

## Daily Futures Market Commentary Grains Morning Outlook

**By Steve Freed VP ADMIS Grain Research**

**March 27, 2023**

Grains are lower. More risk off. SK down 3 cents and near 14.24. SMK is near 442.4. BOK is near 53.06. CK is down 4 cents and near 6.38. WK is down 6 cents and near 6.81. KWK is down 6 cents and near 8.41. MWK is down 3 cents and near 8.54. US stocks are higher. US Dollar is unch. Crude is higher. Coffee, cocoa, sugar and cotton are higher. Gold, silver and copper are lower.

On Friday, Managed were net buyers of 12,000 Chicago wheat, 7,000 corn, 4,000 soybeans, 4,000 soymeal and 5,000 soyoil. As of March 21, We now estimate Managed funds to be short 81,000 Chicago wheat, short 38,000 corn, short 18,000 soyoil, long 87,000 soybeans, 110,000 soymeal. Commercials continue to reduce their net short in corn

CK has rallied from recent low near 6.06 to 6.45. Most of the rally has been linked to new export demand for US corn, lower Argentina supplies, Brazil out of export market until July and talk of lower Ukraine 2023 supply. Market was surprised that Managed funds are still short corn. Average guess for US 2023 corn acres is 90.9 vs USDA Outlook Forum at 91.0 and 88.6 ly. March 1 corn stocks are estimated at 7,474 mil bu vs 7,758 last year.

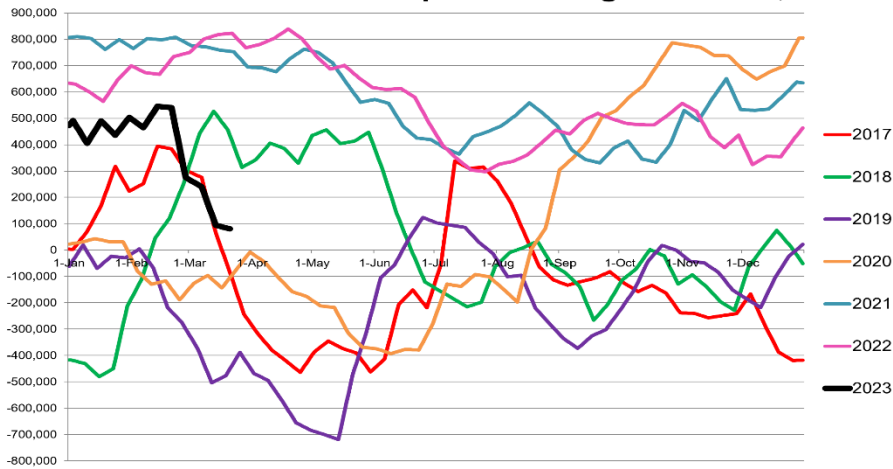
Wheat futures saw some short covering on Friday. Funds may be covering short on unconfirmed rumors of Russia halting wheat exports due to low prices. Fact Russia could put tactical nuclear weapons in Belarus could also increase tension between West and Russia. Average guess for US 2023 wheat acres is 48.9 vs USDA Outlook Forum at 49.5 and 45.7 ly. March 1 wheat stocks are estimated at 929 mil bu vs 1,029 last year.

SK, SMK and BOK have been in freefall on demand concerns. Despite lower Argentina supply, record Brazil crop and increase Brazil farmer selling has dropped Brazil export prices well below US and raising rumors of Brazil soybeans being imported into US east coast. Average guess for US 2023 soybean acres is 88.3 vs USDA Outlook Forum at 87.5 and 87.5 ly. March 1 soybean stocks are estimated at 1,728 mil bu vs 1,932 last year.

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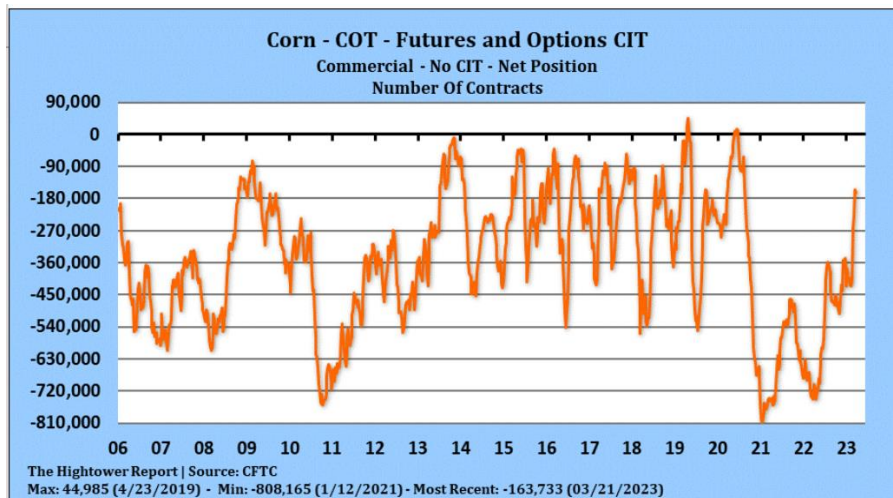
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### Money managers' combined net position in U.S. grain and oilseed\* futures and options through March 21, 2023



\*Includes CBOT corn, soybeans, wheat, soymeal, soyoil, K.C. wheat and MGEX wheat  
Data source: Refinitiv Eikon/CFTC

@kannbwx



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