MORNING GRAIN COMMENTS

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INTL FCStone®

CURRENT TREND: Lower **REASON:** Plains weather still benefits winter crop; soybeans wait for China sale

EXPORT SALES TOMORROW @ 7:30 AM; USDA DEC S&D TUESDAY @ 11 AM

MORNING TRIVIA: Dedicated as a national park on this day in 1947, this is the largest tropical wilderness in the United States...

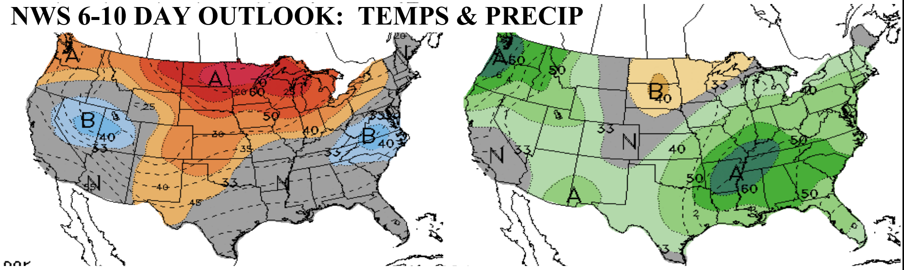
MARKET HEADLINES

- *Quick editorial*: beans look a bit tired this morning after four straight positive sessions, and six winners in the last seven; they've broken through a nearly six-month downtrend and gapped higher above $9/bu. but need that fundamental push (evidence of export sales to China) to continue inching higher...
- Taiwan bought 110k tonnes of U.S. milling wheat for Jan-Feb shipment.
- Jordan again tendered for 120k tonnes of hard milling wheat for April-May.
- Algeria bought around 40k tonnes of each of corn (from Argentina) and soybean meal (optional-origin, including the U.S. and ARG) for Jan shipment.
- Japan bought 144k tonnes of milling wheat in their regular weekly tender as scheduled, including 64k from the U.S., 59k from Canada, and 21k from AUS
- Egypt's GASC is seeking wheat for January 21-31 delivery this morning; they still have not issued letters of credit for a total of 945k tonnes of recently purchased wheat (set for shipment in the Nov 11-Dec 20 time frame), though the country's authorities are assuring sellers that LOC's would be sent in January.
- Ukraine's national research institute estimated a 2018 grain harvest at a record 70.2 MMT, up over 13% from last year, including a record corn harvest of 35.2 MMT, up 43% from last year due to improved yields.
- The European Commission yesterday raised their 2018/19 E.U. soft wheat production from 127.4 to 129.2 million tonnes, with wheat exports unchanged at an even 20 MMT; corn output was raised from 62.3 to 62.9 MMT, with corn imports also up this month from 16.3 to 18.5 MMT.
- *CBOT December deliveries:* corn 69 contracts, with next trade date 6/28/18; bean oil 758 and 12/5; Chi wheat 140 and 11/23; KC wheat 82 and 12/3/18.
- *'18/19 U.S. Carryout Estimates (bln bu)*: **Avg Est** / Est Range / *USDA Nov*
  Corn: **1.738** / 1.700-1.790 / *1.736* Beans: **0.945** / 0.875-0.975 / *0.955*
  Wheat: **0.956** / 0.924-0.984 / *0.949*
- *'18/19 World Carryout Estimates (MMT)*: **Avg Est** / Est Range / *USDA Nov*
  Corn: **307.6** / 304.2-310.0 / *307.5* Beans: **112.8** / 110.8-114.0 / *112.1*
  Wheat: **266.8** / 264.3-270.0 / *266.7*
- *'18/19 S.A. Production (MMT)*: **Avg Est** / Est Range / *USDA Nov*
  ARG Corn: **42.4** / 41.0-43.0 / *42.5* ARG Soy: **55.7** / 55.5-57.0 / *55.5*
  BRZ Corn: **94.4** / 90.0-96.0 / *94.5* BRZ Soy: **120.9** / 119.0-122.0 / *120.5*

WEATHER UPDATE

- Rain and snow will fall in TX and OK tomorrow through Saturday, aiding moisture supplies there, with temps still plenty high enough going forward to avoid any winterkill threats anywhere across the Plains. Conditions look dry for most U.S. growing areas through the 11-15, more active past that.
- Argentine fieldwork will advance through the weekend but stall out due to heavy rains into mid-next week; rains will be heaviest in far northeastern growing areas. Wet northern Brazil crops will see chances through the weekend but move southward into the 6-10 day to cover any drier areas.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



CFTC MANAGED MONEY & RECORD (Since June 2006) POSITIONS:

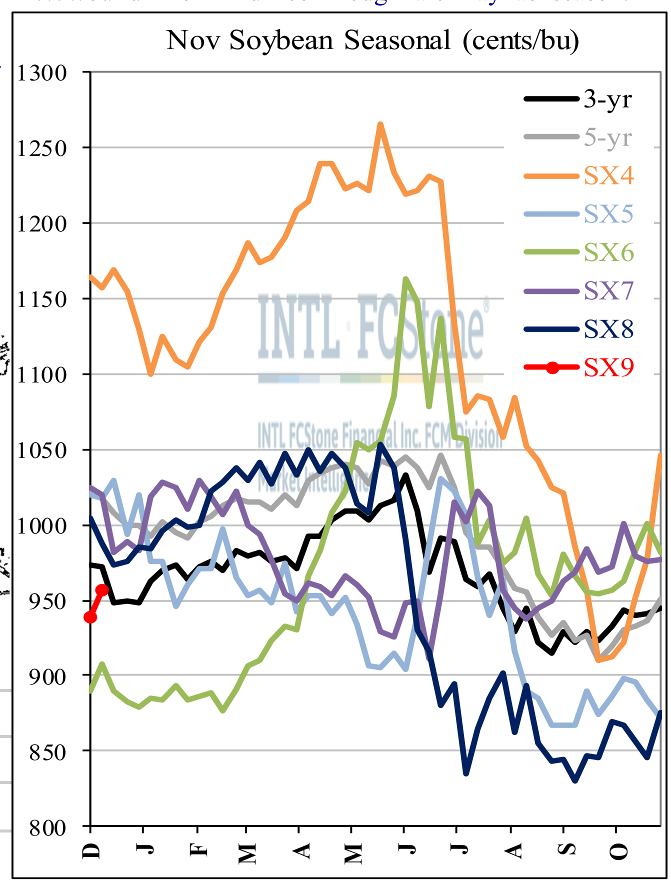
	Corn	Beans	Meal	Oil	Chi Wheat	KC Wheat
Daily	-4,000	2,000	-2,000	-2,000	-3,000	0
Est Net	17,946	-31,303	3,116	-68,564	-29,744	-10,748
Rec +	409,444	260,433	132,126	125,722	73,662	72,845
Rec -	-242,884	-125,912	-54,855	-63,489	-171,269	-30,005

NIGHT SESSION (to 7:00 AM): Grain Volume: 88,071

Symbol	High	Low	Last	Chg	Vol
CH9	384.75	382.75	**383.00**	**-1.25**	15,586
CK9	391.75	389.75	**390.25**	**-1.00**	1,399
CZ9	403.25	401.50	**401.75**	**-0.50**	1,057
WH9	518.50	514.50	**514.75**	**-3.25**	6,045
KWH9	498.75	495.75	**495.75**	**-2.25**	2,248
SF9	912.25	906.25	**908.50**	**-5.00**	16,513
SH9	924.25	918.75	**920.75**	**-4.75**	8,572
SK9	937.00	931.75	**933.75**	**-4.50**	2,396
SMF9	314.70	313.10	**313.60**	**-0.30**	3,621
BOF9	28.83	28.56	**28.66**	**-0.18**	7,957
CLF9	53.30	50.23	**51.52**	**-1.37**	371,767
DXY	97.18	96.90	**96.97**	**-0.05**	6,294

FUNDAMENTAL UPDATE

With the November 2018 soybean contract off the board, SX9 now takes over as the bellwether new-crop bean contract; today's chart shows its start in December compared to recent years and seasonal averages. Having picked up almost 50 cents from lows early last week, SX9 still lingers below last year at this point, as well as the three-year average; SX8 hit what ended up being a seven-month peak on 12/5/17 at $10.24/bu, not returning to that level until a $10-10.60/bu run from mid-Feb through late May last season.



Answer: Everglades