

**Notice: There will be no overnight report on Friday November 26<sup>th</sup> due to the Holiday**

Wheat prices overnight are down 1 in SRW, up 3 in HRW, up 1 in HRS; Corn is up 1/4; Soybeans up 2; Soymeal up \$0.03; Soyoil up 0.16.

For the week so far wheat prices are up 32 1/4 in SRW, up 48 1/2 in HRW, up 32 in HRS; Corn is up 11 1/2; Soybeans up 11 3/4; Soymeal down \$0.82; Soyoil up 2.18.

For the month to date wheat prices are up 81 1/2 in SRW, up 98 in HRW, up 13 1/2 in HRS; Corn is up 12 1/4; Soybeans up 25 1/2; Soymeal up \$26.00; Soyoil down 0.81.

Chinese Ag futures (JAN 22) Soybeans down 47 yuan ; Soymeal up 13; Soyoil down 118; Palm oil down 196; Corn down 24 -- Malaysian Palm is up 64. Malaysian palm oil prices overnight were up 64 ringgit (+1.32%) at 4916 snapping three days of losses, as data showed sturdy exports from second-biggest grower Malaysia.

There were no changes in registrations. Registration total: 1,180 SRW Wheat contracts; 2 Oats; 2 Corn; 904 Soybeans; 233 Soyoil; 1 Soymeal; 108 HRW Wheat.

Preliminary changes in futures Open Interest as of November 23 were: SRW Wheat up 859 contracts, HRW Wheat up 213, Corn down 1,427, Soybeans up 888, Soymeal down 11,192, Soyoil up 186.

*Brazil Grains & Oilseeds Forecast:* Rio Grande do Sul and Parana Forecast: Isolated showers Tuesday-Wednesday. Scattered showers Thursday-Friday. Mostly dry Saturday. Temperatures near to above normal through Thursday, near normal Friday-Saturday. Mato Grosso, MGDS and southern Goias Forecast: Scattered showers through Saturday. Temperatures near normal through Saturday.

*Argentina Grains & Oilseeds Forecast:* Cordoba, Santa Fe, Northern Buenos Aires Forecast: Mostly dry Tuesday. Scattered showers Wednesday-Thursday. Mostly dry Friday. Isolated showers Saturday. Temperatures near to above normal through Saturday. La Pampa, Southern Buenos Aires Forecast: Mostly dry Tuesday. Scattered showers Wednesday-Thursday. Mostly dry Friday. Isolated showers Saturday. Temperatures near to above normal through Saturday.

*Midwest corn, soybean and winter wheat forecasts:* West: Mostly dry Tuesday. Scattered showers Wednesday, mostly south. Mostly dry Thursday-Friday. Isolated showers Saturday. Temperatures near to above normal Tuesday, above normal Wednesday, near to below normal Thursday-Friday, near to above normal Saturday. East: Mostly dry Tuesday. Scattered showers Wednesday night-Thursday. Lake-effect snow Friday. Isolated showers Saturday. Temperatures below normal Tuesday, near to above normal Wednesday-Thursday, below normal Friday-Saturday. 6 to 10 day outlook: Isolated showers

Sunday. Mostly dry Monday-Thursday. Temperatures near to above normal west and near to below normal east Sunday-Wednesday, near to above normal Thursday.

The player sheet for Nov. 23 had funds: net buyers of 7,000 contracts of SRW wheat, buyers of 4,500 corn, buyers of 1,000 soybeans, sellers of 5,500 soymeal, and buyers of 3,500 soyoil.

	Corn	Soybeans	Wheat	Soymeal	Soyoil
Nov. 23	+4,500	-1,000	+7,000	-5,500	+3,500
Nov. 22	+10,500	+7,500	+15,500	-1,000	+6,000
Nov. 19	-4,000	-1,000	+1,000	+1,000	-6,000
Nov. 18	-3,000	-7,500	-2,000	-3,000	0
Nov. 17	+7,500	+17,500	+8,000	+6,000	+1,000

#### TENDERS

- **BARLEY SALE:** Turkey's state grain board TMO provisionally bought an estimated 370,000 tonnes of animal feed barley in a tender.
- **CORN, SOYMEAL TENDER:** South Korea's Major Feedmill Group (MFG) has issued an international tender to purchase between 48,500 and 58,500 tonnes of animal feed corn and between 8,000 and 16,000 tonnes of soymeal. The deadline for submission of price offers in the tender is Nov. 23.
- **CORN, SOYMEAL SALE:** South Korea's Major Feedmill Group purchased some 48,500 tonnes of animal feed corn and 16,000 tonnes of soymeal expected to be sourced from South America in a tender. (
- **SUNFLOWER OIL SALE:** Turkey's state grain board TMO has provisionally bought about 6,000 tonnes of crude sunflower oil in a tender.
- **WHEAT SALE:** An importer group in the Philippines is believed to have bought around 100,000 tonnes of animal feed wheat in an international tender this week. The wheat was thought likely to be sourced from Australia.

#### PENDING TENDERS

- **WHEAT TENDER:** The Ethiopian government issued an international tender to buy about 300,000 tonnes of milling wheat
- **VEGETABLE OIL TENDER:** Egypt's state grains buyer, the General Authority for Supply Commodities, said it was seeking vegetable oils in a purchasing tender for arrival Jan. 15 - 31, 2022.
- **BARLEY TENDER:** Jordan's state grains buyer has issued a new international tender to purchase 120,000 tonnes of animal feed barley
- **WHEAT TENDER:** Jordan's state grain buyer has issued an international tender to buy 120,000 tonnes of milling wheat that can be sourced from optional origins

- WHEAT TENDER: Turkey's state grain board, TMO, has issued an international tender to purchase about 385,000 tonnes of milling wheat
- WHEAT TENDER: An Ethiopian government agency issued a new international tender to buy about 400,000 tonnes of milling wheat
- FEED WHEAT AND CORN TENDER: South Korea's leading feedmaker Nonghyup Feed Inc. (NOFI) has issued an international tender to purchase up to 138,000 tonnes of animal feed corn and up to 65,000 tonnes of animal feed wheat.

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

- Bids for corn and soybeans loaded onto barges and sent to exporters at the U.S. Gulf rose Tuesday, supported by rising shipping costs, traders said.
  - Limited space on barges, stemming from ample supplies of both commodities as U.S. farmers neared the end of their harvest, sparked the increase in barge freight.
  - CIF Gulf soybean barges loaded in November were bid at 77 cents over Chicago Board of Trade (CBOT) January SF2 futures, 2 cents higher than Monday.
  - FOB basis offers for late December soybean loadings held steady at 103 cents over January futures after rising on Monday.
  - CIF corn barge bids for November loadings rose by 3 cents to 69 cents over CBOT December corn CZ1 futures, while spot FOB basis offers were flat at 98 cents over futures.
  - Basis bids for hard red winter wheat with 12% protein shipped by rail to the U.S. Gulf Coast were unchanged at 190 cents over the K.C. December futures.
  - Spot soft red winter wheat CIF basis bids were unchanged at 75 cents over December futures.
  - FOB offers for both hard and soft red winter wheat also were flat.
- Spot basis bids for soybeans were steady-to-softer on Tuesday at river terminals and elevators across the U.S. Midwest, grain dealers said.
  - Soybeans bids fell at a river terminal in Morris, Illinois, and an elevator in Sioux City, Iowa.
  - Corn basis was mostly steady at river terminals, though a Morris, Illinois location firmed its bid.
  - Wheat basis firmed at a Chicago, Illinois processor.
- Bids and offers for U.S. millfeed were unchanged for delivery on the spot market on Tuesday, brokers said.
  - Demand was light as most end-users had enough supplies to last them through the U.S. Thanksgiving holiday weekend.
  - But the market was underpinned by tight supplies as production at flour mills will slow during the holiday.
- Spot basis bids for hard red winter (HRW) wheat were steady on Tuesday across the Southern U.S. Plains, grain traders said.
  - Bids were also steady for wheat bound for the U.S. Gulf by rail.

- Protein premiums for HRW wheat delivered by rail to or through Kansas City firmed 10 cents for wheat with protein content of 11.4 to 11.6% and 9 cents for 11.8% protein wheat.
- All other grades of wheat were unchanged.
- Spot basis bids for corn strengthened at U.S. Midwest processors, elevators, rivers and ethanol plants Tuesday morning, grain dealers said.
  - Grain and oilseed buyers are hoping to coax farmers into selling before the holiday to ensure supplies into next week, one Indiana grain dealer said, as farmers have been holding recent crops, watching for prices to rebound to recent highs.
  - Some farmers are focused on finishing up harvest, waiting to market grain until after the holiday, the dealer said.
  - Soybean basis firmed at processors in Decatur, Illinois; Morristown, Indiana; Decatur, Indiana; and Council Bluffs, Iowa, as well as a Cincinnati, Ohio, elevator.
  - Bids for soybeans eased at river terminals in Seneca, Illinois, and Davenport, Iowa.
- Spot basis offers for soymeal were steady at U.S. rail and truck markets across the U.S. Midwest on Tuesday, soybean meal dealers said.
  - Soybean processors have strengthened bids for recently harvested crops in an attempt to entice more farmer selling to meet strong demand for soymeal, one Indiana dealer said.
  - Soymeal dealers have begun rolling offers to the January contract.
  - Offers and bids were steady at the U.S. Gulf, as well as for barges loaded upriver.

**TODAY -- EIA WEEKLY PETROLEUM STATUS REPORT, EIA WEEKLY NATURAL GAS REPORT**

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

Output and stockpile projections for the week ending Nov. 19 are based on eight analyst estimates compiled by Bloomberg.

- Production seen higher than last week at 1.065m b/d
- Stockpile avg est. 20.189m bbl vs 20.081m a week ago

	Survey Results			EIA
	Avg	Low	High	Prev. Week
Production (k bpd)	1,065	1,049	1,088	1,060
Stockpiles (m bbl)	20.189	19.931	20.400	20.081

**USDA Cuts 2022 Agriculture Trade on Lower Soybean Exports**

The USDA cuts fiscal year 2022 exports est. by \$2b from its August est. to \$175.5b, according to the Outlook for U.S. Agricultural Trade report released on Tuesday.

- Soybean exports revised down by \$3.9b to \$28.4b on lower prices and less demand from China
- Livestock, poultry and dairy est. raised by \$1.9b to \$38.7b

- Agricultural trade balance lowered by \$7.5b to \$10.5b, imports are revised up by \$5.5b to \$165b

	FY 2022 forecast			2021	YOY%
	Nov.	Aug.	Chg		
Wheat	22.3	24.0	-1.7	25.5	-12.5%
Rice	3.3	3.6	-0.3	3.8	-12.1%
Corn	63.0	61.0	2.0	68.5	-8.0%
Feeds and fodders	8.3	8.3	0.0	7.0	18.0%
Soybeans	21.8	21.8	0.0	21.9	-0.5%
Soybean meal	55.8	55.9	-0.1	56.6	-1.5%
Soybean oil	12.9	12.9	0.0	12.5	3.3%
Beef and veal	0.6	0.7	-0.1	0.8	-23.3%
Pork	1.1	1.1	0.0	1.1	-2.0%
Beef, pork variety meats	2.4	2.5	-0.1	2.5	-3.0%
Broiler meat	0.7	0.7	0.0	0.8	-7.9%
Tobacco, unmanufactured	3.4	3.4	0.0	3.4	-1.4%
Cotton	3.4	3.3	0.1	3.5	-2.6%
Major bulk products	156.1	156.1	0.0	165.8	-5.8%

#### EU Soft-Wheat Exports Up 4% Y/y; Still Lacks Full French Data

Soft-wheat shipments during the season that began July 1 reached 10.3m tons as of Nov. 21, vs 9.88m tons in a similar period a year earlier, the European Commission said Tuesday on its website.

- NOTE: Figures for France, one of the EU's top grain exporters, are complete only until July
- NOTE: Data for the prior season include trade for the U.K. until Dec. 31, 2020, when the country departed the EU customs union
- Top soft-wheat destinations were Algeria (1.43m tons), Egypt (1.2m tons) and Nigeria (836k tons)
- EU barley exports totaled 3.1m tons, compared with 3.24m tons a year earlier
  - China is the top market at 660k tons
- EU corn imports reached 4.79m tons, against 6.9m tons a year earlier

#### Fertilizer Firms Should Hold High Prices to Spur Output: Mosaic

Fertilizer companies will need to maintain higher-than-usual prices to encourage additional production capacity, Mosaic's Brazilian head Corrine Ricard says in industry event.

- Ricard doesn't see new production capacity in coming years due to unfavorable prices
- Crop nutrients demand in Brazil seen having little impact from fertilizer rally as farmers' should still make profits from crops
- Net margin from soybean harvest seen positive in the 2022-23 season even with current fertilizer prices, agriculture consultant Carlos Cogo says at the same event
- Brazilian farmers seen spending 2.5x more to buy crop nutrients in barter trading for 2022-23 season compared with the previous one

- “In the worst scenario, Brazilian farmers will have higher margins than U.S. producers” due to lower logistics costs

### Flash Sales to China Expected to Increase in 1H

Corn prices turn slightly positive while wheat and soy remain down amid market concerns about crop quality and global demand. Some are wondering when Chinese buyers will come back importing US corn. "It has now been some six months since the last USDA flash announcement of corn sold to China," ED&F Man Capital's Charlie Sernatinger tells WSJ. "The exporters are saying that the shipping program starts to ramp up the middle of December, which is when we should start seeing some decent inspection numbers." Sernatinger expects more frequent flash sales in the 1H. "The Chinese themselves do not want to be short US grains.... And, they need it."

### Ethanol Inflation May Be Keeping Gas Prices High

President Biden says in a speech today that while wholesale energy prices have fallen sharply recently, the retail pump price for gasoline "hasn't budged a penny ... companies are pocketing the difference as profit." But analysts at The Lundberg Survey, which analyzes retail gas prices, say other factors may also be at play. Gas prices "would have shown a drop from lower oil prices [in recent weeks], but US refiners are paying extremely high prices for ethanol, which they must by law buy and blend into gasoline, due to the corn product's critical logistics problems curtailing ready supply. So no price relief on average yet for consumers because of a non-petroleum blending component."

### Vancouver Corridor Grain Rail Recovery to be Slow After Floods

It will take two to four weeks for the normal flow of grain rail traffic to resume near the Port of Vancouver, following floods that temporarily closed tracks, Ag Transport Coalition says Tuesday.

- More than 5,000 rail cars carrying grain are idled in the Vancouver corridor
  - Vancouver is home to Canada's biggest port
- The backlog of rail traffic in the Vancouver corridor far exceeds cars carrying grain, with all commodity sectors impacted for traffic moving in both directions
- NOTE: CP Rail has said that its tracks will open today and CN Rail expects its will open Wednesday

### Russia's 2021 grain harvest progress as of Nov. 23

Russia, one of the world's largest grain exporters, has harvested 125.5 million tonnes of grain before drying and cleaning, data from the agriculture ministry showed on Wednesday.

Farmers have already sown winter grains for next year's crop on 18.4 million hectares compared to 19.3 million hectares on Nov. 23, 2020, the data showed.

	All grains:	Wheat	Barley	Maize (corn)	Sunflower seeds	Sugar beet	Rapeseed	Soybeans
Crop, mln tonnes	125.5	78.6	18.9	15.1	15.4	40.3	3.0	4.9
Crop, as of the same date in 2020	137.2	88.1	22.2	13.6	13.2	33.3	2.7	4.4
Harvested area, mln hectares	45.2	27.8	7.9	2.7	9.6	1.0	1.6	3.0
Harvested area, as of the same date in 2020	46.3	28.9	8.3	2.5	8.3	0.9	1.4	2.7

### **2022/23 Ukraine wheat production slightly up from initial forecast**

2022/23 Ukraine wheat production is fractionally raised to 31.1 [29.5-32.6] million tons (mmt) reflecting slightly elevated harvested area and unchanged high yield potential. Overall healthy soil moisture, and stable weather conditions are benefiting winter wheat crops.

No extreme weather events have occurred in Ukraine over the past few weeks. Average temperature only slightly exceeded long-time minimum and maximum values and largely oscillated around normal. Recently, a significant inflow of warmer temperatures was observed across the country. Rainfall events noted over the past 3 weeks have sustained initially good soil moisture in the beginning of the planting season, although precipitation was overall below long-term normals.

Upcoming days will likely bring above normal temperatures and significant amounts of precipitation across whole Ukraine. Such weather should create favorable conditions for winter wheat germination and development.

### **Thai Energy Committee Limits Biodiesel Content to Cap Prices**

Thailand's National Energy Policy Committee will cap the local diesel prices at no more than 28 baht (\$0.84) per liter during December to March by limiting biodiesel content.

- Proportions of biodiesel blends in high speed diesel fuel will be restricted to 7% and suspend production of 10% and 20% blended diesel during the four month period, Deputy Prime Minister and Energy Minister Supattanapong Punmeechaow said in a statement after the committee meeting Wednesday
- Global oil prices is expected to rise further on increased global energy demand, Supattanapong says
- State oil fund will continue to subsidize diesel price and make sure the price won't exceed 30 baht per liter
- Ministry will assess situation and will issue additional measures if needed

### **India Extends Free Food Grains Distribution Program for 4 Months**

India's cabinet approved Wednesday a proposal to distribute a total of 16.3 million tons of free rice and wheat to people covered under the food program for four months to March, Information and Broadcasting Minister Anurag Thakur said.

- Govt will spend 533.45 billion rupees (\$7.2 billion) on subsidizing food grains given to about 800 million people
- The beneficiaries will get 5kg of rice or wheat per person per month: statement
  - NOTE: The free allocation is in addition to the sale of the same amount of subsidized food grain each month
  - NOTE: The current free food plan ends on Nov. 30
- The cabinet also approved scrapping of three farm laws
  - NOTE: Prime Minister Narendra Modi had announced scrapping of the three farm laws on Nov. 19

### **Western Canada Braces for More Rain After Floods Shut Highways**

- British Columbia government has crews ready to mobilize

- Rainstorms are forecast in flooded region for next 9-10 days

Canada's westernmost province and home to its biggest port is bracing for more rainstorms after a deluge damaged transportation links, largely cutting it off from the rest of the country.

Parts of British Columbia remain flooded more than a week after the extreme weather forced evacuations, washed away parts of major highways and blocked main transportation routes with mud slides. Several routes have reopened for essential travel only and railways are opening up to bring goods such as lumber and grain to the Port of Vancouver, but several areas remain short on supplies such as gasoline due to the damaged infrastructure.

Environment and Climate Change Canada has forecast a series of storms over the next 10 days, raising the threat that main transportation routes could again be shut or repairs slowed just as roads and rail tracks reopen.

"Rain is once again hitting our province with more on the way. This will impact already soaked lands and waterways. The next nine or ten days could be quite challenging," said Mike Farnworth, British Columbia's minister of public safety and solicitor general, speaking at a press conference Tuesday afternoon.

The severity of the approaching rain storms will become more clear as they develop, Farnworth said, adding that the province has four million sandbags ready to be deployed if needed.

"We have extra crews and equipment ready to be mobilized," said Rob Fleming, the province's minister of transportation and infrastructure. "We have areas where we know the amount of precipitation that was part of the rain events has accumulated and poses a risk."

Highways are being monitored from ground level as well as by air, Fleming said.

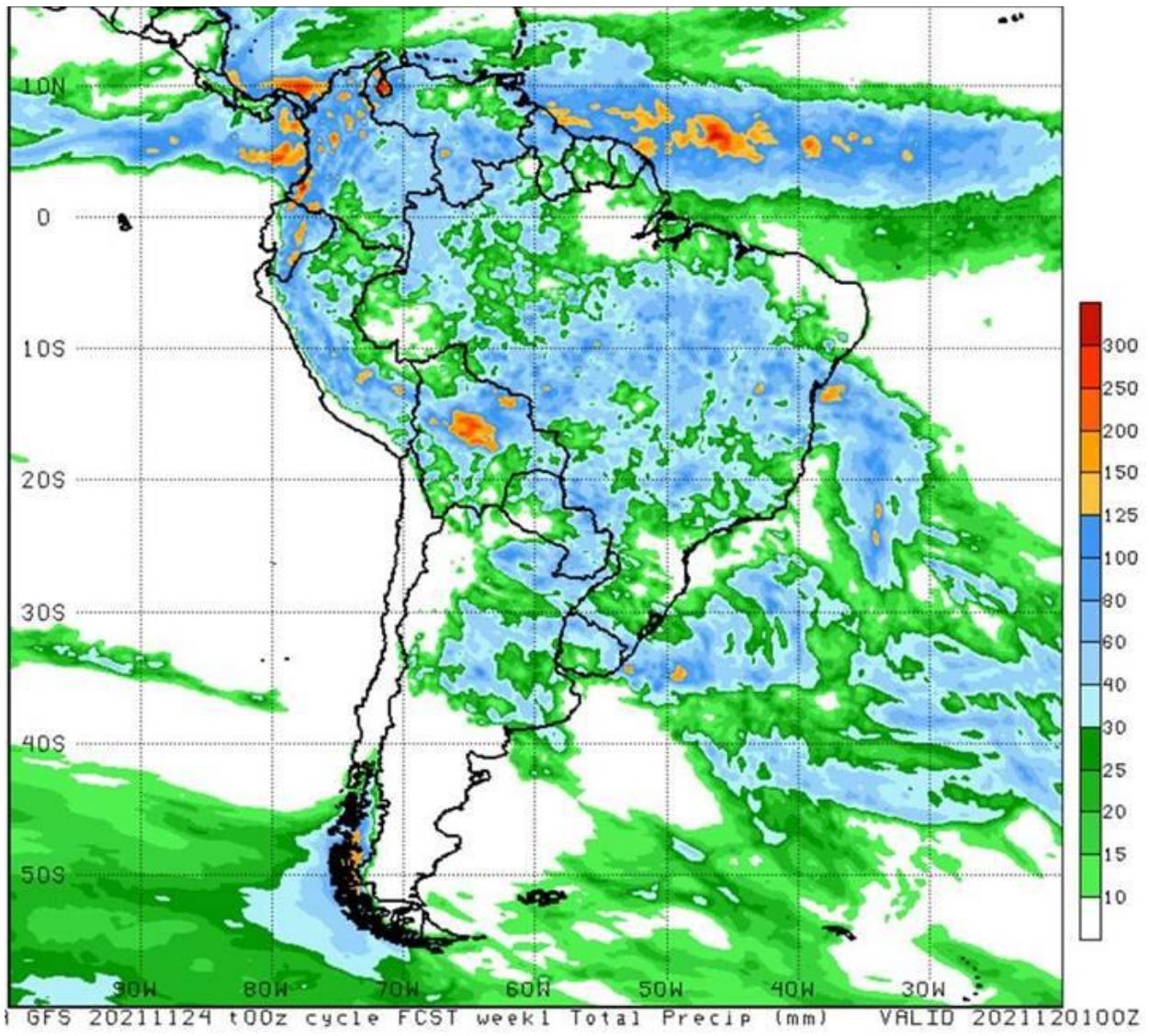
## **WEATHER SUMMARIES**

*WORLD SOYBEAN PROSPECTS:* Periodic showers limiting remaining harvest in the Midwest. A front with scattered showers in the Delta Thursday may cause brief delays to the remaining soybean harvest. Favorable conditions for soybean planting and establishment in Brazil. Recent showers benefiting soybean planting and establishment in Argentina. Dryness in northern India favoring harvest.

*WORLD CORN PROSPECTS:* Periodic showers limiting remaining harvest in the Midwest. Drier conditions in Ukraine and southwest Russia benefiting remaining harvest. Favorable conditions for corn planting and establishment in Brazil. Recent showers benefiting corn planting and establishment in Argentina. Isolated showers benefiting corn planting in South Africa.

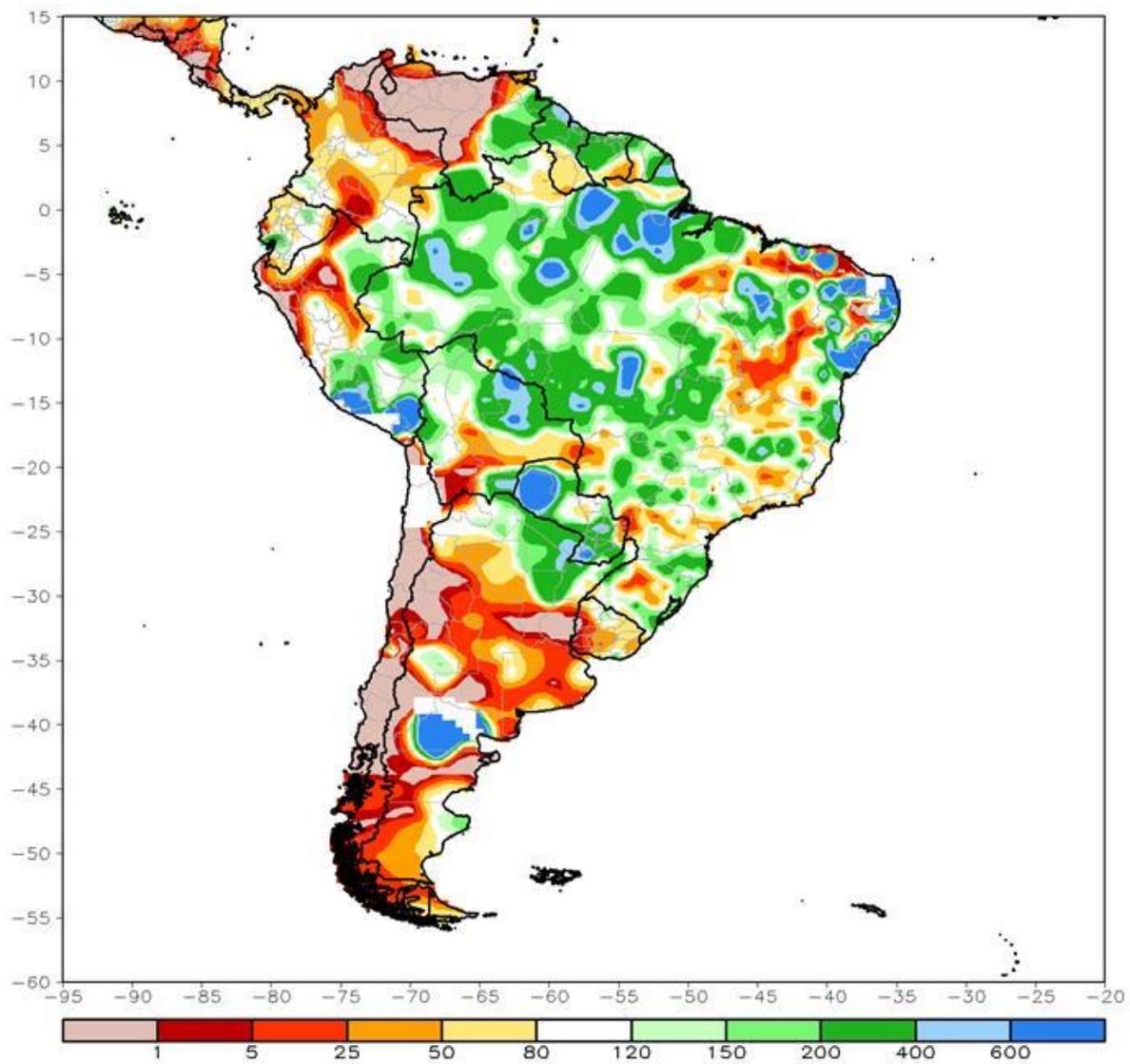
*WORLD WHEAT PROSPECTS:* Periods of showers moving into the Pacific Northwest somewhat increasing soil moisture for winter wheat establishment. Dryness in the Southwestern Plains continuing to stress winter wheat. Favorable conditions for winter wheat establishment for most of Europe. More moisture is needed for Ukraine and western Russia before crops go dormant. Heavy rain delaying harvest and quality for winter wheat in Australia. Scattered showers benefiting filling winter wheat in Argentina, but delaying harvest. Favorable conditions for winter wheat establishment in China. Showers increasing in North Africa, favoring winter wheat planting and establishment. Drought in Morocco continues despite showers, however.

## **SOUTH AMERICA**

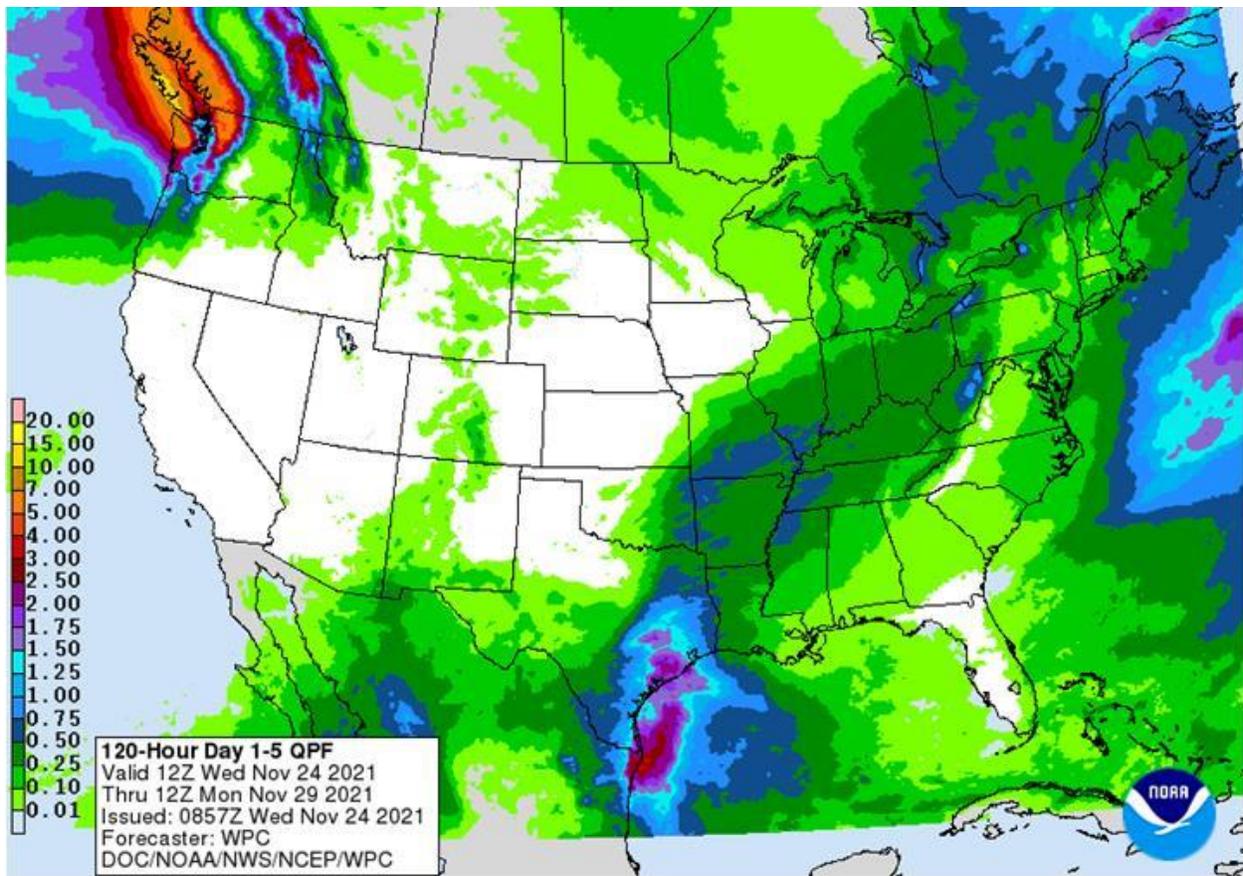


# CPC Unified Gauge 7-Day Percent of Normal Rainfall (%)

Period: 16Nov2021 - 22Nov2021



**US PRECIP FORECAST**



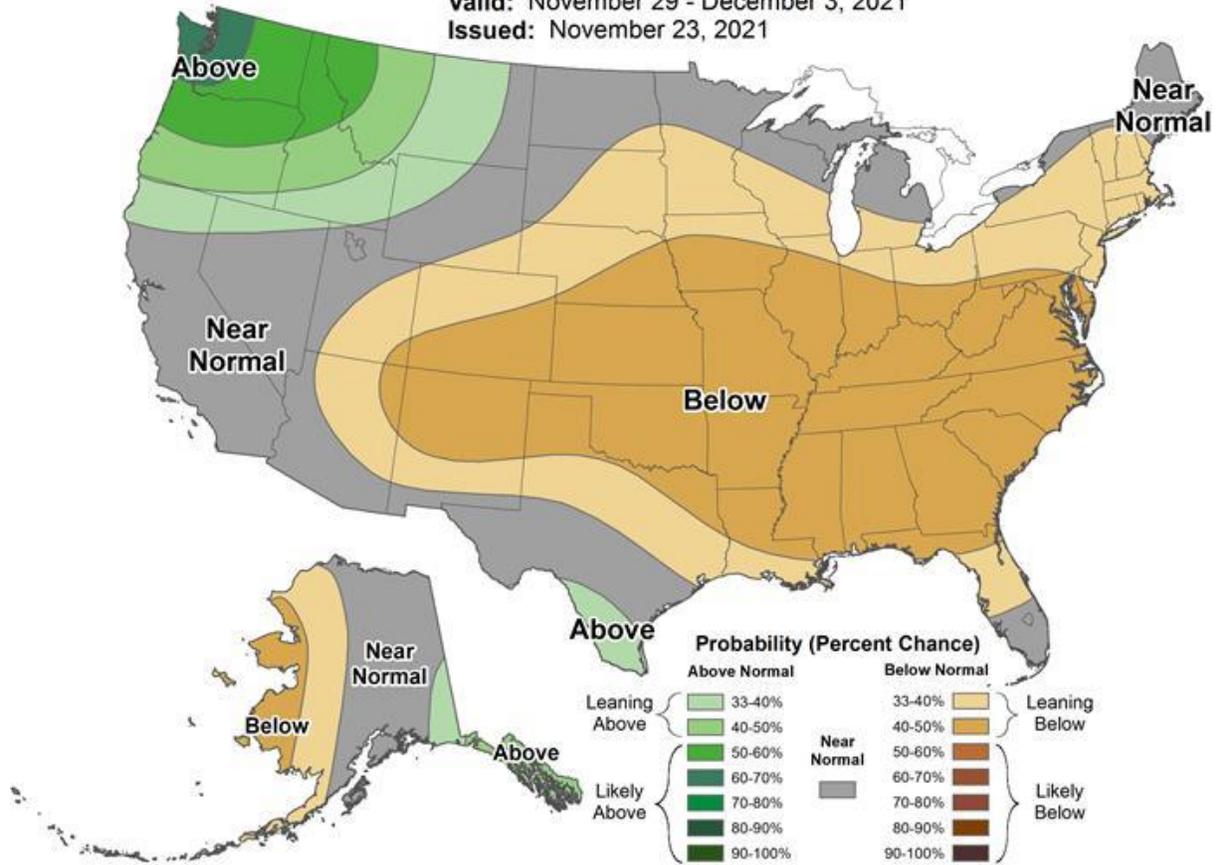


# 6-10 Day Precipitation Outlook



Valid: November 29 - December 3, 2021

Issued: November 23, 2021



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