



CURRENT TREND:

Mixed

REASON:

USDA corn supplies cut provides support, 2021 acreage fight lingers

EXPORT SALES @ 7:30 AM; NOPA CRUSH TOMORROW @ 11 AM

MORNING TRIVIA: Variations on this popular card game include Double Exposure, Double Attack, 21st Century, Spanish, Switch, and Super Fun...

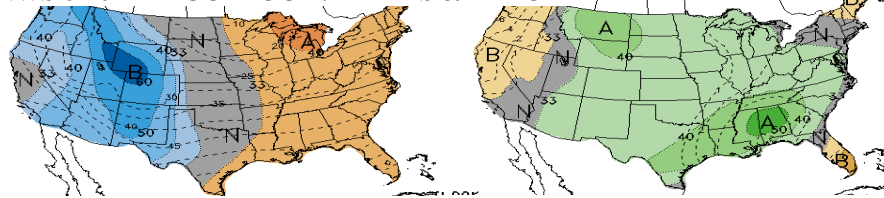
MARKET HEADLINES

- Quick Editorial:** the grains look unwilling to move far off highs post-USDA, with old and new-crop spreads adjusting to account for the USDA's new reality; the bulls will receive the gift of both corn and soybeans needing to fight for acreage heading into March. Soybean export and crush numbers will be analyzed into the end of the week after those demand moves on Tuesday...
- Japan bought 117k tonnes of milling wheat in their regular weekly tender as planned, including 50k from the U.S., 43k from Canada, and 24k from AUS.
- Jordan bought 60k tonnes of hard milling wheat in an optional-origin tender closing yesterday morning, at \$269/tonne C&F for early August shipment.
- Russia's Ag Ministry is now proposing wheat export taxes at 45 euros per tonne (\$55) from March 15 through June 30, up from a previously planned 25 euros per tonne, with barley at 10 EUR/MT and corn at 25 EUR/MT as well.
- Ukraine's ports have all resumed grain cargo operations following a weather shutdown yesterday, according to state-run port authorities. Meanwhile, private analysts APK-Inform reported another \$4-6 per tonne increase in the country's milling wheat export prices this week due to strong demand.
- Refinitiv Commodities Research estimated 2020/21 Argentine corn production at 45.0 MMT, with the crop 87% planted; that's below the USDA's 47.5 MMT January estimate (itself down from 49.0 MMT in December). Meanwhile, the Rosario Grains Exchange pegged that crop at 46.0 MMT, down from 48.0 MMT previously, with soybeans at 47.0 MMT, and wheat at 17.0 MMT, up from a 16.5 MMT estimated in December due to record SE yields.
- December NOPA soybean crush is expected to come in at 185.2 million bushels tomorrow morning, up from 181.0 mbu in November and 174.8 mbu last December, and only slightly below the all-time record monthly tally of 185.25 mbu from October. Trade estimates range from 182.0-188.5 million bushels.
- January CBOT deliveries: soybeans 50 contracts, with next trade date 1/13.
- '20/21 Export Sales Estimates (000 tonnes): **Estimate Range / Last Week**
Corn: **700-1200 / 748.9** Beans: **300-700 / 37.0** Wheat: **250-500 / 275.3**
Meal: **100-300 / 124.1** Oil: **5-30 / 3.5**
- '21/22 Export Sales Estimates (000 tonnes): **Estimate Range / Last Week**
Beans: **100-500 / 79.8** Wheat: **0-50 / 6.0**

WEATHER UPDATE

- Rain, snow, and mixed precipitation is moving through the northern Midwest this morning, lingering in the north/northeast through tomorrow; forecasts look more active in both the 6-10 and 11-15 day periods today, across all U.S. crop areas. Temps remain warm into the 6-10, cooling finally in the 11-15.
- Argentina was dry over the past 24 hours, but has decent rain chances on tap tomorrow and Saturday to improve dry conditions there; forecasts look much drier again past that. Brazil saw scattered rains in the northern half of crop areas yesterday, with good widespread action over the next five days, and less coverage in the 6-10 but good chances still for the heart of the country.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



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

	Corn	Beans	Meal	Oil	Chi Wheat	KC Wheat
Daily	10,000	-10,000	-7,000	-3,000	-4,000	0
Est Net	377,208	192,446	102,882	97,158	24,726	53,443
Rec +	409,444	260,433	132,126	125,722	73,662	72,845
Rec -	-344,185	-171,141	-53,070	-110,846	-171,269	-59,640

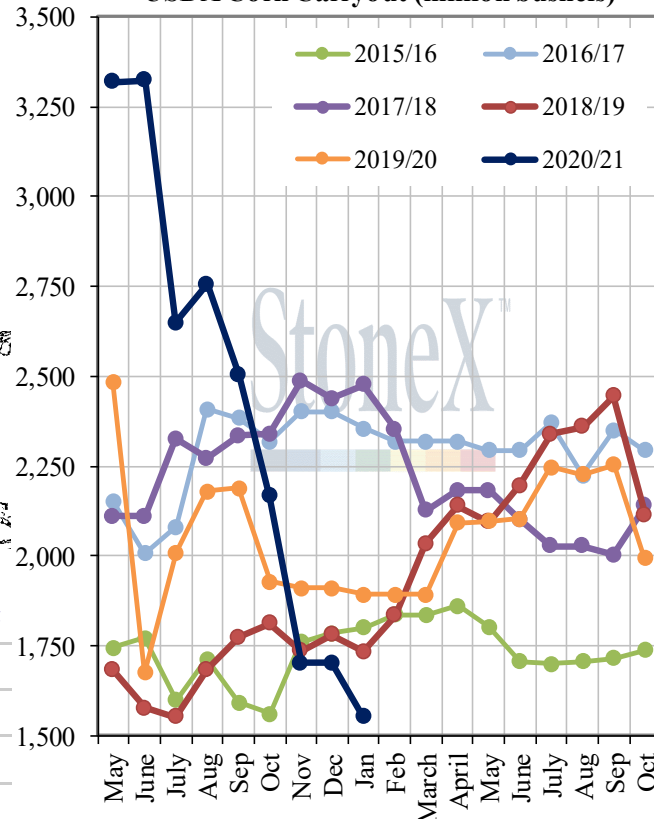
NIGHT SESSION (to 7:00 AM): Grain Volume: 189,966

Symbol	High	Low	Last	Chg	Vol
CH1	527.75	519.00	525.25	+0.75	39,245
CK1	531.00	522.25	528.50	+0.75	17,500
CZ1	452.50	445.25	450.50	-2.75	3,846
WH1	664.00	653.00	657.75	-2.75	10,902
KWH1	631.00	621.00	626.25	+0.50	3,198
SH1	1416.00	1403.00	1409.75	+3.50	20,961
SK1	1413.25	1401.00	1407.25	+3.50	7,628
SX1	1191.25	1172.50	1187.25	+11.25	5,792
SMH1	464.10	457.10	461.40	+4.30	6,865
BOH1	42.20	41.30	41.48	-0.70	18,039
CLG1	53.29	52.50	52.66	-0.25	69,847
DXY	90.47	90.22	90.35	+0.02	5,862

FUNDAMENTAL UPDATE

Today's charts show projected corn carryout by marketing year, from the initial new-crop S&D integration in May, through the following October. 2020/21 carryout started at more than 3.3 billion bushels in May—with planted acreage at 97.0 million acres (versus under 91 mln now), yield at 178.5 bpa (vs 172.0 bpa now) and production at almost 16 bln bu (14.182 bln bu now). Carryin has lost almost 180 million as well. Current corn ending stocks are in the tightest January spot since 2013's 602 million bushels...

USDA Corn Carryout (million bushels)



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Answer: Blackjack