



John Stewart AND ASSOCIATES

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Corn

Soybeans took corn for a ride today on little news as we closed up .0425 at 5.7525 for December futures. Ethanol production for the week averaged 1.06 million barrels which is up 2.02% vs last week and up 10.19% vs the same week a year ago. From a cash grain perspective today was one of the busier days we have had in a while with the producer actively pricing grain especially in areas where the cash price got up to \$6.00 today. We continue to see the basis firm in the east and there was strength in the export market today as well. Interesting to us that CZ22 is not keeping up with SX22 when there is a real concern of losing a substantial amount of corn acres for next year. Some think with current fertilizer prices and higher cash rents that reaching 90 million acres for next year will be difficult with where current prices are. The U of I out today shows projected 2022 net incomes on Illinois grain farms are below 2020 and 2021 levels and approaching averages between 2013 and 2019. USDA corn export sales for tomorrow are estimated to be 800,000-1.4MMT.

Beans

Big gains posted in soy complex, as SF1 settled 25 ¾ higher @ \$12.77; SMZ21 up \$7.20 @ \$374.70 & BOZ1 up 6 @ 59.23. Crush margins on defensive, as JAN Crush fell 10 cents to \$1.8475; overnight palm oil strong performance up 111 @ 4899 in the JAN. JAN Oil as % of Crush settled 44.52%, down 5% from highs made on 10/20 & back at % levels seen in mid-June. USDA announced 132.0 TMT of beans sold to China (FINALLY... only missing ~25-30 cargos from the last week) & the surprise was 30.0 TMT of soyoil sold to India. Don't believe India was penciled in USDA soyoil export matrix for upcoming year. Soybeans jumped after re-opening; would assume rumors of additional Chinese cargo buying. Saw nearby CIF gain 5 cents yesterday & another 2 cents today. SF22 has managed \$ attention, as market cleared 50-day MA & the 100 & 200 day MA's were less than 10 cents from today's high. Bean oil was leader on the overnight and early morning trade but fell apart on dismal WTI performance; CLZ21 dropped \$2.40, settling @ \$78.36; some citing drawdown of 3.2 MLN barrels of Strategic Reserves, amid concerns of Biden & Xi agreeing to lower both countries reserve stocks. Must assume strong crush margins, and lack of lysine supplies are affecting other countries. Weekly export sales tomorrow estimates in TMT's as follows; Beans 1,100 -1,800; Meal 100-300; & Oil 20-40.

Wheat

The wheat complex strong again today with WZ up 12, KCZ 13 ¼ c firmer, and MPLS 12c firmer. Chicago wheat made a new contract high and then sold off but yesterday's low (810) held the market. KC traded within 3c of Friday's contract high and settled 9c below. MPLS trying to bounce after three down days but sitting 50c off contract highs. Black Sea futures trading a \$2/mt higher as it appears Russian wheat still has interest from world buyers even with the \$77/mt export tax. GASC booked 60,000 mt of Romanian milling wheat The Philippines booked 220,000 mt of feed wheat from India and Australia. The market will be watching the Turkey tender of 385,000 mt of milling wheat

CASH BASIS BIDS	Nearby	Dec
Corn Cif Nola	67+Z	71+Z
Truck Hennepin	0-Z	11+Z
Truck St Louis	24+Z	32+Z
Iowa Interior UP	4+Z	6+Z
Columbus CSX	3+Z	7+H
Fort Wayne NS	4-Z	5+H
Dlvd Hereford	124+Z	124+Z
Dlvd PNW	135+Z	145+Z
KC RAIL	35+Z	35+Z
Nebraska Grp 3	10+Z	12+Z
Dlvd Decatur	30+Z	20+Z
Wheat Cif Nola	105+Z	105+Z
Beans Cif Nola	78+F	76+F
Truck Hennepin	5+F	10+F
Truck St Louis	30+F	34+F
Dlvd Decatur	5+F	10+F
Dlvd Des Moines	15-F	10-F
IL R Barge Frt.	450	405
BNSF Shuttle Frt.	\$500	\$500

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