

MORNING BULLS & BEARS



Wednesday, November 24, 2021

Upcoming Reports

EIA Report – Today 9:30am
 USDA Export Sales – Friday 7:30am
 COT's – Monday 2:30pm

Macro News

Dow futures are down 142 points at 35,624 and Crude Oil is down .03 cents at 78.47.

Stock futures dipped Wednesday morning, holding lower following an extended rout in technology stocks, as investors anxiously awaited a packed slate of economic data results before a holiday market closure. Contracts on each of the S&P 500, Dow and Nasdaq pointed to lower opens.

Grain News

Weather Summary: Argentina is still expecting two very important waves of rain between now and Monday to ease drying in the topsoil and maintain good crop conditions. Brazil will see a good mix of weather during the next two weeks, although there will be some potential for net drying in the south after rain passes Thursday into Friday. Eastern Australia's wet weather bias will continue for at least the next five to seven days raising concern over the quality of unharvested small grains in New South Wales and a few neighboring areas.

****USDA reported private sale of 100,000MT of corn for delivery to Mexico during the 2021/2022 marketing year**
****USDA reported private sale of 330,000MT of soybeans for delivery to unknown destinations during the 2021/2022 marketing year**

Conference Call Notes: Corn and beans are stronger following solid technical closes yesterday. Wheat is mixed. Expect light volume today and Friday as holiday mode has kicked in. Farmer selling has picked up as harvest is wrapping up and some locations are full and farmers are needing to make decisions on pricing or putting on storage/price later. Cash markets remain firm and logistics continue to be a challenge across the board. Most locations are out of AA waiting on fresh supplies to arrive after the holiday. Export markets remain quiet. Happy Thanksgiving to everyone!

Weekly US exports sales delayed until Friday. Bean bulls worried about slow China soybean buying. Dalian soybean, corn, palmoil, soyoil lower. Soymeal higher. China and US relations declining. World wheat buyers short, buying only hand to mouth. No 2022 coverage. KC futures could test 9.00 Matif wheat futures new highs. Russia domestic wheat prices higher. Large carry from Dec to March. Trade estimate of US 2021/22 wheat carryout from 570-640 depending upon final exports. Corn futures may be in a 5.40-6.00 range. CZ22 new highs. Funds buying. Worries about US 2022 supply Matif corn new highs. EU imports down 58 pct yoy. Only 2.6 mmt vs 6.3 ly. Stocks declining. Brazil corn exports remain active. Brazil domestic corn prices higher. US ethanol data supportive. Trade estimates US 2021/22 corn carryout near 1,390 mil bu vs USDA 1,493 due to higher demand. SF found resistance near 13.00. 12.50 is key support. Soybean supported by positive US crush margins. China soybean coverage now through December. Brazil could have new crop soybean in Jan for export. Argentina threatening meat, corn and wheat export tax. Brazil soybean prices lower. Slow China buying. Brazil soymeal prices \$50 discount to US. Could slow US soymeal export demand. Matif rapeseed futures lower. More EU 2022 acres. Canada canola futures higher. Tight 2021 supply

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

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

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

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

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.

24-Hour Precipitation Map

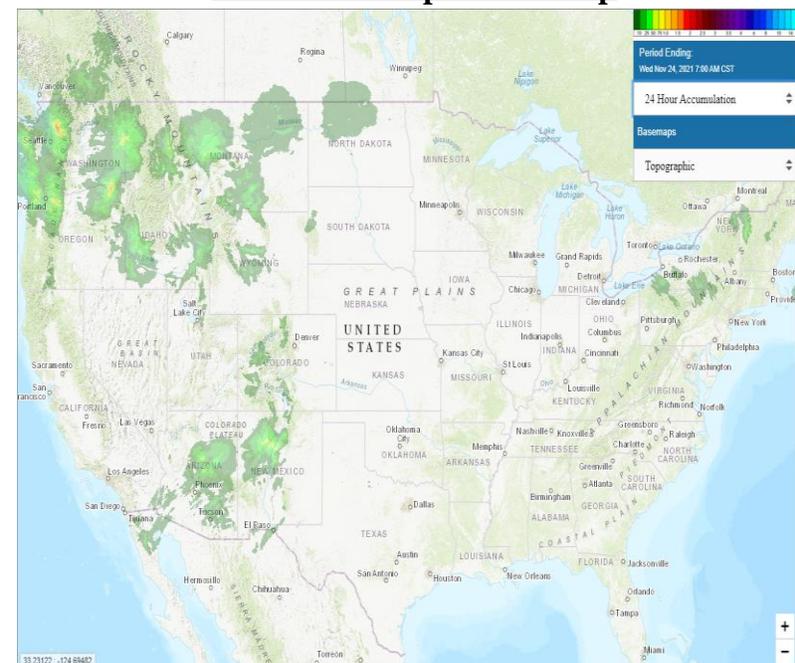


Chart of the Day



Set your oven to 325 F and cook a thawed, whole turkey until the internal temp reaches 165 F.

POUNDS	HOURS (UNSTUFFED)	HOURS (STUFFED)
8 to 12	2¾ to 3	3 to 3½
12 to 14	3 to 3¾	3½ to 4
14 to 18	3¾ to 4¼	4 to 4¼
18 to 20	4¼ to 4½	4¼ to 4¾
20 to 24	4½ to 5	4¾ to 5¼

Sources: USDA, Foodsafety.gov.