



Wheat prices overnight are up 1 1/4 in SRW, up 2 3/4 in HRW, up 1 in HRS; Corn is down 3/4; Soybeans up 4 3/4; Soymeal up \$0.03; Soyoil up 0.11.

For the month to date wheat prices are up 5 1/4 in SRW, up 13 3/4 in HRW, up 10 in HRS; Corn is down 11; Soybeans up 4 1/4; Soymeal down \$4.30; Soyoil up 0.36.

Chinese Ag futures (JAN 22) Soybeans down 4 yuan; Soymeal up 27; Soyoil up 22; Palm oil up 38; Corn down 9 -- Malaysian Palm is up 61. Markets finished last week with wheat prices up 3 3/4 in SRW, up 13 1/4 in HRW, up 3 3/4 in HRS; Corn is down 19; Soybeans down 6 1/4; Soymeal down \$0.58; Soyoil down 0.50. Malaysian palm oil prices overnight were up 61 ringgit (+1.41%) at 4392 as Malaysian production dropped and exports soared.

*Midwest corn, soybean and winter wheat forecasts:* West: Isolated showers Tuesday. Mostly dry Wednesday-Saturday. Temperatures near to above normal Tuesday, near to below normal Wednesday-Thursday, near to above normal Friday-Saturday. East: Scattered showers Tuesday-Wednesday. Isolated showers east Thursday. Mostly dry Friday. Scattered showers north Saturday. Temperatures near to above normal Tuesday, near to below normal Wednesday-Friday, near to above normal Saturday. 6 to 10 day outlook: Isolated showers Sunday-Thursday. Temperatures above normal Sunday-Thursday.

The player sheet for Sept. 3 had funds: net buyers of 4,500 contracts of SRW wheat, sellers of 1,500 corn, buyers of 5,000 soybeans, buyers of 1,500 soymeal, and buyers of 1,000 soyoil.

	Corn	Soybeans	Wheat	Soymeal	Soyoil
Sept. 3	-1,500	+5,000	+4,500	+1,500	+1,000
Sept. 2	+2,500	+2,500	+1,500	-2,500	+2,000
Sept. 1	-11,000	-9,000	-4,500	-2,000	-2,500
Aug. 31	-12,500	-6,500	-2,500	-1,000	-3,000
Aug. 30	-16,000	-11,500	-6,500	-3,500	-4,000

Preliminary changes in futures Open Interest as of September 3 were: SRW Wheat down 5,400 contracts, HRW Wheat up 1,351, Corn down 334, Soybeans down 2,347, Soymeal up 3,946, Soyoil up 1,297.

There were changes in registrations (2 Oats, -1 Soyoil). Registration total: 1,180 SRW Wheat contracts; 55 Oats; 0 Corn; 0 Soybeans; 299 Soyoil; 1 Soymeal; 1,275 HRW Wheat.

#### **TENDERS**

- **SOYBEAN SALE:** The U.S. Department of Agriculture confirmed private sales of 130,000 tonnes of U.S. soybeans to China for shipment in the 2021/22 marketing year.
- **WHEAT SALE:** The Taiwan Flour Millers' Association purchased an estimated 48,875 tonnes of milling wheat to be sourced from the United States in a tender that closed on Friday

#### **PENDING TENDERS**

- **FEED WHEAT TENDER:** An importer in the Philippines is tendering to purchase an estimated 60,000 tonnes of animal feed wheat
- **WHEAT TENDER:** Bangladesh's state grains buyer issued an international tender to purchase 50,000 tonnes of milling wheat
- **WHEAT TENDER:** The Taiwan Flour Millers' Association issued an international tender to purchase 48,875 tonnes of grade 1 milling wheat to be sourced from the United States
- **WHEAT TENDER:** Jordan's state grain buyer has issued a tender to buy 120,000 tonnes of milling wheat that can be sourced from optional origins
- **WHEAT FLOUR TENDER:** The state purchasing agency in Mauritius issued an international tender to buy 47,000 tonnes of wheat flour to be sourced from optional origins

#### **US BASIS/CASH**

- Basis bids for corn and soybeans shipped by barge to the U.S. Gulf Coast were mostly steady to lower on Friday, but down sharply in the week on slack demand due to export terminal closures following Hurricane Ida, traders said.
  - Much of the Louisiana Gulf Coast grain exporting capacity remained shuttered on Friday, as flooding and power outages from Hurricane Ida continue to cripple exports.
  - The lower Mississippi River remains closed from river mile 105 to 167.5 due to downed power lines, sunken vessels and other debris in the river. The Army Corps of Engineers is surveying the area through the weekend before deploying crews to clear the channel.
  - CIF basis values fell sharply this week as demand for near-term loads dried up as exporters were uncertain on how long terminals would be down. FOB export premiums soared as the downtime halted shipments and reduced export loading capacity.
  - CIF corn barges loaded in September were lightly bid at around 50 cents a bushel over Chicago Board of Trade December CZ1 futures on Friday, steady with Thursday, but down around 30 cents from a week ago.
  - CIF soybean bids for September loadings were around 65 cents over CBOT November SX1 futures, steady with Thursday, but down around 27 cents from a week ago.
- Spot basis bids for corn and soybeans fell on Friday at river terminals across the U.S. Midwest, grain dealers said.
  - Corn basis also fell at a processor in Blair, Nebraska and Decatur, Illinois.
  - A Cargill elevator in Council Bluffs, Iowa, is closed and not accepting loads of corn or soybeans, according to the company's website.

- Spot basis bids for corn and soybeans fell at river terminals across the U.S. Midwest early Friday, continuing a weekly trend, grain dealers said.
  - Soybean basis was mostly lower at processors in the Eastern U.S. Midwest, while one Lincoln, Nebraska processor firmed its bid.
  - Bids for corn at ethanol plants and elevators were steady to firmer, strengthening in Linden, Indiana and Cincinnati, Ohio.
- Spot cash millfeed offers were quietly unchanged on Friday in muted trading ahead of the long U.S. Labor Day holiday weekend, dealers said.
  - Most end-users have filled their feed needs for the immediate term and are looking ahead to next week and beyond, dealers said.
  - Expectations for tight near-term supplies underpinned spot millfeed prices.
  - The pace of milling in the Midwest and the Northeast will likely slow to 4-1/2 days to 5 days from an average of about 6 days recently because of the Labor Day holiday on Monday, a dealer said.
  - Easing corn prices have capped values for deferred shipments of millfeed. Corn competes with millfeed for a place in feed rations.
- Spot basis offers for U.S. soybean meal shipped by truck and rail were mostly steady on Friday, grain dealers said.
  - A Lafayette, Indiana, truck terminal lowered its basis, grain dealers said.
  - Bids and offers for soybean meal loaded onto barges upriver from the U.S. Gulf, as well as at the Gulf, were unquoted, as Gulf ports work to assess damage from Hurricane Ida that flooded export facilities and left the region without power. (Full Story)
  - A Cedar Rapids, Iowa, truck terminal had no offers, as it is down for planned maintenance through Sept. 20, an Iowa grain dealer said.

## **TODAY – EXPORT INSPECTIONS, CROP PROGRESS**

### **U.S. Ag Exports Resume on Lower Mississippi as Waterway Opens**

Most ports along the lower Mississippi River were reopened to traffic and cargo operations following lengthy closures from Hurricane Ida, allowing the resumption of agriculture product shipments.

Louis Dreyfus Commodities LLC became the first U.S. major grain elevator to return to action, loading the bulk carrier *Limnionas* at Port Allen, Louisiana facility on Sept. 5, according to vessel data analyzed by Bloomberg News.

The vessel totaling 85,035 deadweight tonnage is still in Baton Rouge after loading, but is destined for the Panama Canal. It had first visited the elevator on Aug. 27 before being interrupted by the hurricane and going into anchorage.

The *Wuhu*, a bulk carrier less than half the size of *Limnionas*, docked at the same elevator same day after the larger vessel left. The smaller handysize bulk carrier *Bona* also arrived at Associated Terminals' Myrtle Grove floating grain elevator on Sept. 5.

### **CFTC Money Managers' Commodity Positions for Aug. 31 (Table)**

			Weekly	Weekly
Agriculture:	Aug. 31	Aug. 24	Net Chg	% Chg
Corn	258,785	270,994	-12,209	-4.5%
Soybeans	69,141	83,225	-14,084	-16.9%
Soybean Oil	55,306	66,987	-11,681	-17.4%
Soybean Meal	11,856	20,728	-8,872	-42.8%
Wheat CBOT	11,370	11,982	-612	-5.1%
Wheat KCBT	47,705	47,391	314	0.7%
Sugar	264,315	269,822	-5,507	-2.0%
Cocoa	13,753	19,727	-5,974	-30.3%
Cotton	89,441	84,057	5,384	6.4%
Coffee	38,657	35,482	3,175	8.9%
Live Cattle	83,646	92,649	-9,003	-9.7%
Feeder Cattle	12,262	12,539	-277	-2.2%
Lean Hogs	83,389	79,207	4,182	5.3%

#### U.S. Corn, Soy, Wheat Ending Stocks Survey Before WASDE

	Survey Results			USDA	Avg vs
2021-22 Ending Stocks:	Avg	Low	High	Aug.	Prior
Corn	1,341	1,018	1,610	1,242	99
Soybeans	182	132	260	155	27
Wheat	613	555	652	627	-14
2020-21 Ending Stocks:					
Corn	1,159	1,091	1,224	1,117	42
Soybeans	168	140	199	160	8

#### U.S. Corn, Soybean Production Survey Before USDA WASDE (Table)

	Survey Results			USDA	Avg vs
2021-22 Crop:	Avg	Low	High	Aug.	Prior
Corn Yield	175.6	173.0	177.5	174.6	1.0
Corn Production	14,901	14,709	15,116	14,750	151.4
Soybean Yield	50.3	49.5	51.2	50.0	0.3
Soybean Production	4,365	4,300	4,440	4,339	26.3

#### World Corn, Soybeans, Wheat Survey Before USDA WASDE Report

2021-22	Survey Results			USDA	Avg vs
Ending Stocks:	Avg	Low	High	Aug.	Prior
Corn	285.1	278.0	290.5	284.6	0.5
Soybeans	96.7	91.2	98.7	96.2	0.5
Wheat	278.1	275.0	281.7	279.1	-1.0

### Brazil, Argentina Corn and Soy Survey Before USDA WASDE Report

The following table shows results of a Bloomberg News survey of as many as 17 analysts for the USDA's World Agricultural Supply and Demand report, which is scheduled for release at noon in Washington on Sept. 10.

	Survey Results			USDA	Avg vs
	Avg	Low	High	Aug.	Prior
2020-21 crop:					
Corn - Argentina	48.5	47.0	49.5	48.5	0.0
Corn - Brazil	84.8	82.0	87.0	87.0	-2.2
Soybeans - Argentina	45.9	45.0	46.5	46.0	-0.1
Soybeans - Brazil	136.7	134.0	137.0	137.0	-0.3

### IHS Markit sees U.S. 2021 corn yield at 175.4 bu/acre -traders

Private analytics firm IHS Markit Agribusiness on Friday lowered its forecast of the average U.S. 2021 corn yield to 175.4 bushels per acre, from 176.5 a month ago, according to traders and portions of an IHS client note seen by Reuters.

However, the firm raised its forecast of U.S. corn production to 15.091 billion bushels, from 14.911 billion previously. For soybeans, IHS Markit pared its U.S. yield estimate to 50.0 bushels per acre, from 51.5 last month, and lowered its production estimate to 4.358 billion bushels, from 4.464 billion previously.

### China Aug. Soybean Imports 9.488m Tons: Customs

General Administration of Customs says on website.

- Soybean imports YTD rose 3.6% y/y to 67.099m tons
- Edible vegetable oil imports in Aug. 881,000 tons
  - Edible vegetable oil imports YTD rose 15% y/y to 7.5m tons
- Meat (including offal) imports in Aug. 758,000 tons
  - Meat (including offal) imports YTD rose 1.7% y/y to 6.69m tons

### China's Think Tank Cuts Corn Demand Outlook on Feed Substitution

China's top agricultural think tank reduced its estimate for the country's corn consumption in 2020-21 as high prices bolstered the use of substitutes in animal feed.

The China National Grain & Oils Information Center cut its forecast for domestic corn demand by 2 million tons to 276 million tons in the marketing year ending September, which is almost 20 million tons lower than the year before. Its estimate for 2021-22 consumption is unchanged at 286 million tons.

Other details:

- Corn imports for 2020-21 revised up 1m tons to 29m tons, after the center lifted the outlook by 40% in April
- Corn output for 2021 seen at 273m tons; while that's a record high, it's slightly lower than a previous forecast due to extreme weather
- READ: China's Corn-Buying Binge May Fall Short as Bumper Harvest Looms
- The country's soybean harvest is expected to fall on-year in 2021 for the first time in six years, the center says in a separate report

- This is due to lower soybean planting acreage amid higher prices and subsidies for corn
- Soy production may fall by 1.2m tons to 18.4m tons in 2021

### **French wheat quality survey confirms weak test weights**

Most of this year's rain-affected French soft wheat crop was failing to meet a usual milling standard, initial quality results published by farm office FranceAgriMer showed.

For test weights, a key measure of wheat quality, only 39% of the crop was estimated to surpass the 76 kg per hectolitre (kg/hl) minimum commonly applied for milling in France, according to preliminary data published on FranceAgriMer's website.

In last year's harvest, 98% of the crop exceeded the 76 kg/hl level.

Test weights have been the focus of concerns about damage from heavy summer rain, hampering efforts to export French wheat to major markets like Algeria.

### **Argentina Ships Record Crops From Atlantic Amid River Drought**

The lowest water levels at river export hub Rosario for 50 years are forcing exporters to top up cargoes at Atlantic ports, where in August they loaded 2.5m metric tons of crops, the Rosario Board of Trade says in a weekly newsletter.

- That's the most for any single month on record
- Volume of crops loaded at Atlantic ports accounted for 24% of Argentina's August shipments, which is well above average
- The dynamic mostly affected corn, which finished being harvested in August
  - Of the 4.5m tons of corn that Argentina shipped in August, 1.3m were loaded at Atlantic ports, a monthly record

### **Brazil Crop Delivery Defaults Mount After Price Surge: Lawyer**

About 45 lawsuits have been filed since March against soybean, corn and coffee farmers for failing to deliver crops sold in advance to trading houses, according to Fernando Billoti, a partner at Sao Paulo-based law firm Santos Neto.

- "We've never had so many lawsuits in a single year," he said in a telephone interview
- In about 40% of suits, trading firms and farmers reached an agreement
- About 25 lawsuits involved defaults on soybean contracts, 15 for corn and 5 for coffee
- "In coffee, the problem is just starting as most contracts expire in September," Billoti said
- Most defaults have been triggered because commodity prices jumped at least 70% since first contracts were set

### **Australia Predicts Record-Smashing Canola Crop of 5 Million Tons**

Australia boosted the forecast for its upcoming canola crop to a record 5 million tons as ample rains provided optimum growing conditions, offering some relief for short global supplies of the oilseed.

The government forecaster increased its 2021-22 canola crop outlook by 20% from a June estimate, as producers expanded the area planted to the oilseed due to excellent weather and strong prices. The global market has seen tight balance sheets and prices hover around record highs as severe heat and drought withered the crop in Canada, the biggest producer.

The Australian Bureau of Agricultural & Resource Economics and Sciences also increased wheat and barley estimates from June, after the overall area sown to winter crops reached a record high of 23.2 million hectares, up 2% from last year. Abundant rainfall in spring along the east coast and in South Australia will further boost the winter crop at the tail-end of the season, it said.

The national winter crop harvest is expected to reach 54.8 million tons in 2021-22, an increase of 17% from the forecast in June. While that's 2% lower than last year, it's about a third above the 10-year average to 2020-21.

- NOTE: 2020-21 canola production has been revised upwards by around 500,000 tons after exports in New South Wales and Victoria point to higher production than previously estimated.
- Other highlights from the report:
  - Large mouse numbers are expected to return due to excellent crop conditions. Some local losses can be expected, but it's unlikely to lower national production.
  - Summer crop output may rise 33% to around 4.4m tons in 2021-22.
  - Cotton production is expected to lift by 72% to over 1m tons of lint and 1.5m tons of seed.
  - Rice production is forecast to increase by 44% to 660,000 tons.

In '000 tons	Sept	June	% change	2020-21
Canola	5,037	4,211	+20%	4,524
Wheat	32,633	27,819	+17%	33,337
Barley	12,477	10,366	+20%	13,093

#### **China flags more access for African agricultural exports is on the way**

- The issue is expected to feature prominently at the next forum on China-Africa cooperation in Senegal
- Minerals and other raw materials make up the vast majority of Africa's trade with the Asian giant

China is preparing to expand its African imports beyond minerals and into agriculture, with detailed measures expected to be revealed at a trade forum in coming weeks.

The current trade imbalance is starkly illustrated by Kenya, known for its tea, coffee and cut flowers, none of which are among its top five exports to China. Instead, 70 per cent of the East African country's sales to the Asian economic giant are minerals, despite the relatively small size of its resources industry.

#### **Malaysia's palm oil board cuts 2021 production outlook**

Malaysia's palm oil board on Tuesday cut its outlook for the nation's 2021 crude palm oil production to 18 million tonnes, compared with its earlier forecast of 19.7 million tonnes.

Crude palm oil prices will average 4,000 ringgit per tonne this year, Malaysian Palm Oil Board (MPOB) Director General Ahmad Parveez Ghulam Kadir said at a virtual industry conference.

He said the 2021 palm oil stockpile will rise to 1.7 million tonnes, from 1.26 million tonnes last year.

#### **Brazil's 2020/21 corn crop seen at below 82 mln tonnes - AgRural**

Brazil's 2020/21 total corn crop is now expected to reach 81.9 million tonnes, more than 20 million tonnes below last year's harvest, agriculture consultancy AgRural said on Monday, due to unfavourable weather conditions.

AgRural had previously estimated the corn crop to reach 82.2 million tonnes, versus 102.6 millions tonnes in 2019/20, following damages from drought and frosts.

Most of the cuts were made to Brazil's second corn crop, currently being harvested, which is now seen at 55.6 million tonnes, versus 75.1 million tonnes in 2019/20. Harvesting reached 95% as of Thursday, AgRural said.

For Brazil's 2021/22 first corn crop, AgRural said that planting in the Center-South region reached 10% as of Thursday, up 5 percentage points from the previous week but 4 points behind last season.

AgRural estimated Brazil's first corn crop to be planted in 2.973 million hectares, up 0.6% from the previous season.

### **Brazil 2020/21 Soybean Sales 85.9% Done as of Sept. 3: Safras**

Brazil 2020/21 soybean sales at 85.9% as of Sept. 3, compared with 97.9% a year ago, consulting firm Safras & Mercado says in emailed report.

- 5-year average is 88.5%
- Advanced sales for 2021/22 season are at 25.6%, compared with 49.3% a year earlier and a 5-year average of 24.9%

### **SOYBEAN/CEPEA: Prices at CME are the lowest in 2021; scenario abroad presses down values in BR**

Soybean prices have faded in the Brazilian market this week, due to the dollar depreciation against the Real and devaluations abroad. In the United States, price drops reflected the current favorable weather to soybean crops and expectations for a large harvest in the country. And despite the nearness of the new season, American soybean exports may decrease this month because of the Hurricane Ida, which has blown across the USA this week and damaged the major shipping waterway for grains in the country (Mississippi Gulf Coast).

**BRAZILIAN MARKET** – Aware of the logistic issues in the United States, Brazilian soybean farmers have been cautious about selling the product, expecting international demand to be reallocated to Brazil in the coming weeks. This scenario widened the gap between asking and bidding prices in the domestic market, resulting in low liquidity.

And the Brazilian exports of soybean are already at a fast pace. According to Secex, in August, Brazil exported 6.49 million tons of soybean, 11.36% more than that shipped a year ago and the second highest volume for a month of August, only after that from August/18, when exports totaled 8.1 million tons. On the other hand, this year, Brazil has exported 72.7 million tons of soybean, 2.52% less than that shipped between January and August last year.

**2021/22 SEASON** – The disinterest of Brazilian soybean farmers in selling the product is linked to expectations for the La Niña phenomena, which may reduce rainfall and increase temperatures in central-western, southeastern and southern BR, and increase precipitation in the northern and northeastern regions. This scenario tends to damage the 2021/22 soybean crop, majorly between December and January (beans-filling stage). Thus, farmers are monitoring the weather, and many of them may begin sowing as soon as the host-free period ends and it rains again.

### **CORN/CEPEA: Supply increases in the Brazilian spot market, and prices continue to drop**

Cepea, September 3 – With most Brazilian purchasers disinterested in buying corn, and the harvesting in progress, corn supply has been increasing in the domestic spot market. Thus, some of the purchasers that needed to replenish inventories took the chance to buy the product, however, liquidity is still low.



The recent price drops in Brazil and abroad are keeping low the number of deals for exports. This week, corn prices at the port of Paranaguá (PR) decreased by 2.1, closing at 76.18 BRL/60-kilo bag on Thursday. In Santos (SP), prices decreased by 7.5%, to 75.02 BRL/bag. This scenario was also linked to the dollar depreciation, by 1.2% between August 26 and September 2, to 5.185.

As regards corn exports, although the volume shipped in August increased, it was not so high. According to data from Secex, Brazil exported 4.34 million tons of corn last month, 44% less than that in August last year. With the current export pace, agents believe shipments will not reach the 23.5 million tons forecast by Conab (Brazil's National Company for Food Supply). Between Feb/21 and Aug/21, Brazil exported 7.67 million tons of corn.

On the other hand, corn imports surprised. In August, Brazil imported 145.71 thousand tons of corn, two-fold the volume imported in August/2020 (Secex). Since Feb/21, when the season began in Brazil, imports have totaled 949 thousand tons. This volume is still lower than the 2.3 million tons estimated by Conab until January 2022.

Despite the price drops, estimates point to low inventories in the current season. For the USDA, the inventory/consumption ratio in the 2020/21 season is forecast at 24.5%, which had not been observed since 2013/13 (when it was 22.6%). In Brazil, ending stocks (in Jan/22) are forecast to be the lowest since 2011/12, at 5.14 million tons.

**CROPS** – Sowing activities of the summer crop are stepping up in southern Brazil. In Paraná, despite the dry weather, 3% of the total area allocated to the 2021/22 summer crop had been sown until August 30, according to Seab/Deral. In Rio Grande do Sul, rains this week have favored activities, according to Emater/RS.

#### **India allows GM soymeal imports via three more ports**

India on Friday allowed imports of genetically modified (GM) soymeal through three more ports, according to a government order seen by Reuters, facilitating overseas purchases of the animal feed in large volumes.

New Delhi last month allowed imports of GM soymeal for the first time to help the poultry industry, which is reeling from a surge in local soymeal prices that tripled in a year to a record high.

#### **Russian Wheat Yields Fall Further; Are Down Y/y: Ministry**

Russian farmers harvested 23.2m hectares of wheat as of Sept. 6, compared with about 23.1m hectares as of a similar time last year, according to data from the Agriculture Ministry's analytical center.

- The average wheat yield is 2.94 tons/hectare, compared with 3.3 tons/hectare last year

#### **Russia cuts grain exports nearly 23% to 6.7 mln tonnes by Sept 2 - AgMin**

Russia exported 6.7 million tonnes of grain from July 1 to September 2, down 22.8% from 8.7 million tonnes in the same period of last year, the Agriculture Ministry said in a statement citing real-time data of the Federal Customs Service (FCS).

Exports of wheat declined 18% to 5.8 million tonnes, barley - 42.5% to 0.8 million tonnes, and corn - 65.9% to 0.1 million tonnes.

According to the AgMin's estimate, Russia's export potential for the current marketing year, which runs from July 2021 to June 2022, amounts to 51 million tonnes of grain.

#### **Export prices for Russian wheat have topped \$300/tonne - experts**

Prices for 12.5% protein Russian wheat strengthened \$3 last week, to \$301 per tonne on FOB terms at deepwater ports, SovEcon said in a statement citing monitoring data.

This is the highest level since April 2021. Since June, prices have risen more than \$50 per tonne amid deteriorating prospects for the new harvest in Russia and Canada. An additional factor is the growth of domestic prices and the application of the hard to predict export duty, the experts said in the statement. "Since June, the prospects for the new wheat harvest in the Northern hemisphere have begun to rapidly deteriorate. A significant part of the Russian harvest was affected by arid and hot weather. A factor of no less import was reduction of the area under winter crops, which was only reported in July, " the statement said.

### **Biggest Armyworm Invasion in 30 Years Skips Crops to Get Turf**

- Behavior of these wormy pests is baffling U.S. bug experts
- Moths probably reached Virginia on storm front winds

Fall armyworms are marching across the U.S., turning lush green lawns into dull brown as the invasion spreads from Virginia across the northeastern states and beyond.

It's the largest infestation entomologist Thomas Kuhar has seen in 30 years, and perhaps the most unique. These pests are often found in crops such as corn, rice and sorghum, though the Virginia Tech professor said this year's outbreak is selectively targeting lawns and some hayfields while bypassing crops armyworms typically also devour.

"That's not a normal fall armyworm behavior," he said in a phone interview. "They should just be devouring things in their path."

By the time a lawn turns brown, the worm-like larvae have already been camped out there for three weeks to a month. They eventually become moths -- a single female can lay as many as 1,500 eggs.

While they typically aren't much of a problem in a state as far north as Virginia, Kuhar said the moths probably traveled up from the southern U.S. on storm front winds.

### **Chinese beef buyers expect Brazil trade to resume soon despite mad cow cases**

Chinese beef importers said on Monday the suspension of exports by top supplier Brazil due to two cases of mad cow disease has had no immediate market impact, with some still making purchases in anticipation of a quick resumption of trade.

Brazil said on Saturday it had confirmed two cases of 'atypical' mad cow disease in different states, and was suspending beef exports to China as part of a prior agreement on the issue with its top buyer. (Full Story)

Despite Brazil's dominant 40% share of China's beef imports, prices had not moved by Monday and some importers were still looking for deals.

"We're still buying, factories have to keep up their stocks," said Grace Gao, general manager at Dalian-based importer Goldrich International.

In Brazil, the fourth-largest beef processor Frigol said on Monday it would furlough workers at one of its plants for 15 days, with a source with knowledge of the matter telling Reuters the move was in response to the export suspension.

Frigol's press office said the furloughs were due to a seasonal slowdown in Israeli demand and declined to comment on a possible connection to China exports. The company did not immediately give details about how many were furloughed

'Atypical' mad cow is considered to be of lower risk than the classical form of the disease, as it occurs naturally and only sporadically in older cattle. 'Classical' mad cow disease, or BSE, is transmitted by contaminated feed and has been linked to variant Creutzfeldt-Jakob disease in people. Brazil previously suspended exports for 10 days in 2019 after reporting an 'atypical' case.

"I assume the Chinese government won't ban imports," said Pan Chenjun, senior analyst at Rabobank.

"Brazil is so important."

Brazil has shipped more than 500,000 tonnes of beef to China from January to July this year, or 38% of China's total imports, Chinese customs data show, putting it far ahead of No.2 supplier, Argentina, which supplied just under 300,000 tonnes.

"If this only lasts 15 days, there will be no impact at all. Brazil is still producing, and it takes two months to ship meat here anyway," he added, declining to be identified because he is not permitted to talk to media.

Ireland, a smaller beef supplier to China, reported a case of 'atypical' mad cow disease in May last year. It has not yet been able to resume exports.

### **Indonesia's Crude Palm Oil Output Forecast to Rise Next Year**

Crude palm oil output in Indonesia, the world's biggest producer, is expected to rise 2.1% to 49.42m tons in 2022, from an estimated 48.4m tons this year, according to the Indonesian Oil Palm Research Institute.

- Private company production seen steady at 30.27m tons in 2022 vs 30.26m tons this year, Suroso Rahutomo, general manager at the state-run institute, said at an online conference Tuesday
  - Small holder production forecast to rise 9.4% to 17.4m tons, vs 15.9m tons in 2021
  - Government-owned company production seen -23% at 1.72m tons from 2.23m tons
- Favorable weather conditions are forecast for Indonesia in 2021-22
- Precipitation will likely be normal and no dry season is expected
- Better CPO prices likely prompted farmers to boost fertilizer use in 2020 and 2021, which may help plants overcome lingering impacts from drought in 2019

### **U.S. Beef and Pork Production Fall This Week: USDA**

U.S. federally inspected beef production falls to 511m pounds for the week ending Sept. 4 from 532m in the previous week, according to USDA estimates published on the agency's website.

- Cattle slaughter down 4.1% from a week ago to 624m head
- Pork production down 1.7% from a week ago, hog slaughter falls 1.6%

				% Change	
Beef:	Sept. 4	Week Ago	Year Ago	Weekly	Yearly
Slaughter (k head)	624	651	635	-4.1%	-1.7%
Live weight (lbs)	1,356	1,352	1,375	0.3%	-1.4%
Dressed weight (lbs)	821	819	841	0.2%	-2.4%
Production (mln lbs)	511	532	533	-3.9%	-4.1%
Pork:					
Slaughter (k head)	2,398	2,438	2,466	-1.6%	-2.8%
Live weight (lbs)	280	280	282	0.0%	-0.7%
Dressed weight (lbs)	209	209	210	0.0%	-0.5%
Production (mln lbs)	501	510	517	-1.7%	-3.1%
YTD production:	2021	2020	% Change		
Beef (bln lbs)	18.56	17.90	3.7%		
Pork (bln lbs)	18.45	18.75	-1.6%		

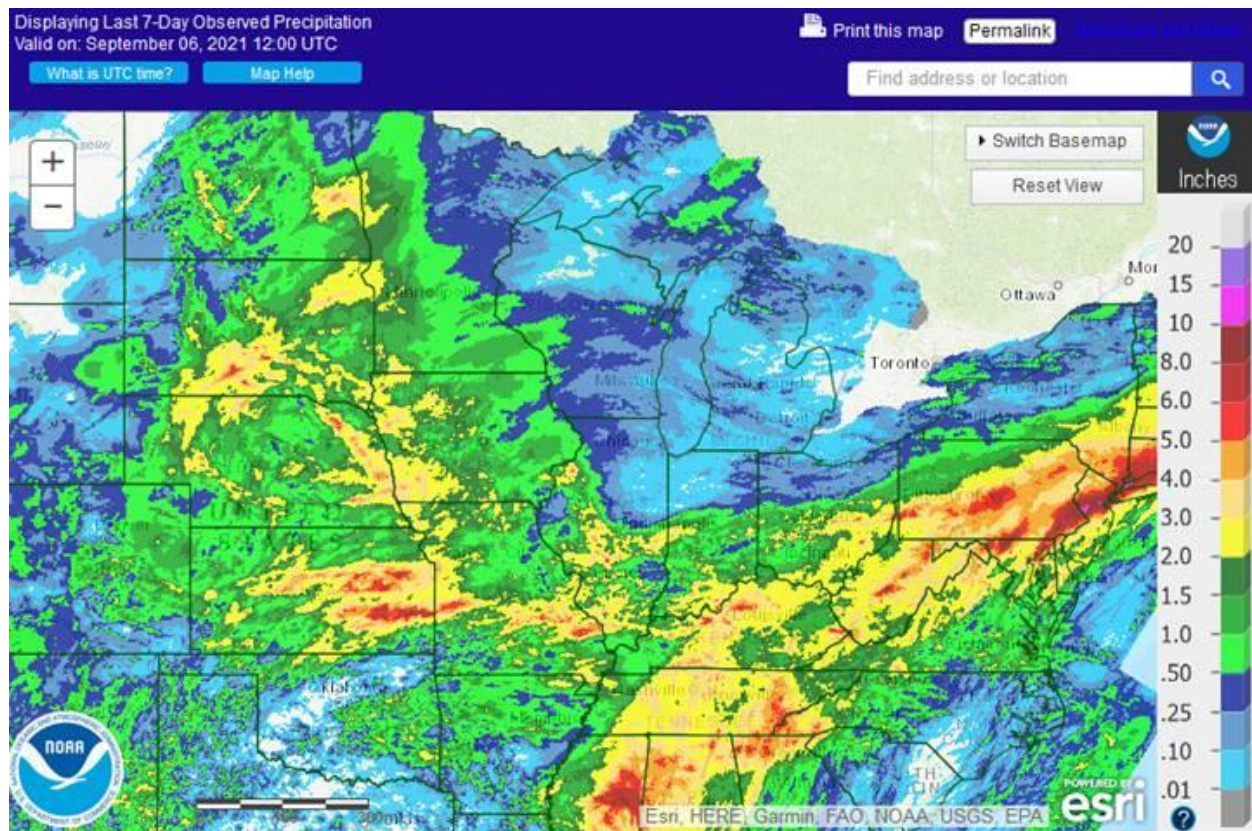
## WEATHER SUMMARIES

**WORLD SOYBEAN PROSPECTS:** Showers will move through the Midwest at times, but be isolated. Drydown should increase through the next week. Mostly favorable conditions for maturing soybeans in the Delta. Scattered showers continue for central and northeast China, being mostly beneficial for final stages of filling corn. Monsoon showers in central India picking back up, benefiting reproductive to filling soybeans.

**WORLD CORN PROSPECTS:** Showers will move through the Midwest at times, but be isolated. Drydown should increase through the next week. Scattered showers continue for central and northeast China, being mostly beneficial for final stages of filling corn. Favorable dryness in Ukraine and southwest Russia for drydown of corn and early harvest.

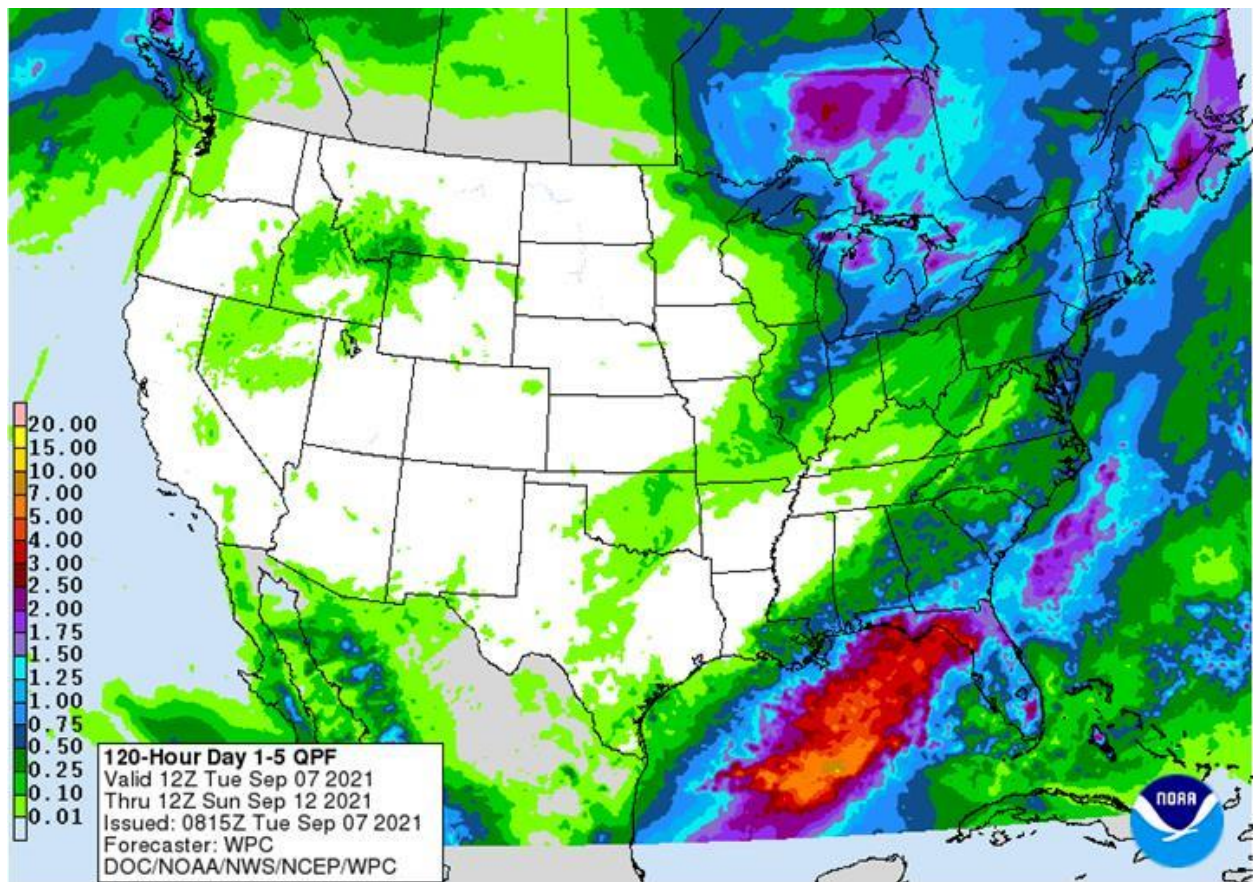
**WORLD WHEAT PROSPECTS:** Dry conditions in the Pacific Northwest delaying winter wheat planting. Mixed conditions in the Central and Southern Plains for early winter wheat planting. More showers would be beneficial for establishment. Favorable conditions for harvesting spring wheat and planting of winter wheat for most of northern and eastern Europe. More soil moisture is needed for planting winter wheat across the south. Mostly favorable conditions for winter wheat planting and establishment in Ukraine, but more moisture is needed for Russia. Favorable conditions for spring wheat harvest. Favorable conditions for developing to reproductive winter wheat in Australia, though more showers would be beneficial in New South Wales and Queensland. Recent showers benefiting developing to reproductive winter wheat in southern Brazil. Recent showers benefiting developing to reproductive winter wheat in Argentina.

## US – LAST 7 DAY RAIN



## 5 DAY PRECIP FORECAST

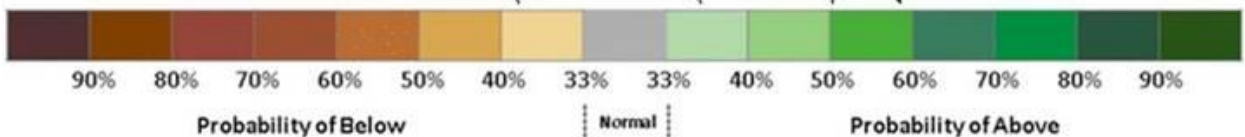
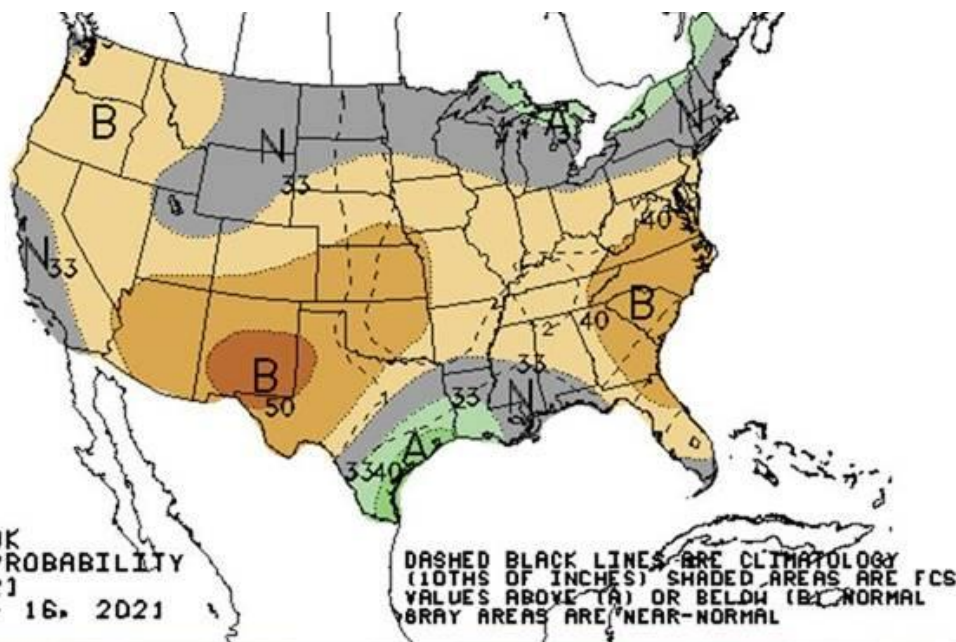




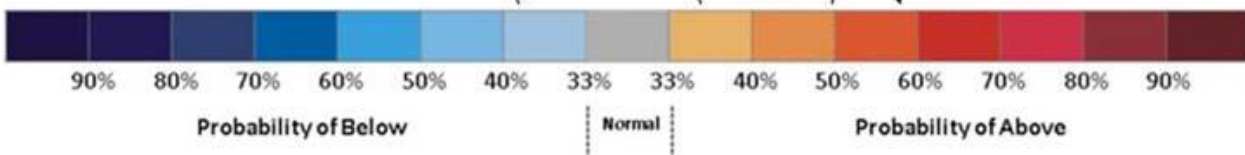
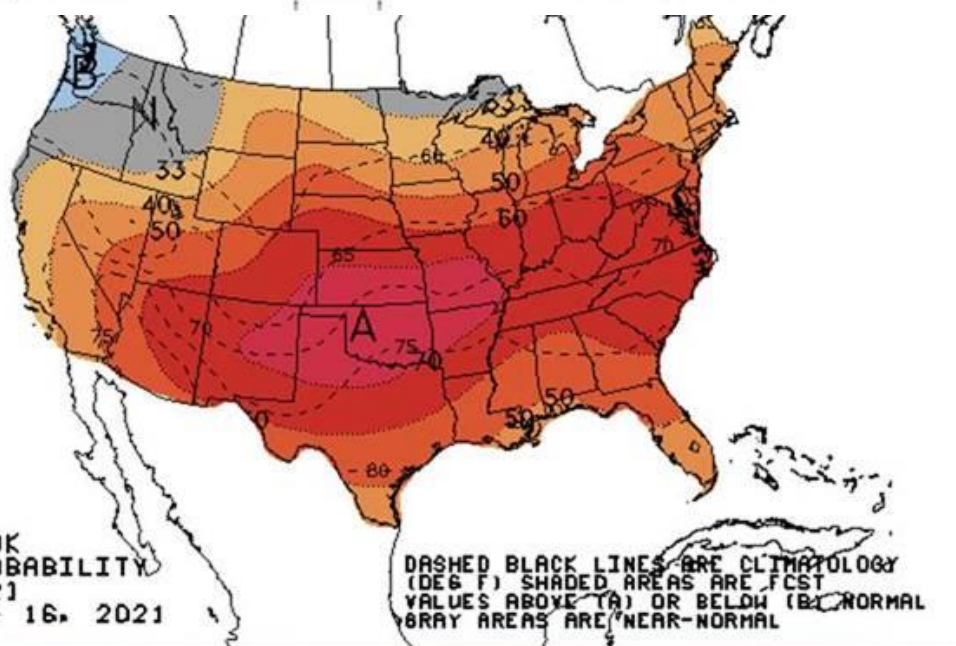
6-10 DAY FORECAST (TEMP/PRECIP)



6-10 DAY OUTLOOK  
PRECIPITATION PROBABILITY  
MADE 6 SEP 2021  
VALID SEP 12 - 16, 2021



6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 6 SEP 2021  
VALID SEP 12 - 16, 2021

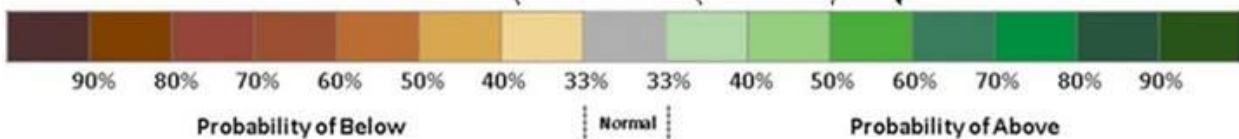
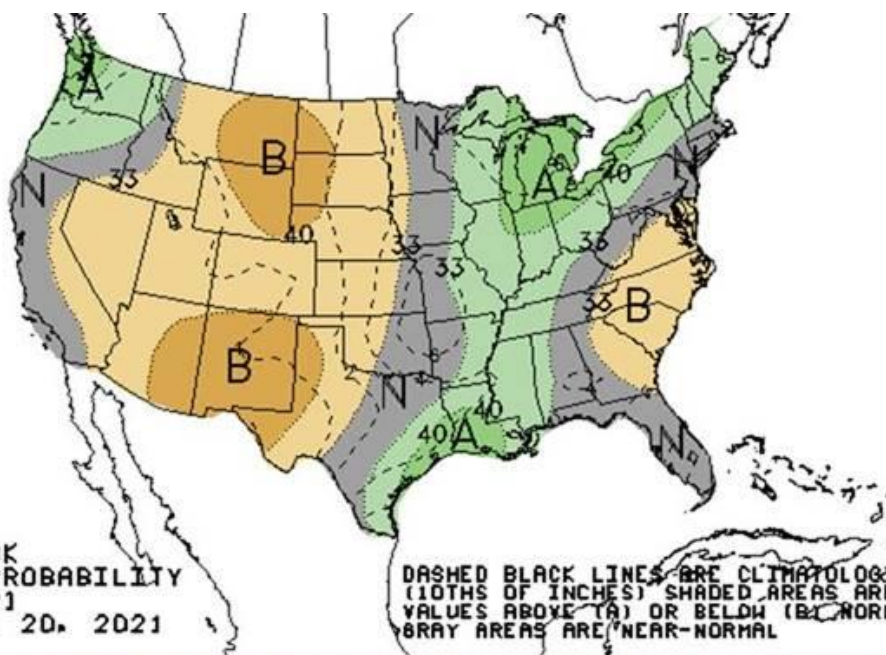


8-14 DAY FORECAST (TEMP/PRECIP)

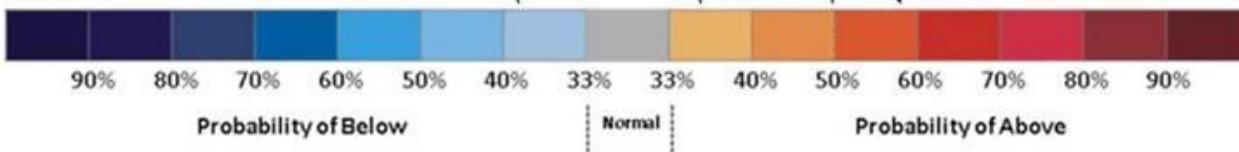
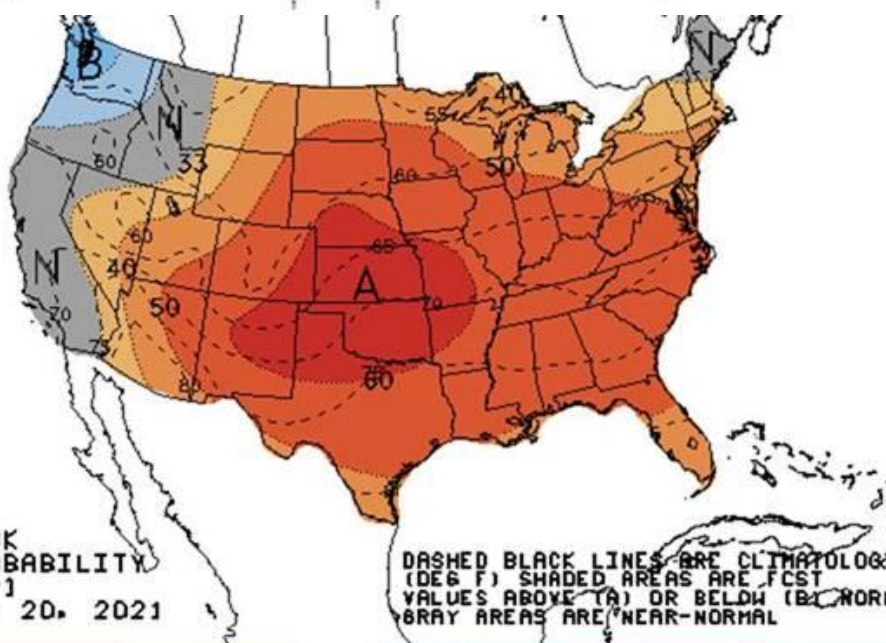




8-14 DAY OUTLOOK  
PRECIPITATION PROBABILITY  
MADE 6 SEP 2021  
VALID SEP 14 - 20, 2021



8-14 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 6 SEP 2021  
VALID SEP 14 - 20, 2021





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