

MORNING BULLS & BEARS



Thursday, October 14, 2021

Upcoming Reports

EIA Report – Today 10:00 am
 USDA Export Sales – Tomorrow 7:30am
 COT's – Friday 2:30pm

Macro News

Dow futures are up 290 points at 34,547 and Crude Oil is up .83 cents at 81.27.

U.S. stock index futures climbed on Thursday as surging oil prices lifted energy shares, while investors awaited earnings updates from big banks and a fresh reading on inflation data.

Grain News

T-Storm Weather Summary: In Brazil, t-storms affect varying areas at varying times over the next two weeks as a series of cool fronts pass and mark an incomparably earlier and wetter start to the corn and soybean seasons than last year. Argentina stays fairly dry over the next week as areas of high pressure pass, most likely followed by some showers and t-storms as temperatures fluctuate, but heavy rain is not expected as corn / sunflower planting and wheat growth continue. In the U.S., beyond some rain in the eastern Corn Belt through Friday, scattered t-storms dot varying areas in an unclear manner next week as a powerful system forms in advance of a seasonably-cooler period.

****USDA reported private sale of 132,000 metric tons of soybeans for delivery to unknown destinations during the 2021/2022 marketing year.**

Conference Call Notes: Small bounce in the overnight session after this weeks continued washout in all markets. Beans have rechecked long term lows and the bias is lower if demand doesn't show up. Crude is strong and the dollar continues to drift lower. Need to see daily sales continue in a very big way given how far behind we are. The world buyer might be drawing down stocks waiting on cheaper futures and freight but possibly not. We will know soon. Corn could find support soon as cash market bias is stronger going forward and fertilizer prices could limit acres/yield in a big way. China SBM stocks at 8 month lows. Wet weather continues to hold back harvest and cooler temps will delay progress - especially on the remaining beans.

Dalian soybean, soyoil, soymeal and corn are lower. Rapeoil and palmoil are higher. Palmoil prices making new highs after India reducing vegoil import tariffs. US soyoil 49 pct oil share. Commodity prices are oversold and trying to recover from IMF lower World 2021 and 2022 growth est. Weekly US export sales report delayed until Friday due to Mondays holiday. China bought 3 US Feb soybean cargoes and 5 Brazil March. Cash inverse is pushing buying into 2022

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

Production seen higher than last week at 985k b/d. Would be the second consecutive increase in production. Stockpile avg est. 19.834m bbl vs 19.931m a week ago

NOPA September U.S. soybean crush seen at 155.072 mln bushels -survey

U.S. soybean crushings likely fell to a three-month low in September, according to analysts polled ahead of a monthly National Oilseed Processors Association (NOPA) report due on Friday. NOPA members, which handle about 95% of all soybeans processed in the United States, were estimated to have crushed 155.072 million bushels of soybeans in September, according to the average of estimates from 10 analysts. If realized, the figure would be down 2.4% from the 158.843 million bushels processed in August and down 4% from September 2020, when crushers processed 161.491 million bushels. It would also be the smallest crush since June. Estimates for the September 2021 crush ranged from 148.0 million to 162.8 million bushels, with a median of 154.150 million bushels. Soyoil supplies at the end of September were projected at 1.663 billion pounds, based on estimates from seven analysts. If realized, the figure would be down 0.3% from 1.668 billion the prior month. Stocks estimates ranged from 1.625 billion to 1.718 billion pounds, with a median of 1.650 billion.

USDA attache sees Argentina 2021/22 soy crop at 49.7 mln T

Following are selected highlights from a report issued by the U.S. Department of Agriculture's Foreign Agricultural Service post in Buenos Aires: "Post lowers its MY 2021/22 projected planted area for soybeans to 17.0 million hectares. This reduction of 500,000 hectares will translate to total projected production of 49.7 million metric tons, 2.3 million metric tons below the USDA Official estimate. The reduction in area is driven primarily by better anticipated margins for other crops, especially corn. Dry weather in the northernmost sunflowerseed production area meant that some farmers didn't plant or delayed August planting in many parts of the Provinces of Chaco and Santiago de Estero, but good planting conditions in Santa Fe Province mean that northern Argentina will see a partial recuperation of sunflowerseed production in comparison with MY 2020/21."

Brazil soy exports seen reaching 2.973 million tns in October - Anec

BRAZIL SOY EXPORTS SEEN REACHING 2.973 MILLION TNS IN OCTOBER VERSUS 2.678 MILLION TNS FORECAST IN PREVIOUS WEEK
 BRAZIL CORN EXPORTS SEEN REACHING 1.968 MILLION TNS IN OCTOBER VERSUS 1.420 MILLION TNS FORECAST IN PREVIOUS WEEK

Deere workers go on strike after UAW fails to reach deal

Thousands of Deere Co workers began a strike on Thursday, the United Auto Workers (UAW) said, days after overwhelmingly rejecting a six-year labor contract that was agreed on with the tractor maker. Earlier this month, the world's largest farm equipment maker and the UAW union reached an agreement after weeks of negotiation on wages and other benefits, but 90% of the union's workers voted against the deal. The tentative deal covered about 10,000 production and maintenance employees across 14 facilities in the United States. "Pickets have been set up, and our members are organized and ready to hold out and fight for a contract they believe meets their needs," Ron McNroy, director of UAW Region 4, said on Thursday. Separately, Deere said it remained committed to reaching a new agreement, adding that it had not yet estimated when it would complete negotiations. The now-rejected offer would have given 5% wage hikes for some workers and 6% for some others. The proposed deal had also called for 3% raises in 2023 and 2025.

24-Hour Precipitation Map

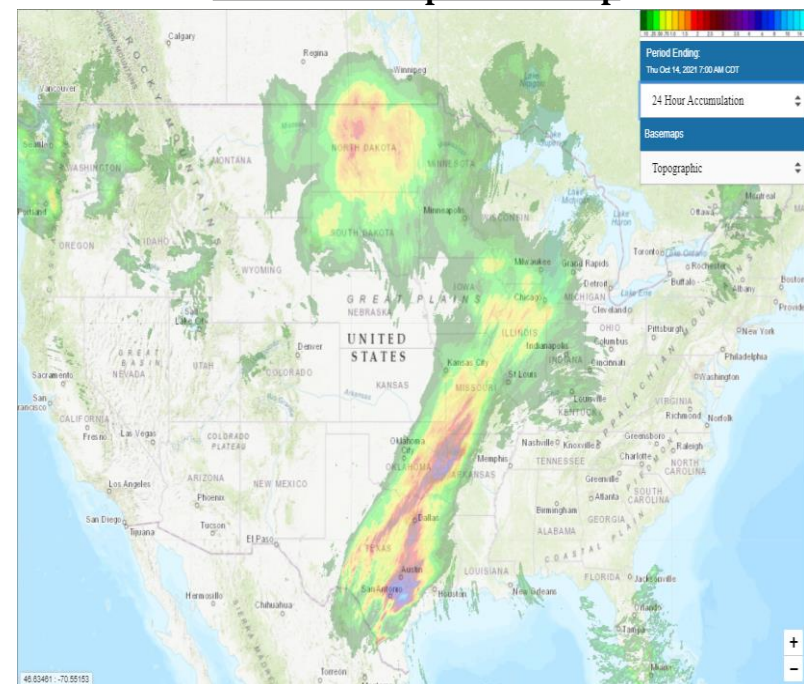


Chart of the Day

