



John Stewart AND ASSOCIATES

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Corn

Corn started out higher overnight with follow thru buying from last Fridays WASDE, but fund liquidation soon kicked in as we closed down .0425 at 5.1325 for December futures. Kind of surprising to see the funds selling after Fridays COT showing that they sold 43,613 contracts to take their long down to 215,172. As expected, corn export inspections were extremely light at 138,189MT versus pre report estimates of 375,000MT. Farmer selling was painfully slow again today and basis in the Northwest continues to be firm. The CIF market was higher to start the day but ended up down 3 from Friday. The Gulf now has 9 different vessels loading an increase of 3 over last week, with supposedly 2 more facilities coming back online tomorrow. As we talked about a couple of weeks ago Black Tar Spot is really taking a toll on yields in the Northern parts of the Eastern Corn Belt with lots of reports of it knocking off 15-30Bpa off in some areas that had fungicide and 50-75Bpa where there was no application. Ukraine's corn harvest may reach a record 38-40MMT this year compared with 30MMT harvested in 2020, Ukrainian grain traders' union reported. Ahead of today's USDA weekly crop progress report market was looking for conditions to be unchanged, but they came in down 1% at 58% Good/Excellent.

Beans

Beans started lower in the overnight before trading firmer and then settling into trading both sides before finishing down 1c. Spreads widened $\frac{1}{2}$ to $\frac{3}{4}$ c on the day. The weakness seemed to come from good harvest weather and ideas bean sales have been lost due to hurricane impacted Gulf export facilities. The daily sales included 132,000 mt of beans to unknown. The pace of business will probably be a little slow as the hurricane and current sales on the books doesn't allow new sale shipment dates until the end of October. Export inspections were 105,368 mt with China as the largest importer. Argentina has decided they need to address the Parana River situation as they contracted to dredge. Bean conditions are expected to be unchanged from last week and they came in as expected at 57% good to excellent. Beans dropping leaves are at 38% versus 29 for the 5-year average.

Wheat

The wheat complex traded and closed mixed with only KC higher, which along with bean products were the key ag commodities able to close in positive territory today. Although Dec oats were $17\frac{1}{4}$ cents higher on the day settling within 3 cents of Dec corn, a reminder of the drought stricken Northern Plains. WZ is $1\frac{1}{2}$ cents lower at 6.87, KWZ up $3\frac{3}{4}$ cents at 6.86 $\frac{1}{4}$, and MWZ $2\frac{3}{4}$ cents lower at 8.76. Friday's WASDE increased world ending stocks by 4.16 mmt, but the production of the major exporters increased by only 400,000 mt. World buying interest remains active with Pakistan buying 405,000 mt last week and tendering for another 500,000 mt next week. Tunisia bought last week as well. The Saudi's bought 382,000 mt over the weekend. Jordan and Bangladesh are tendering this week and Morocco is dropping their 135% tariff to zero on Nov 1. Weekly exports of 548,000 mt exceeded the range of estimates, even with US wheat the highest priced world wheat.

CASH BASIS BIDS	Nearby	Oct
Corn Cif Nola	70+Z	72+Z
Truck Hennepin	11-Z	22-Z
Truck St Louis	14-Z	1+Z
Iowa Interior UP	NB	12-Z
Columbus CSX	10+Z	20-Z
Fort Wayne NS	10+Z	25-Z
Dlvd Hereford	150+Z	120+Z
Dlvd PNW	175+Z	NB
KC RAIL	NB	23+Z
Nebraska Grp 3	70+Z	14-Z
Dlvd Decatur	5-ZZ	0+Z
Wheat Cif Nola	20+Z	40+Z
Beans Cif Nola	72+X	72+X
Truck Hennepin	17-X	30-X
Truck St Louis	14-X	5-X
Dlvd Decatur	10-X	10-X
Dlvd Des Moines	10+X	40-X
IL R Barge Frt.	550	640
BNSF Shuttle Frt.	-\$250	\$800