

Daily Futures Market Commentary Grains Mid-Day Outlook

By Steve Freed, VP of Grain Research

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Grains are mixed. SH is up 1 cent and near 13.89. SMH is near 413.7. BOH is near 58.89. CH is down 1 cent and near 6.08. WH is down 5 cents and near 7.64. KWH is down 6 cents and near 7.97. MWZ is down 7 cents and near 9.63. US stocks are higher. US Dollar is lower. Crude is lower. Gold, silver, cocoa and cotton are higher. Copper, coffee and sugar lower.

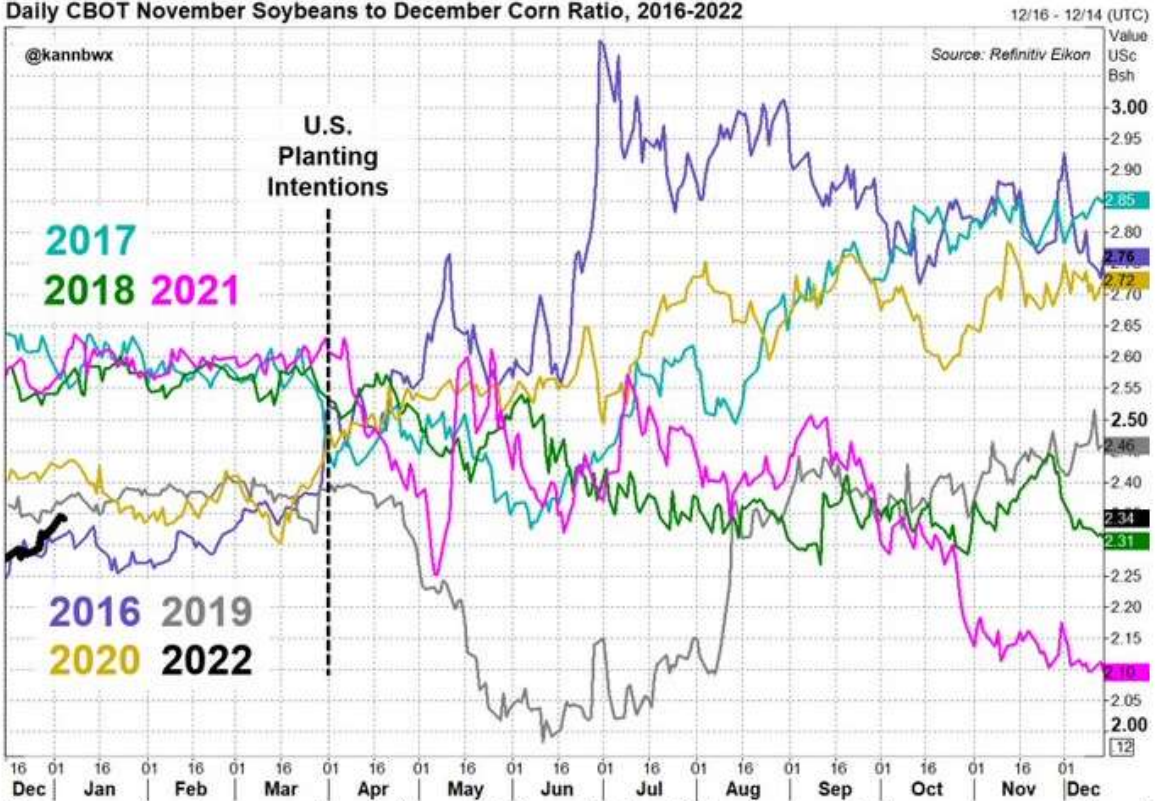
On Tuesday, Managed funds were net buyers of 6,000 Chicago wheat, 22,000 corn, 17,000 soybeans, 1,000 soymeal and 9,000 soyoil. We estimate Managed funds to be net short 12,000 wheat, long 384,000 corn, 105,000 soybeans, 56,000 soymeal and 50,000 soyoil

Dalian corn, soybean, soymeal, soyoil and palmoil futures were higher. Rapeoil lower
Dalian palmoil prices are at new contract highs, soyoil prices are at 9 week highs
Matif rapeseed futures traded to all time highs. Lower supplies SBO/PO unable for biodiesel
US soyoil futures are higher on talk of higher exports and increase demand for biodiesel
Soybeans are higher on concern over SA supplies. Some est Brazil near 134 vs USDA 144
Parana and MGDS Governors declared state of emergency. Parana yields down 39 pct=10 mmt
Trade/close over 14.00 SH could test June high near 14.45. New highs SMH. Next resistance 456
Higher soybean price action could begin to weigh on US soybean board crush margins.
There were rumors yesterday that some China crushers are short cash and need to buy futures.
Recent CH high was near 6.17. Argentina heat during pollination could drop their crop.
Some estimate Brazil corn crop near 113 mmt vs USDA 118. Argentina 52 vs USDA 54.5.
There were rumors yesterday that China may be ready to buy 5-7 mmt US corn
Some wheat futures long liquidation overnight. Lower US monthly HRW crop ratings supportive
Russia may not export 36 mmt wheat. World demand up 5-7 mmt, 2021 stocks down 10 mmt
2022 N Hemisphere must increase 15-20 mmt to help increase export supply limit price gain
Some estimate US Dec 1 corn stocks at 11,700 mil bu vs 11,294 ly. Sep-Nov use 4,461 4,743 ly
Some estimate US Dec 1 soybean stocks at 3,100 mil bu vs 2,947 ly. Sep-Nov use 1,575 1,797 ly
Some estimate US Dec 1 wheat stocks at 1,350 mil bu vs 1,703 ly. Sep-Nov use 451 vs 483 ly
Some est US 2022 wheat acres at 48.5 vs 46.7 ly. Winter wheat 33.9 vs 33.6. Spring 12.7 vs 11.4

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Daily CBOT November Soybeans to December Corn Ratio, 2016-2022



New-crop #soybeans vs #corn futures: The ratio has fallen in two distinct groups at this point in the past few years - 2022 is in the corn-favoring group (corn is relatively stronger than beans). Historically those trends have held through March. – Karen Braun

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