



John Stewart AND ASSOCIATES

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Corn

Corn was off its game today but didn't do much damage to the chart, closing down $3\frac{1}{4}$ at $7.56\frac{1}{2}$ for May futures. The forecast shows above normal precipitation for the Corn Belt with lower-than-normal temperatures after that. We don't look for the planting pace to set any records the next few weeks. There were no daily sales in corn this morning, with the trade watching for an additional 2-3 million tons rumored sold to China earlier this week. Ethanol production for the week averaged 1.003 million barrels per day which is down 3.19% vs last week and up 2.87% vs last year. Farmer selling was extremely slow as domestic basis remains mixed with some push at the river again today. May/July corn spread weak again today as the Goldman roll starts tomorrow, and thoughts are there has been quite a bit of front running ahead of this roll. It is interesting to note that CZ traded up 8.49 in August of 2012. That day ended up being a key reversal with a close of $8.09\frac{1}{4}$, very close to the session low. 8.49 and that was 10-years ago. Weekly export sales estimates are 500,000 to 1,000,000 mt of old crop.

CASH BASIS BIDS	Nearby	May
Corn Cif Nola	109+K	101+K
Truck Hennepin	11K	1+K
Truck St Louis	28+K	31+K
Iowa Interior UP	25-K	25-K
Columbus CSX	20-K	20-K
Fort Wayne NS	22-K	15-K
Dlvd Hereford	140+K	130+K
Dlvd PNW	155+K	165+K
KC RAIL	NA	NA
Nebraska Grp 3	0+K	5-K
Dlvd Decatur	16+K	18+K
Wheat Cif Nola	120+K	50+K
Beans Cif Nola	130+K	118+K
Truck Hennepin	0+K	9+K
Truck St Louis	41+K	41+K
Dlvd Decatur	15+N	25+N
Dlvd Des Moines	24-N	29 -N
IL R Barge Frt.	850	685
BNSF Shuttle Frt.	\$1900	\$800

Beans

Beans had a small retracement day with SK down $11\frac{1}{2}$ c as it continued to track the 50 day (1620). Today marks the fourth day in a row trading either side of the 50 day after not trading near since December. Beans seemed to be drug down by the weaker crude market as Congress grilled oil executives. SKSN slightly defensive with Goldman Roll starting tomorrow. USDA reporting a flash sale of 132,000 mt to China for old crop. Brazil is competitive for nearby cargos with FOB values at three-week lows. The US is competitive August forward. New crop sales are sitting at record highs with many PNW facilities close to booking their capacity. Old crop sales are estimated to be 500,000 to 1.150 mmt for old crop with 100,000 – 400,000 mt for new crop. Meal sales are expected to be 100,000 – 300,000 with oil sales 5 – 30,000. WASDE report on Friday with export sales expected to be increased with the trade expecting a decrease in carryout to 262 mil bu. The trade is expecting Brazil's production to be lowered to 124.9 mmt and Argentina lowered to 43 mmt.

Wheat

A retracement type day seemed to be in order with much of the commodity group lower where it had been firm and higher wheat it had been weaker. Examples, in addition to wheat are nearby WTI crude closing below the 50-day moving average for the first time since 1/3 and lean hogs trading higher after 6 consecutive lower days. WK is 7 cents lower at $10.38\frac{1}{4}$, KWK is $2\frac{1}{4}$ higher at 10.85 still seeing support from its surprisingly low initial crop rating, and MWK is 3 lower at $11.08\frac{3}{4}$. Given the reduced spring wheat acres and poor HRW conditions the US is not looking like it will be much of a contributor to replace lost Black Sea bushels. 2 more Russian banks have been added to list of sanctioned banks. However, Russia has averaged about 420,000 mt of wheat exports per week for the last 4 weeks. Trade estimates for Friday's WASDE have 2021-22 US carryover stocks at 656 mbu, barely changed from March. World carryover stocks estimates reflect little change as well at 281.41 mmt. Weekly export sales are estimated to be 100,000 to 750,000 mt.

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