



Daily Futures Market Commentary Grains Morning Outlook

By Steve Freed VP ADMIS Grain Research

March 20, 2023

Grains are lower. SK is down 12 cents and near 14.63. SMK is near 462.2. BOK is near 56.37. CK is down 7 cents and near 6.27. WK is down 8 cents and near 7.01. KWK is down 8 cents and near 8.28. MWK is down 6 cents and near 8.54. Risk off. US stocks are lower. Crude is lower. US Dollar is higher. Gold is higher.

On Friday, Managed were net buyers of 4,000 Chicago wheat and 1,000 corn and sold 6,000 soybeans, 6,000 soymeal and 1,000 soyoil. We now estimate Managed funds to be short 81,000 Chicago wheat, long 80,000 corn, 129,000 soybeans, 138,000 soymeal and 16,000 soyoil.

GSI commodity index traded below key support last week and is making a new low overnight. Crude is lower on concerns over Global Banking situation. There also remains concern about higher inflation forcing US Central Bank to raise interest rates to fight inflation. US employment remains strong with wages higher.

Chinese President Xi is expected to be discuss a trade agreement between Russia, China, and Brazil. If true it could continue to drop US share of global export trade. President Xi will then meet with Ukrainian President Zelensky.

CK rejected 6.40 on demand worries. WK rejected 7.12. The Ukraine/Black Sea grain export corridor has been renewed. Ukraine is stating it will be for 120 days, Russia said the agreement was for 60 days. Brazilian summer corn is 39 pct harvested. Safrinha corn is 86 pct planted versus 92 pct average. Total Brazilian corn production is estimated at 125-127 mmt. Argentine corn production is at 37-38 mmt vs USDA 40. Weak Russia and EU wheat prices weighs on wheat futures.

SK is lower and lowest level since early Dec, 2022. Brazilian bean and soymeal premiums are lower. China bought 20-22 AMJ Brazilian soybean cargos. Chinese crush margins remain negative. Chinese hog and pork prices slipped lower last week. Brazilian soybeans are 58 pct harvested. Brazil soybean production is est at 151-152 mmt. Argentina crush margins are lower. Argentine soybean production is at 25-27 mmt vs USDA 33

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.