



John Stewart AND ASSOCIATES

September 7, 2021

Corn

Corn saw follow through selling from last week on continued fund liquidation closing down .1325 at 5.1075 for December futures. USDA weekly corn inspections came in at 275,799MT in line with expectations of 337,500MT. Talk today continues to be how quickly will corn exports ramp back up with the delays caused by Ida. It does appear at this juncture that things may be progressing more quickly than we had thought on Friday with one grain vessel being loaded Friday. Farmer selling is nonexistent as most are in shock that the market has corrected as quickly as it has especially the basis. Domestic basis continues to be defensive and CIF was lower to start the morning but rebounded late to be up 5 for Sep and 10 for Oct vs Friday going home. USDA Tuesday weekly crop conditions report showed Corn 59% good to excellent, 27% fair, 14% poor to very poor versus last week's 60% good to excellent, 26% fair, 14% poor to very poor. The market was looking for unchanged, but at this juncture in the growing season the crop is pretty much made. As harvest is ramping up, we are hearing yields in parts of Illinois and Arkansas are better than expected, though no producer wants to put an exact figure on their yields yet.

AgRural estimates Brazil's 20/21 corn production at 81.9MMT, well below last year's production of 102.6MMT, and are pegging 2nd crop corn now seen at 55.6MMT with 95% harvested.

Beans

Typical Sunday night thru Monday session; acts great & then falls completely apart. Soy complex couldn't find a bid today, as outside markets weighed commodities (stronger US\$ Index, & WTI posting lowest close in 7 days), coupled with reminder of Hurricane Ida damage, as Export Inspections were only 68.0 TMT. SX finished 15 lower @ \$12.77; SMZ1 settled down \$3.20 @ \$337.80, and BOZ1 shellacked, falling 124 ticks @ 57.76 (Nov Palm up 21 Monday & 59 today @ 4,390; Nov Canola down C\$10.10 @ C\$877.10). Overnight news had LDC shipping 70.0 TMT of beans to China out of their Baton Rouge facility (area reported much less damage from by Ida), China AUG bean imports were 9.488 MMT; needing only 4.1 MMT in SEP to hit USDA # (should see higher import # for China old crop 100 vs 97.0). Average trade guess sees old crop stocks @ 166 MBU (+6 vs WASDE); think exports could fall 5 and crush # decline by 15 MBU; New crop stocks 190 MBU (+35 vs WASDE), as production forecasted @ 4.377 with 50.4 BPA (AUG NASS 4.339 w/ 50.0). USCG opened MS river, waiting on power, and most commercials optimistically hopeful to be operating by OCT 1 (Cargill Reserve & CHS Myrtle Grove the exceptions). NASS had 18% of US crop dropping leaves, up 9% for week, vs 15% for 5-year average (ND@ 44% highest % state). Bean conditions up 1% @ 57% vs 65% a year ago.

Wheat

This was a higher dollar index day with most all things traded lower and wheat was no exception. WU is 5 ¾ cents lower at 7.08 ¾, KWU is 5 ½ lower at 7.09 ¾ and MWU is 5 ¼ lower at 9.10 ¼. Nearby KC, KWU is a premium to nearby CME, WU for the first time in almost 3-years. The weakness in wheat is more attributed to corn down 13 cents than to a specific wheat story. River Gulf exports on hold are a much greater issue for corn and beans than for wheat. Friday's report should require some significant adjustments in world trade for Russia, Canada and even the EU. The French wheat harvest is so far showing only 39% of the crop harvested so far to make milling quality specs due to test weight. Russia's Grain Union cut their crop estimate to 75 mmt from 82 to 83. The USDA is 72.5. ABARES increased their crop estimate for Australia by almost 5 mmt to 32.6 versus the USDA at 30. A daily sale was announced to Nigeria of 327,000 mt of US wheat. The wheat story is not bearish.

Weekly exports of 382,000 mt were in line with estimates.

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CASH BASIS BIDS	Nearby	Oct
Corn Cif Nola	40+Z	60+Z
Truck Hennepin	34-Z	34-Z
Truck St Louis	23-Z	12-Z
Iowa Interior UP		
Columbus CSX	15-Z	15-Z
Fort Wayne NS	0+Z	20-Z
Divd Hereford		
Divd PNW	NB	NB
KC RAIL		
Nebraska Grp 3	80+Z	10-Z
Divd Decatur	30+U	0+Z
Wheat Cif Nola	18+U	40+Z
Beans Cif Nola	50+X	62+X
Truck Hennepin	31-X	40-X
Truck St Louis	20-X	17-X
Divd Decatur	10-X	10-X
Divd Des Moines	1-X	30-X
IL R Barge Frt.	500	640
BNSF Shuttle Frt.	-\$200	\$800

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