



Morning Agriculture Commentary

www.admis.com | Trading. Around the globe. Around the clock.

Wheat prices overnight are down 10 in SRW, up 11 in HRW, down 4 in HRS; Corn is down 1; Soybeans down 13; Soymeal down \$0.10; Soyoil down .75.

Chinese Ag futures (SEP 21) Soybeans down 8 yuan ; Soymeal up 21; Soyoil up 6; Palm oil down 32; Corn down 10 -- Malaysian Palm is up 200.

Malaysian palm oil prices overnight were down 156 ringgit (-3.50%) at 4301 tracking losses in soy markets as concerns of tight vegetable oil supplies began to ease and as traders waited for export tax decisions from top growers Indonesia and Malaysia.

Midwest corn, soybean and winter wheat forecasts: West: Scattered showers through Saturday. Temperatures near to above normal Tuesday, above to well above normal Wednesday-Saturday. East: Scattered showers through Saturday, mostly west. Temperatures near to above normal Tuesday, above to well above normal Wednesday-Saturday. 6 to 10 day outlook: Scattered showers Sunday-Thursday. Temperatures above to well above normal Sunday-Monday, above normal Tuesday-Thursday.

The player sheet had funds net sellers of 1,500 contracts of SRW Wheat; buyers of 4,000 corn, sellers of 9,000 soybeans, sellers of 6,000 Soymeal, and; net sellers of 1,000 lots of Soyoil.

	Corn	Soybeans	Wheat	Soymeal	Soyoil
May 18	+4,000	-9,000	-1,500	-6,000	-1,000
May 17	0	0	-5,000	-4,500	+7,000
May 14	-25,000	+2,000	+3,000	-5,000	+8,500
May 13	-65,000	-27,500	-16,500	-18,500	-5,500
May 12	-32,000	+10,000	-9,000	+5,000	+6,500

Preliminary changes in futures Open Interest as of May 17 were: SRW Wheat up 1,766 contracts, HRW Wheat down 1,633, Corn down 11,562, Soybeans down 315, Soymeal down 2,313, Soyoil up 24.

There were changes in registrations (-68 SRW Wheat, -7 HRW Wheat) Registration total: 20 SRW Wheat contracts; 16 Oats; 0 Corn; 165 Soybeans; 1,020 Soyoil; 442 Soymeal; 1,255 HRW Wheat.

TENDERS

- CORN SALE: The U.S. Department of Agriculture confirmed private sales of 1.36 million tonnes of U.S. corn to China for shipment in the 2021/22 marketing year.
- WHEAT TENDER: Japan's Ministry of Agriculture sought 121,501 tonnes of food-quality wheat from the United States, Canada and Australia in a regular tender.
- WHEAT TENDER: Bangladesh's state grains buyer has issued another international tender to purchase 50,000 tonnes of milling wheat, traders said. The deadline for submission of price offers is May 30, they said.
- CORN: Taiwan's MFIG purchasing group bought about 65,000 tonnes of animal feed corn to be expected to be sourced from Argentina in an international tender which closed on Wednesday

PENDING TENDERS

- VEGETABLE OIL TENDER: A Tunisian state agency issued an international tender to purchase up to 27,000 tonnes of vegetable oils.
- FEED WHEAT TENDER: Indonesia's state procurement agency Bulog issued an international tender buy and import about 180,000 tonnes of animal feed wheat.
- WHEAT TENDER: Algeria's state grains agency OAIC has issued an international tender to buy milling wheat to be sourced from optional origins.

US BASIS/CASH

- Old-crop soybean basis values tumbled amid weak export demand and falling domestic prices. New-crop values were largely steady.
- Robust Chinese demand for imported feed grains continues to support cash corn prices. The U.S. Department of Agriculture (USDA) on Tuesday confirmed another 1.36 million tonnes of new-crop U.S. corn sold to China, bringing confirmed new-crop purchases by the country to 8.16 million tonnes since May 7.
- Rising water levels on the lower Mississippi River are slowing shipment of grain barges to the Gulf. Some barge lines are restricting the number of barges per tow or limiting shipping hours to daylight only for some vessels. The restrictions are underpinning grain barge basis, traders said.
- CIF corn barges loaded in May were bid 5 cents higher at 95 cents over Chicago Board of Trade July CN1 futures. Barges loaded in June were bid 3 cents higher at 88 cents over futures.
- FOB offers for May corn export shipments were unquoted due to limited available loading capacity. June premiums were around 110 cents over futures.
- Soybean barges loaded in May were bid 2 cents lower at 70 cents over CBOT July SN1 futures, while export premiums for June soybean loadings fell 15 cents to 90 cents over futures.

TODAY---- EIA WEEKLY ETHANOL

ETHANOL: U.S. Weekly Production Survey Before EIA Report

	Survey Results			EIA
	Avg	Low	High	Prev. Week
Production (k bpd)	983	965	1,003	979
Stockpiles (m bbl)	19.513	19.000	19.893	19.393

CROP TOUR: 'Hearty' Kansas Wheat May Exceed USDA Yield Forecast

Wheat in Kansas, the biggest growing state in the U.S., is showing resilience after an onslaught of challenges ranging from record frigid temperatures to drought, according to crop experts on the first day of the Wheat Quality Council's annual tour.

- Yields for winter wheat are estimated at 59.2 bu/acre, based on 171 stops in fields throughout the region on Tuesday. That compares with 46.9 bu/acre and 240 stops on the first day of the tour two years ago
 - NOTE: There is no corresponding 2020 figure due to the pandemic
- Experts say many things can still go wrong before the harvest next month, but the wheat so far looks like a "pretty hearty crop," Romulo Lollato, wheat expansion specialist at Kansas State University, said in an interview
- "If the weather cooperates," yields could end up surpassing the USDA estimate for the Kansas wheat crop to average 48 bushels per acre, up 3 bushels from last year: Lollato
- Fields on day one of crop tour were muddy after heavy rains; still, precipitation remains lower than usual, said Lucas Haag, agronomist at Kansas State University

Anec raises Brazil's May soy export forecast to 16.1 mln T

BRAZIL SOY EXPORTS SEEN REACHING UP TO 16.189 MILLION TNS IN MAY VERSUS UP TO 15.316 MILLION TNS FORECAST IN PREVIOUS WEEK - ANEC

BRAZIL CORN EXPORTS SEEN REACHING 0 MILLION TNS IN MAY VERSUS 0 MILLION TNS FORECAST IN PREVIOUS WEEK - ANEC

Brazil private ports move 11% more cargo in Q1, driven by commodities trade - ATP lobby

Brazil's private port terminals moved some 185 million tonnes of cargo in the first quarter, an 11% annual increase driven mainly by trade in mineral and agricultural commodities, data compiled by private port lobby group ATP showed on Tuesday.

Even with delays caused by the weather, movement of solid bulk cargos including grains like soybeans grew by 7% in the first quarter, ATP data showed.

Coceral Boosts Europe's 2021 Wheat-Crop Estimate to 145.8M Tons

Coceral boosts its outlook for this year's EU wheat harvest to 145.8m tons, from an earlier outlook for 141.5m tons, the industry group said in an emailed report.

- Cites "excellent" yield prospects in the Balkan countries and Spain
- Last year's crop was 128.2m tons
- Barley crop estimate raised to 62.4m tons from 61.5m tons
- Corn est. boosted to 65m tons from 63.5m tons
- Rapeseed output seen at 17.6m tons vs. 17.7m tons in March

- NOTE: The figures include the U.K.

German Winter-Wheat Area for 2021 Harvest Rises 3%: Destatis

German farmers planted 2.84m hectares of winter wheat for this year's harvest, up 3% from the previous season, according to a statement from Germany's federal statistics office.

- Winter barley was planted on 1.26m ha, down 3.6% y/y
- Rapeseed was planted on 991,500 ha, up 3.9% y/y
- Total winter-grain area reached 5.08m ha, little changed from the prior year

Oilseed Meal Exports From India Fall 5.6% M/m in April: Group

Oilseed meal shipments fell to 303,458 tons in April from 321,435 tons a month earlier, the Solvent Extractors' Association of India said in an emailed statement on Wednesday.

- NOTE: Exports totaled 102,150 tons in April 2020
- Soybean meal exports 39,705 tons in April 2021 vs 25,940 tons a year earlier
- Rapeseed meal shipments 177,822 tons vs 21,493 tons

Manitoba Farmers Plant 76% of Crop as Temperatures Heat Up-

Warmer conditions enabled farmers in Manitoba to increase seeding, with large amounts of canola and soybean crops now planted, the provincial government says Tuesday in a weekly crop report.

- Plantings compare with four-year average of 77% completed for this time of year
- Lack of rainfall raises concerns about germination due to rapidly drying seedbeds
 - Seedbed soil moisture is dry to very dry
 - Extreme windy and dusty conditions are impacting herbicide applications
 - Hay and pasture growth is delayed due to overnight frosts and lack of moisture

Malaysia Keeps June Crude Palm Oil Export Tax at 8%

Gazetted price for crude palm oil at 4,627.40 ringgit per ton, which incurs the maximum export tax of 8%, according to a statement from the Customs Department posted on the Malaysian Palm Oil Board's website.

- NOTE: Tax has been kept at 8% since January, following a government exemption between July and December of 2020
- NOTE: Export duty structure starts at 3% when FOB prices for CPO are in the 2,250-2,400 ringgit per ton range
- Maximum tax rate is 8% when prices are above 3,450 ringgit per ton

Govt procures 30% more wheat from farmers than last year

New Delhi: The government has procured 36.6 million tonne of wheat so far in the current season, which is nearly 30% more than the quantity bought from farmers during the corresponding period last year, food ministry data shows. This trend suggests that foodgrain stocks are poised to be more than what is required for subsidised distribution among the poor through the public distribution system or PDS.

Argentina sells 18.5 mln tonnes of 2020/21 soy, lagging 2019/20 sales rhythm

Argentine growers have sold 18.5 million tonnes of soybeans from the current 2020/21 season, after clinching deals for 1.2 million tonnes over the last week alone. The data in the report was updated through May 12.

With farmers hoarding soybeans as a hedge against an anemic local peso currency, this year's sales rhythm is slower than last year's when, by mid May, farmers had sold 22.3 million tonnes of the oilseed. Despite strong current agricultural commodity prices, many farmers are opting to save by way of piling up soybean stocks rather than banking pesos. The local currency has weakened 10.6% so far this year to 94.17 per U.S. dollar.

Farmers in the South American grains powerhouse are currently harvesting 2020/21 soybeans and corn. The Rosario grains exchange expects a soy crop of 45 million tonnes and 50 million tonnes of corn to be harvested.

Growers in Argentina have sold 27.9 million tonnes of 2020/21 corn, according to the ministry's report, or 3.5 million tonnes more than what was sold by this point last year.

India's soybean planting could rise by over 10% on record prices

- Farmers seen switching away from pulses, cotton
- Production depends on June-Sept monsoon rains
- Higher soybean output could limit edible oil imports

Indian farmers are likely to expand their soybean planting area by more than a tenth in 2021 as record high prices for the oilseed could prompt some to switch from cultivating competing commodities such as cotton and pulses, industry officials said.

Increased production of India's main summer-sown oilseed could help the world's biggest vegetable oil importer trim costly purchases of palm oil FCPOc3, soyoil BOc1 and sunflower oil from Indonesia, Malaysia, Argentina and Ukraine.

Local soybean prices NSBc1 have more than doubled since the start of the 2020/21 marketing year on Oct. 1 and hit a record high of 8,100 rupees (\$111.00) per 100 kg last month on a sharp rise in soymeal exports.

"Soybean production depends on rainfall patterns. If the monsoon comes on time and remains conducive, we can expect higher production," Patel said.

Indian farmers planted soybean on 11.83 million hectares in 2020 and produced 10.4 million tonnes, according to SOPA.

German Winter-Wheat Area for 2021 Harvest Rises 3%: Destatis

German farmers planted 2.84m hectares of winter wheat for this year's harvest, up 3% from the previous season, according to a statement from Germany's federal statistics office.

- Winter barley was planted on 1.26m ha, down 3.6% y/y
- Rapeseed was planted on 991,500 ha, up 3.9% y/y
- Total winter-grain area reached 5.08m ha, little changed from the prior year

PALM OIL MOST EFFICIENT OIL CROP TO CATER FOR GROWING GLOBAL

Kenanga Research has posited that palm oil is the most efficient oil crop in terms of oil yield to land use, and hence the best environmental option to cater for the growing global population (+14 per cent by

2050). The research house said to produce one tonne of oil, palm only requires 0.26 hectare (ha) of land, while its biggest competitor soybean would require 7.7 times the amount at 2.0 ha.

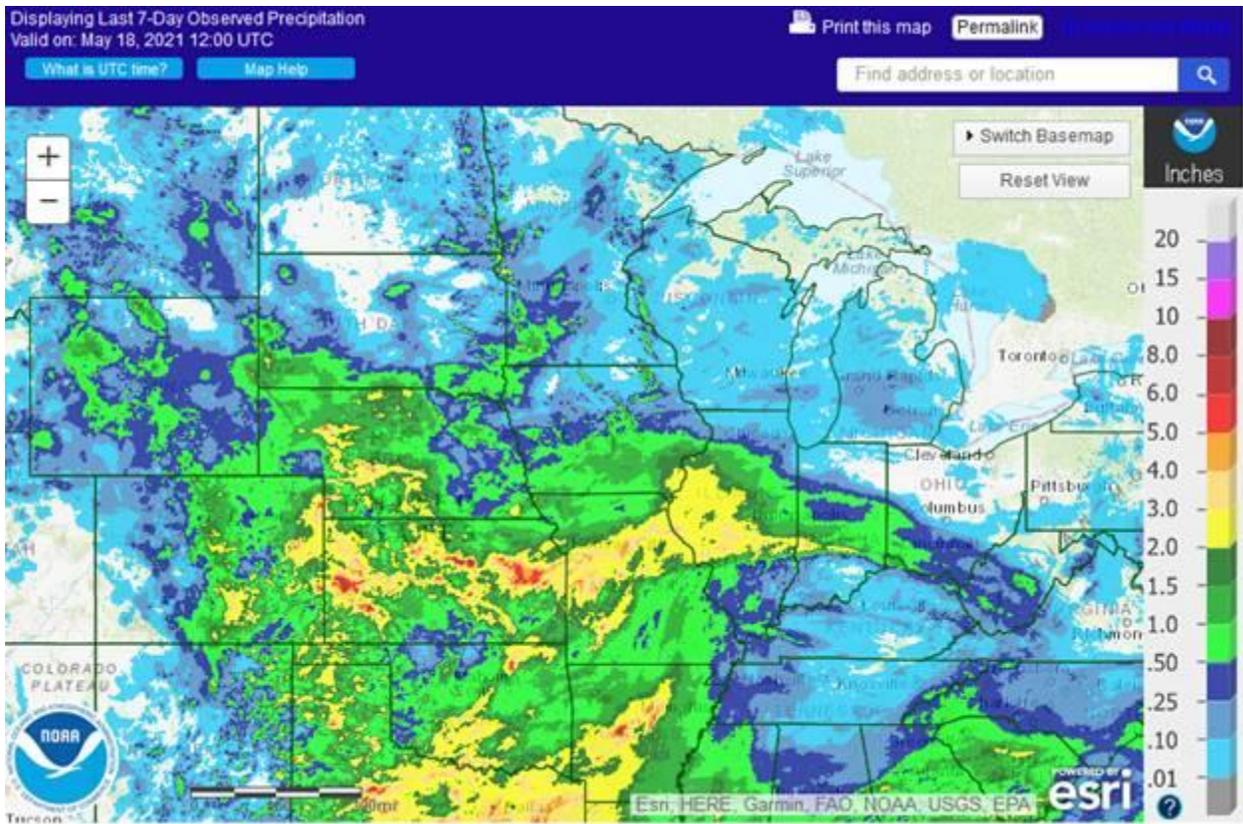
WEATHER SUMMARIES

WORLD SOYBEAN PROSPECTS: Dryness in Argentina favoring harvest. Scattered showers moving back in the middle of the week. Occasional showers moving through the Delta, may cause some planting delays but providing adequate to surplus moisture for development. Soil moisture in the southern Midwest is adequate to surplus but northern areas are in need of moisture. Periods of showers moving through the region over the next week, along with above normal temperatures, benefiting developing soybeans. Some showers causing planting delays in China. Temperatures are rising above normal, benefiting developing soybeans.

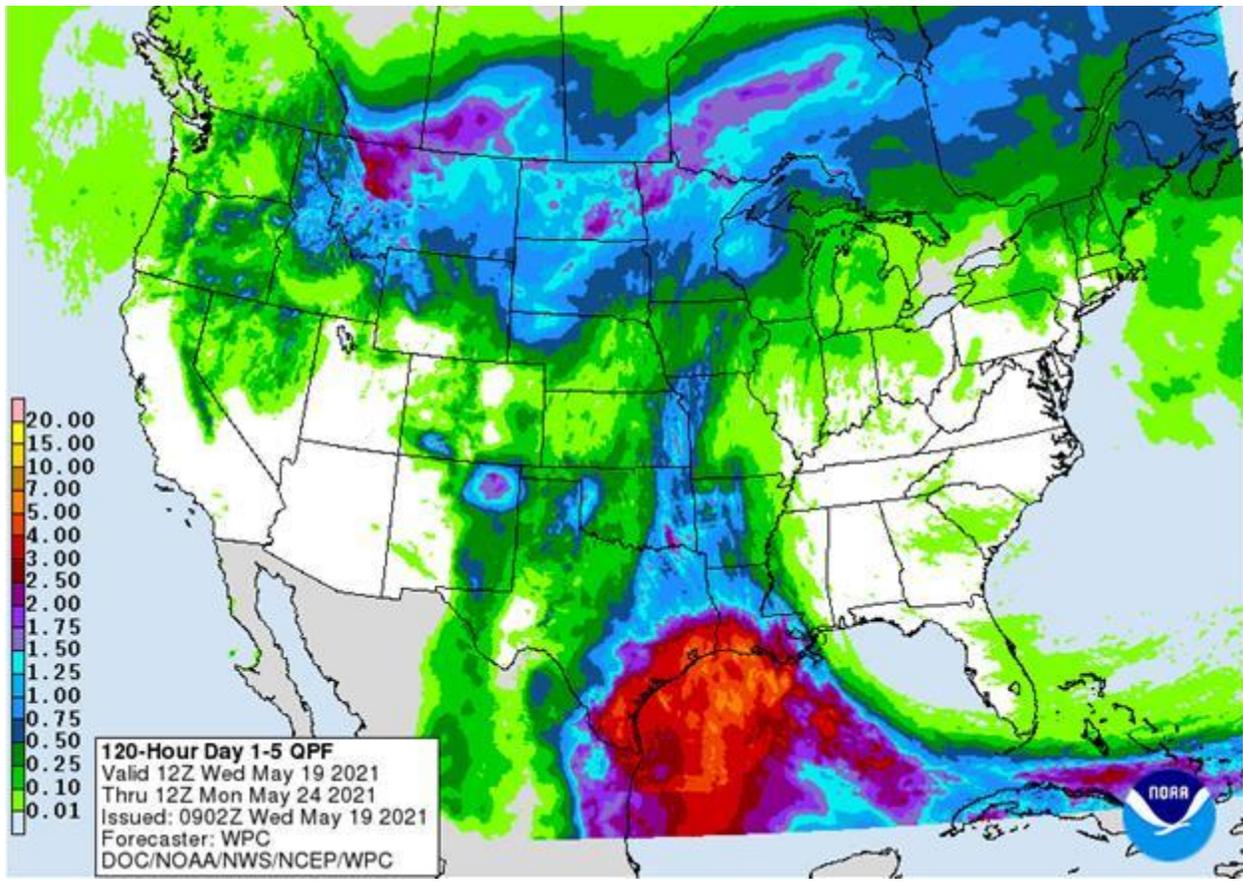
WORLD CORN PROSPECTS: Dryness in central Brazil is expected for the next week, stressing developing to reproductive corn. Some showers later this week and weekend in southern Brazil may help the crop in Parana and MGDS. Recent dryness in Argentina benefiting harvest. Scattered showers developing in the middle of the week. Dryness over South Africa benefiting harvest. Soil moisture in the southern Midwest is adequate to surplus but northern areas are in need of moisture. Periods of showers moving through the region over the next week, along with above normal temperatures, benefiting developing corn. Some showers causing planting delays in China. Temperatures are rising above normal, benefiting developing corn. Periods of showers in Ukraine and southwest Russia, but less so in Russia. Heat in Russia will diminish over the next week. Overall favorable weather for developing corn, but more showers would be beneficial in Russia.

WORLD WHEAT PROSPECTS: Periods of showers in the Central and Southern Plains will work through the region over the next week, benefiting developing to reproductive winter wheat. Showers increasing across the Northern Plains this week, benefiting germination and growth. However, temperatures are likely to fall below normal later this week into the next, which would limit growth. Dryness and drought causing a large concern in the Canadian Prairies as spring wheat planting continues. Showers look better later this week and weekend and could be enough to reduce drought. Temperatures will go below normal though and some accumulating snow will be possible. Winter wheat in northern and eastern Europe continue to see mostly below normal temperatures, slowing growth. Soil moisture remains mostly favorable, however. Conditions remain favorable in the south for reproductive to filling wheat. Wheat has seen good soil moisture in Ukraine and Russia since the winter, but it is getting drier in Russia, which could use some more moisture. Favorable conditions for planting winter wheat and early growth in Australia. Some showers would be beneficial in the east. Soil moisture is favorable for winter wheat planting and early growth in Argentina and southern Brazil.

US – LAST 7 DAY RAIN



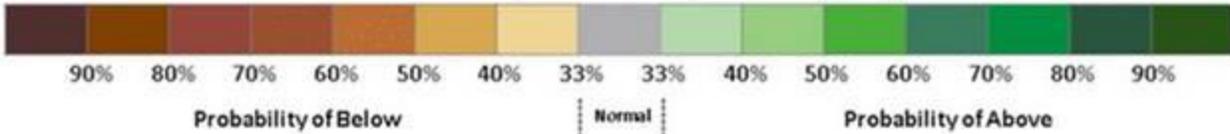
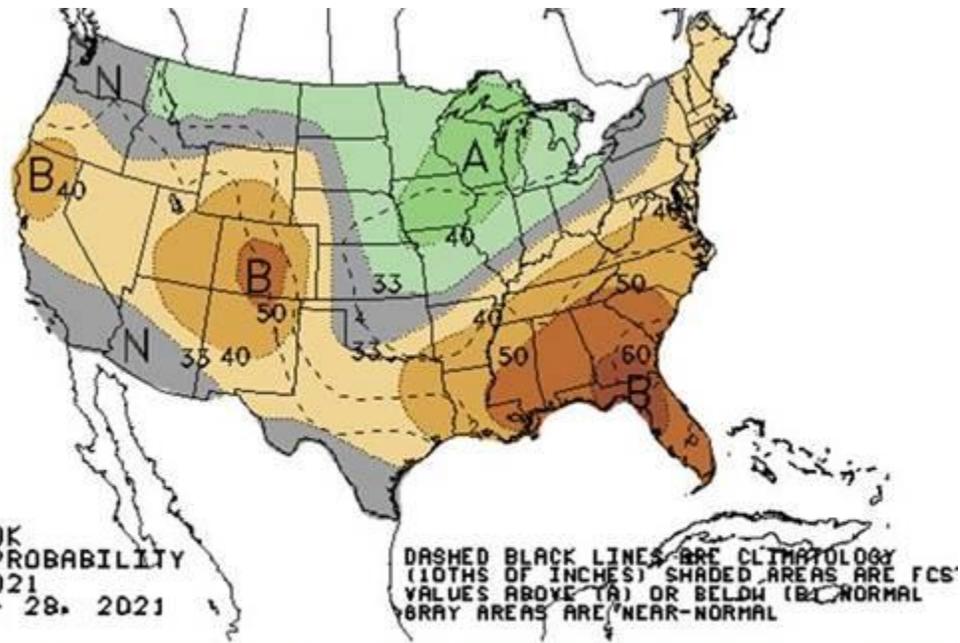
5 DAY PRECIP FORECAST



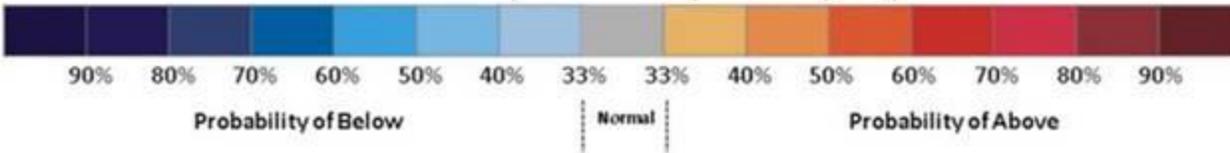
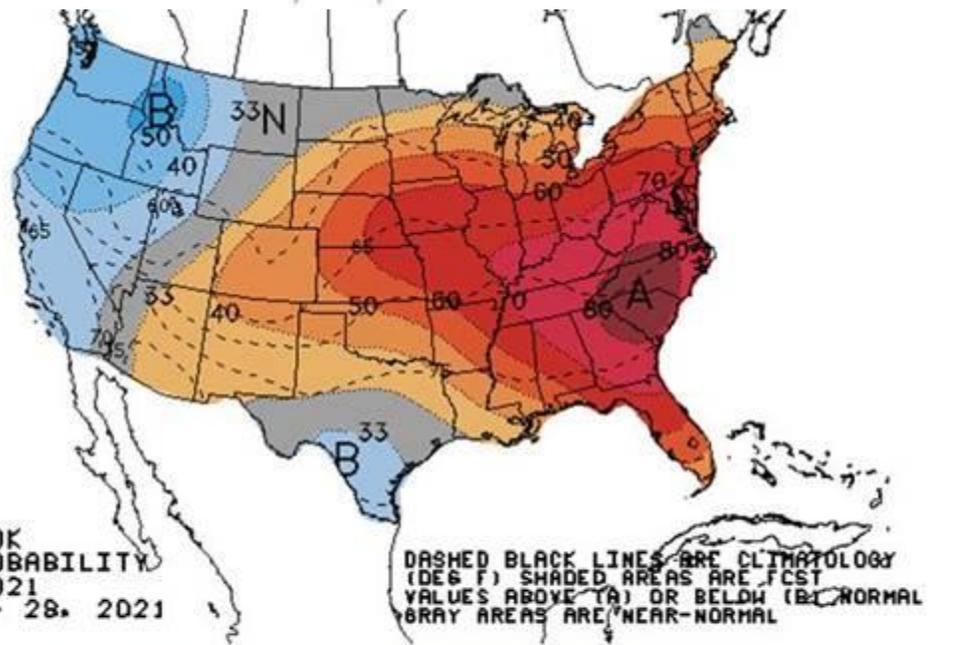
6-10 DAY FORECAST (TEMP/PRECIP)



6-10 DAY OUTLOOK
PRECIPITATION PROBABILITY
MADE 18 MAY 2021
VALID MAY 24 - 28, 2021



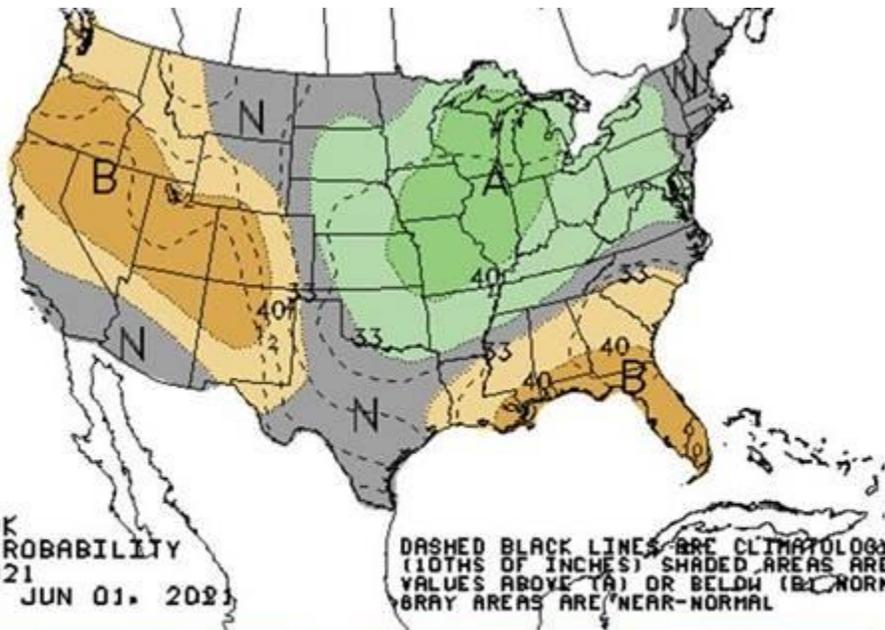
6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 18 MAY 2021
VALID MAY 24 - 28, 2021



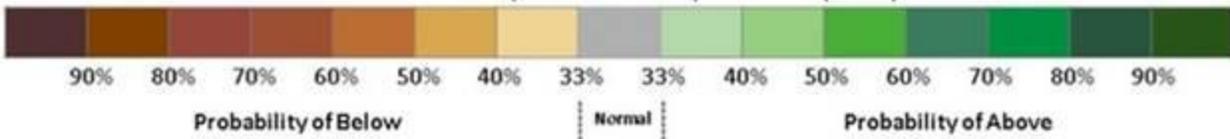
8-14 DAY FORECAST (TEMP/PRECIP)



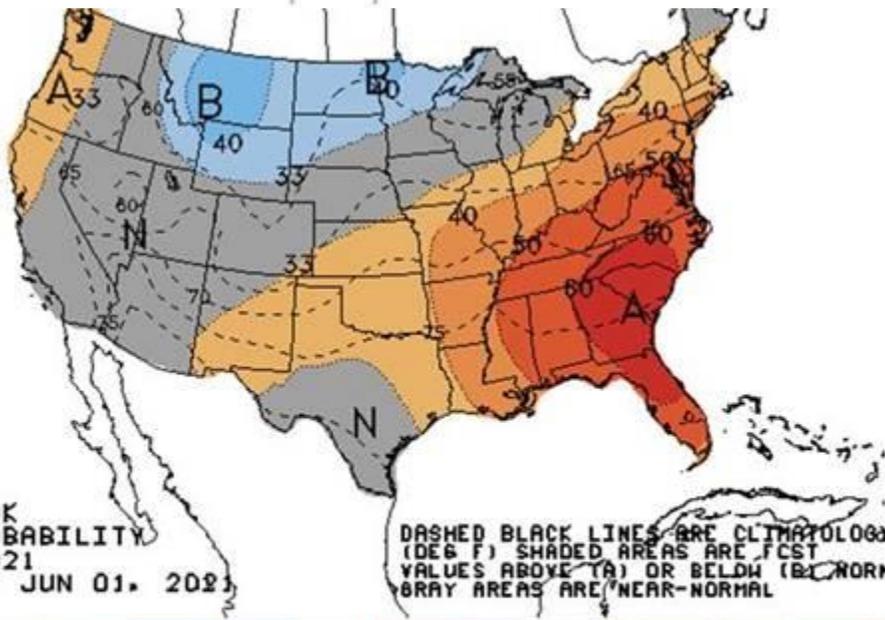
8-14 DAY OUTLOOK
PRECIPITATION PROBABILITY
MADE 18 MAY 2021
VALID MAY 26 - JUN 01, 2021



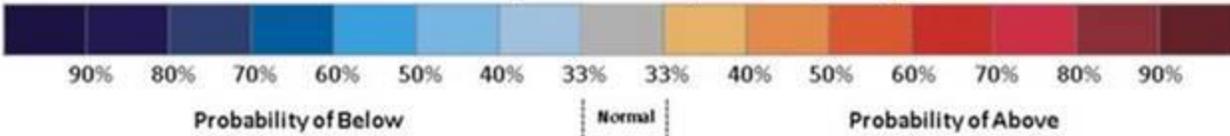
DASHED BLACK LINES ARE CLIMATOLOGY (10THS OF INCHES) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL



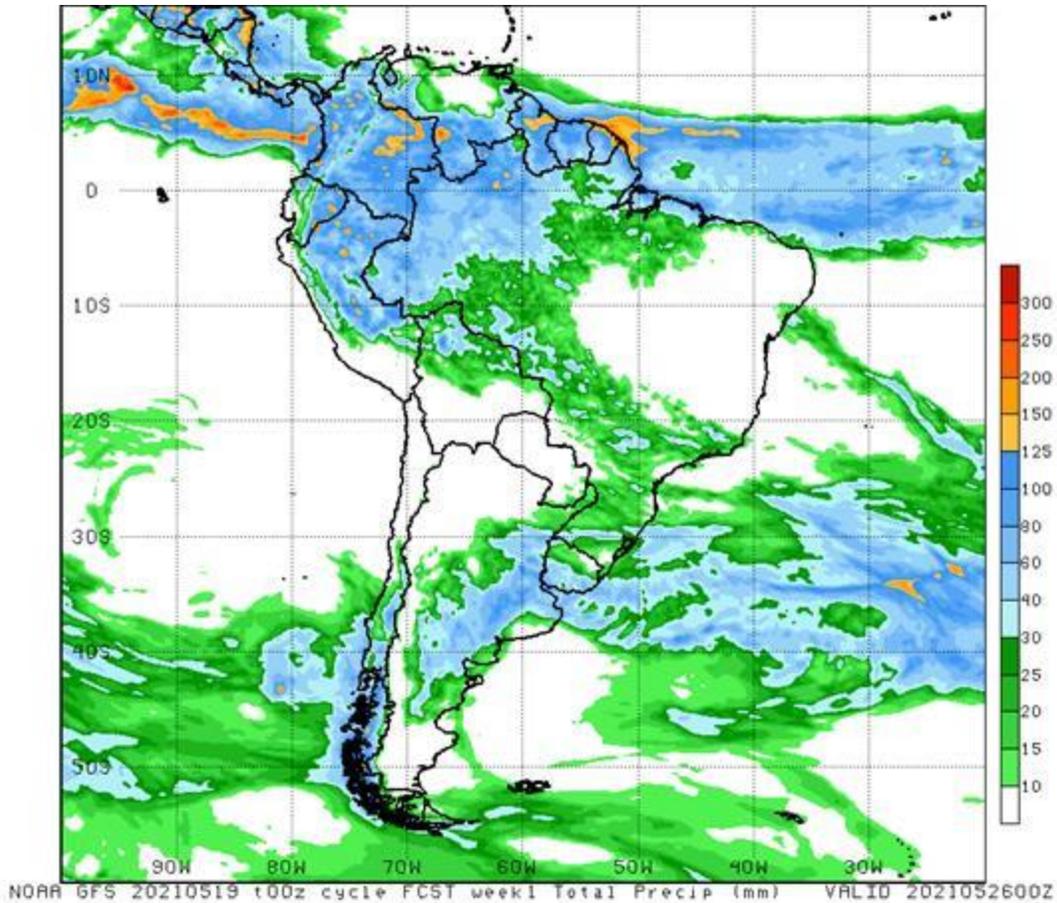
8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 18 MAY 2021
VALID MAY 26 - JUN 01, 2021



DASHED BLACK LINES ARE CLIMATOLOGY (10THS OF INCHES) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL



SOUTH AMERICA – 7 DAY PRECIP ACCUMULATION



This commentary is provided by ADM Investor Services, a futures brokerage firm and wholly owned subsidiary of ADM Company. ADMIS has provided expert market analysis and price risk management strategies to commercial, institutional and individual traders for more than 50 years. Please visit us at www.admis.com or contact us at sales@admis.com to learn more.

Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. The information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by Archer Daniels Midland Company. The author of this report did not have a financial interest in any of the contracts discussed in this report at the time the report was prepared. The information provided is designed to assist in your analysis and evaluation of the futures and options markets. However, any decisions you may make to buy, sell or hold a futures or options position on such research are entirely your own and not in any way deemed to be endorsed by or attributed to ADMIS.



CONFIDENTIALITY NOTICE

This message may contain confidential or privileged information, or information that is otherwise exempt from disclosure. If you are not the intended recipient, you should promptly delete it and should not disclose, copy or distribute it to others.