a premium to April. One would think we see higher barge freight values going forward with high water issues on the Ohio and at the Gulf. According to IMEA the safrinha corn in Mato Grosso was 73% planted late last week compared to 98% last year and 91% average. Cordonnier this afternoon left his Brazil corn estimate unchanged this week at 105.0MMT and left his Argentina corn crop unchanged as well at 45.5MMT.

## Beans

Beans firm all day with a 29c range. The strength came in the overnight with SK trading to 1460 before settling only 3 ¾ c firmer on the day. Palm oil touched a seven year high providing support. Bean exports were 21.5 mil bu which puts YTD at 1,932.2 mil bu with a USDA goal of 2,250 mil bu which means 86% of the program has been shipped for the year. Brazil February exports were the lowest in four years at 2.897 mmt as precipitation has slowed harvest to a crawl with 35% harvested. Harvest was 49% last year at this time. Several groups are suggesting further rains will lower crop estimates. WASDE tomorrow, the gov could increase exports by 50 mil but many in the trade think they will punt until the acres and stocks report comes out. The real fireworks should come later in the month with position limits doubling next Monday and the stocks / acreage report at the end of the month.

## Wheat

The wheat complex is lower independent of corn and beans with WK putting in a bearish outside day of trade closing below Friday's low down 6 ½ cents at 6.46 ½. KWK is 4 ½ cents lower at 6.21 ¾ and MWK is 3 ½ cents lower at 6.41 ¾ with neither having the chart negative day on CBOT wheat. The dollar index made another new high for the move, WTI crude sold off after trading up to its highest level since Oct of 2018, but Matif wheat was higher on the day. Russia and Ukraine were on holiday. Weekly exports of 482,000 mt were at the upper end of estimates and China took 131,000 mt of the total. 77% of the total exports was shipped off the PNW. Friday's COT report showed managed money long 52,000 contracts of KC wheat, up 2000 contracts and CBOT wheat long 25,000 contracts, up 5000 contracts. Trade estimates for tomorrow's WASDE are looking for only minor changes in ending stocks for both the US and World S&D's.

CASH BASIS BIDS	Nearby	April
<b>Corn Cif Nola</b>	79+K	77+K
Truck Hennepin	24+K	22+K
Truck St Louis	47+K	46+K
Iowa Interior UP	8-K	3-K
Columbus CSX	15+K	22+K
Fort Wayne NS	12+K	15+K
Dlvd Hereford		102+K
Dlvd PNW	120+K	118+K
KC RAIL	25+K	25+K
Nebraska Grp 3		0+K
Dlvd Decatur	18+K	24+K
<b>Wheat Cif Nola</b>	105+K	105+K
<b>Beans Cif Nola</b>	70+K	71+K
Truck Hennepin	9+K	10+K
Truck St Louis	34+K	36+K
Dlvd Decatur	18+K	24+K
Dlvd Des Moines	5-K	5-K
<b>IL R Barge Frt.</b>	370	370
<b>BNSF Shuttle Frt.</b>	\$600	Tariff