

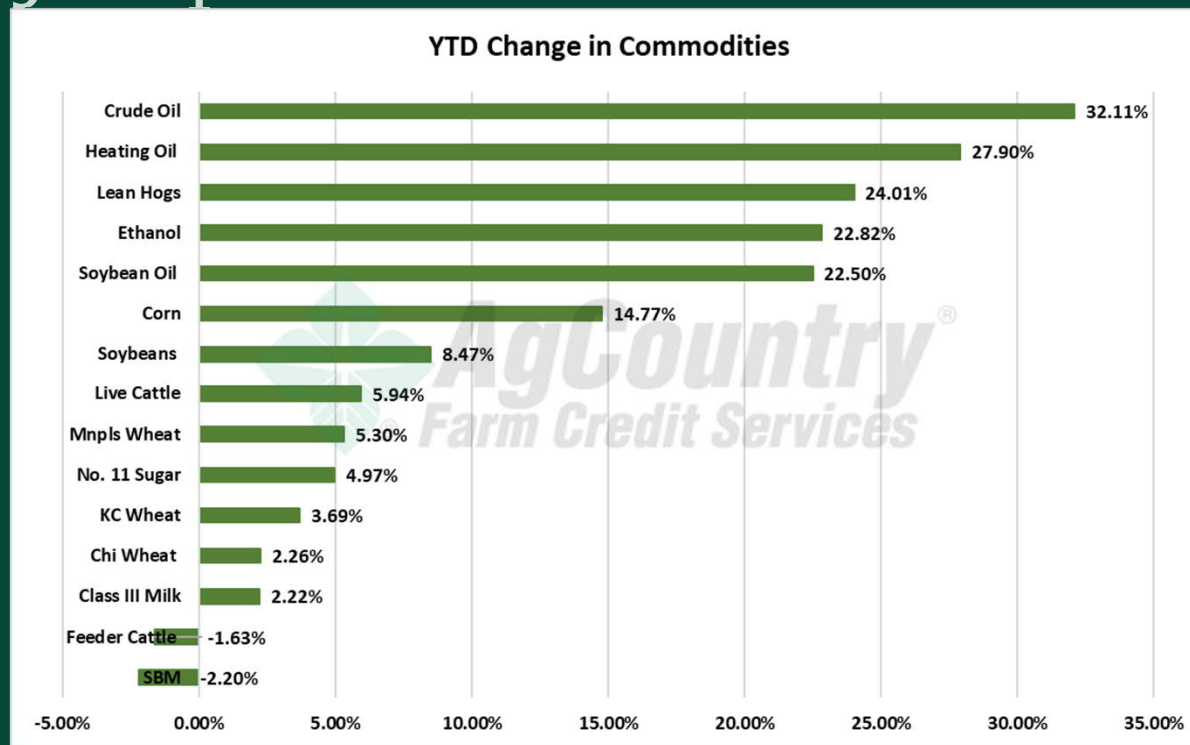


USDA Update

March 2021



Monthly Reports



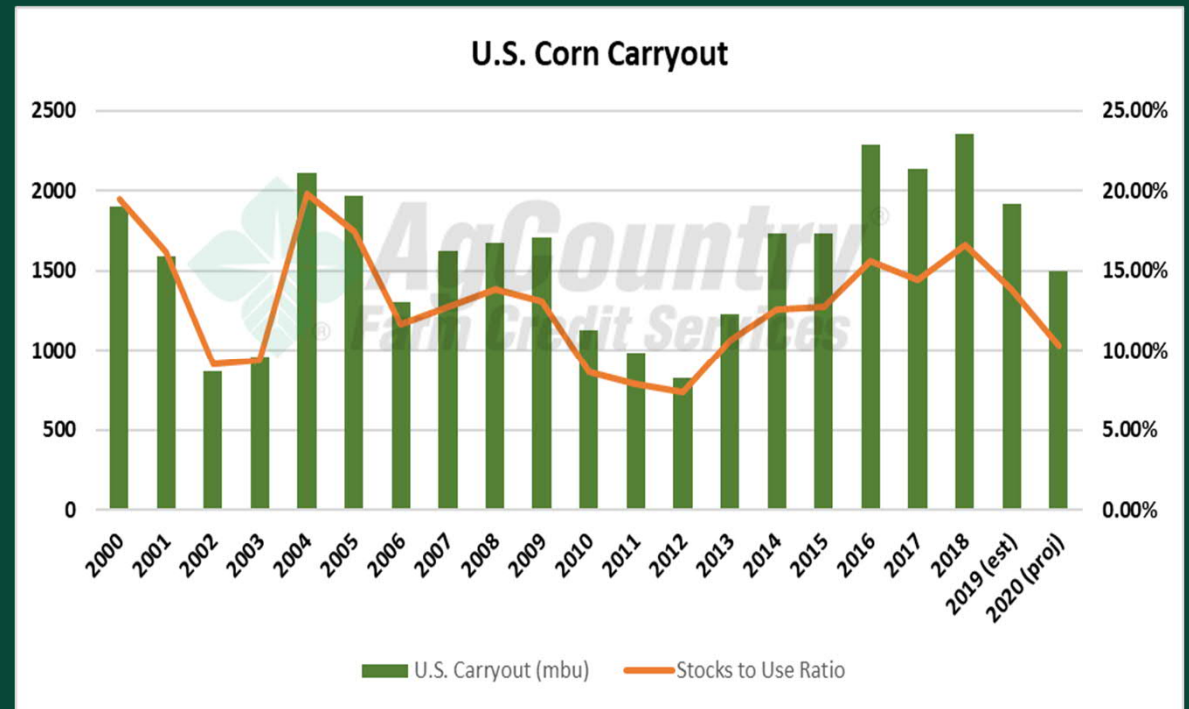
Preface

Closes on Report Day:

	Spot Month	New Crop
Corn	\$5.45 ³ / ₄ (-1 ¹ / ₄)	\$4.84 ³ / ₄ (+3 ¹ / ₄)
Soybeans	\$14.40 (+6 ¹ / ₄)	\$12.62 (+7 ³ / ₄)
Spring Wheat	\$6.47 ¹ / ₂ (+5 ³ / ₄)	\$6.59 ³ / ₄ (+6 ¹ / ₂)

U.S. Corn

- Only change to U.S. Balance sheet was the addition of 50 mbu of exports.
- If realized, I believe would be or would tie a record (have to double check)
- Stocks to Use would be 10.27%



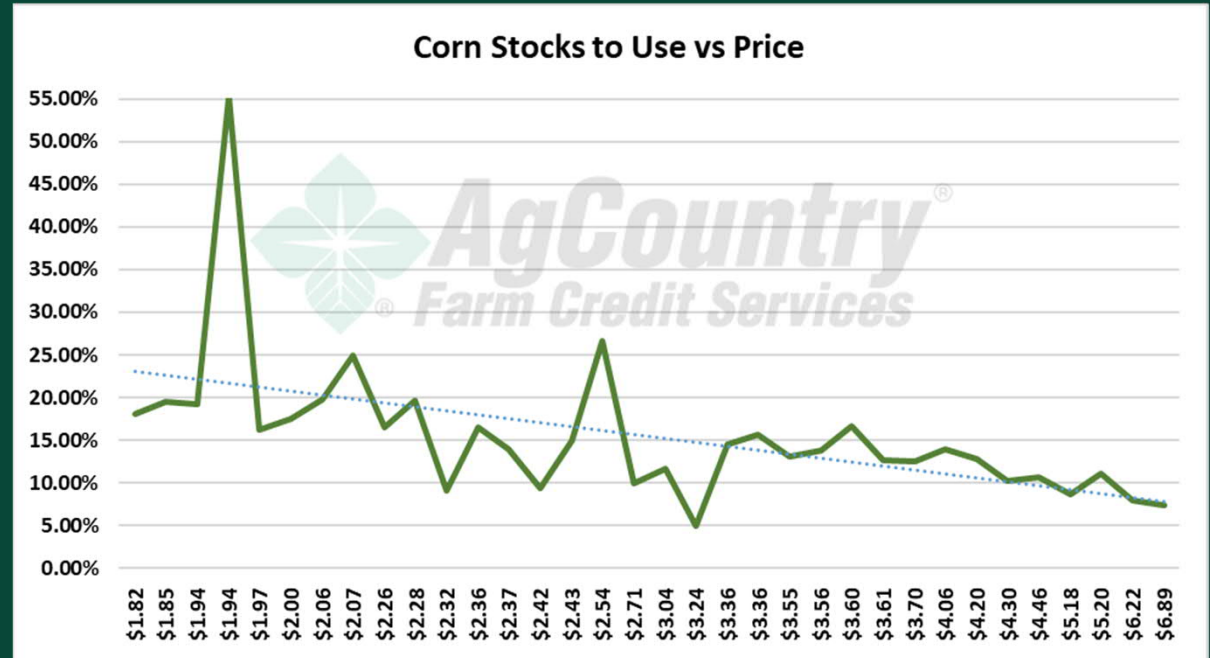
U.S. Corn

Only years with lower STU since 1987 would be:

1995, 1996, 2002, 2003, 2010, 2011, 2012

Notice they do tend to come in sets.

Warning: Input values are also rising, which is very normal. It does present a margin challenge for those who sold heavily ahead but didn't also book inputs

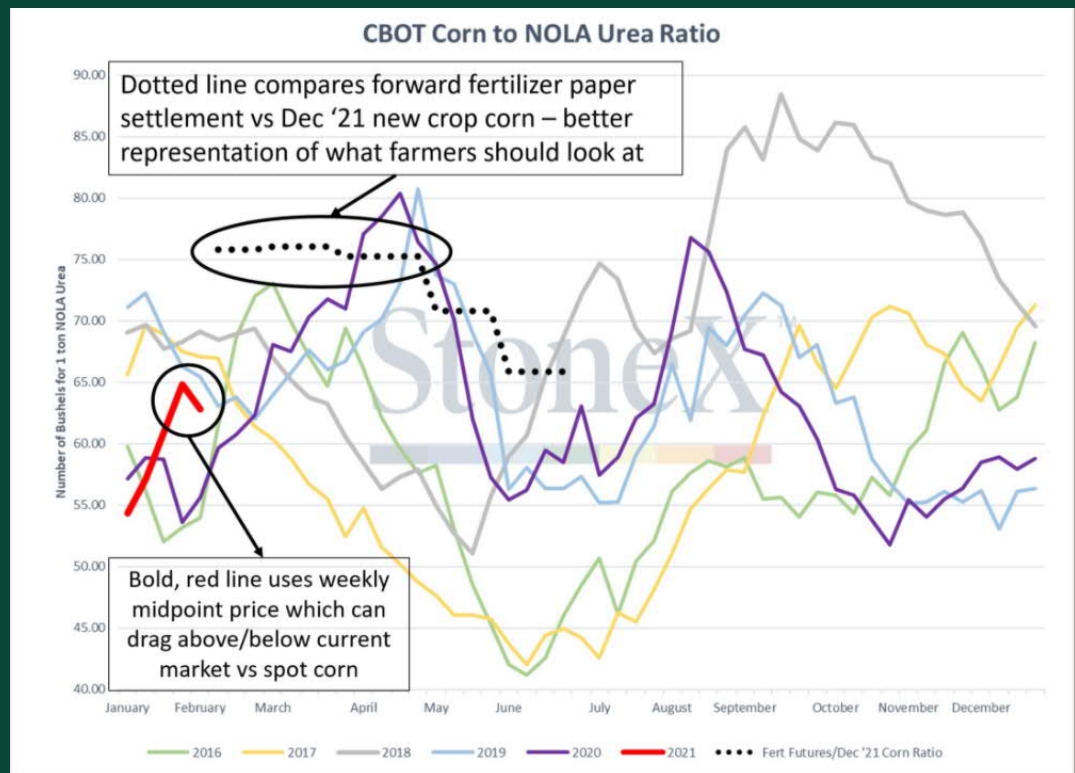


U.S. Corn

Good News: Lot of Nitrogen went down this fall

Bad News: Those acres are basically stuck with corn, putting more question marks on price moves changing acres to soybeans.

Other values: Phosphate \$250-\$300/ton higher than last summer, DAP is run away higher, BUT is not as bad as 2018 in terms of bushels of corn to pay for a ton.



World Corn

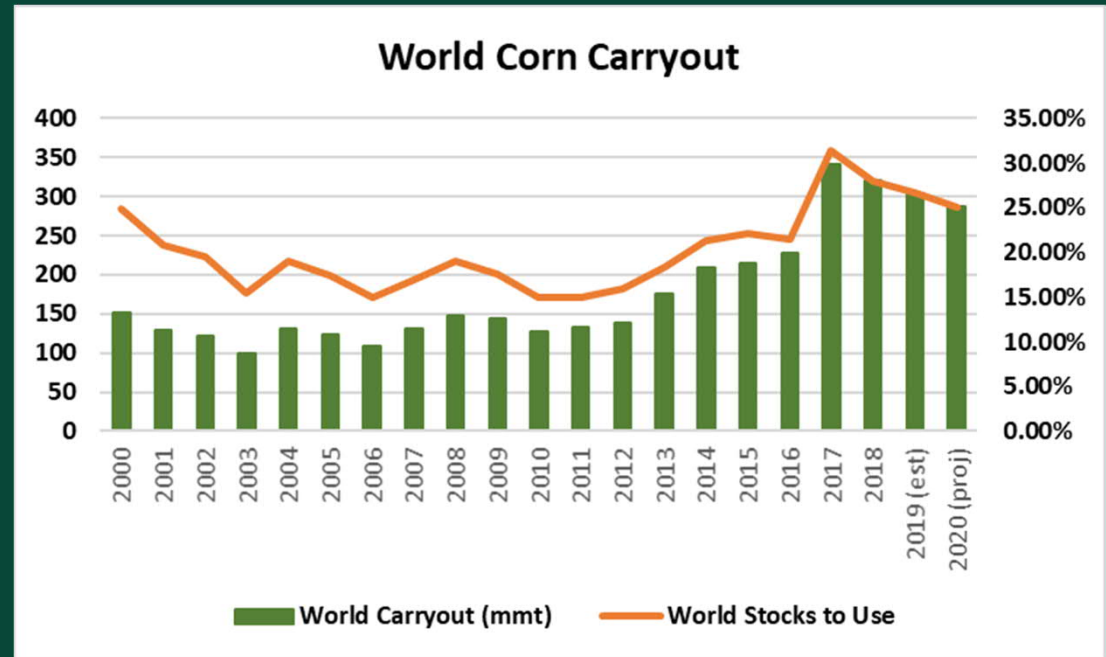
World Ending Stocks					
	Actual	Ave Est	Range	Feb USDA	2019/2020
Corn	287.67	284.23	280 - 286	286.53	303.01
Soybeans	83.74	82.66	81 - 85.5	83.36	95.39
Wheat	301.19	304.39	302.4 - 309	304.22	300.09

World Corn

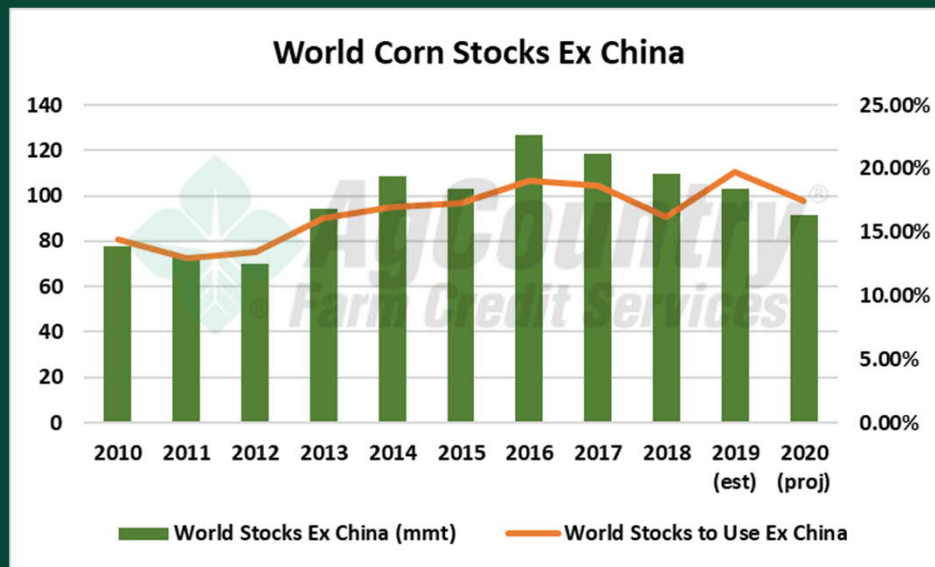
2021 Projected World Ending Stocks ROSE to 287.67 mmt

~ 2 mmt production increased, partially from South Africa

Basically carried through to the Ending Stocks number



More Complicated



- World Stocks Increasingly Concentrated in China
- Chinese Imports held steady in March but are historically very high at 24 mmt
- Chinese Feed Use was held steady, but again at historically high levels

More Complicated

- USDA 's Chinese Baseline Stocks HAVE NOT changed. World stocks became increasingly concentrated, but according to USDA, Chinese stocks themselves, are not low
- BUT!!! The Food and Agricultural Organization (run by UN) cut Chinese stocks by 54 mmt in Feb compared to December.
- No way to reconcile the two

U.S. Soybeans

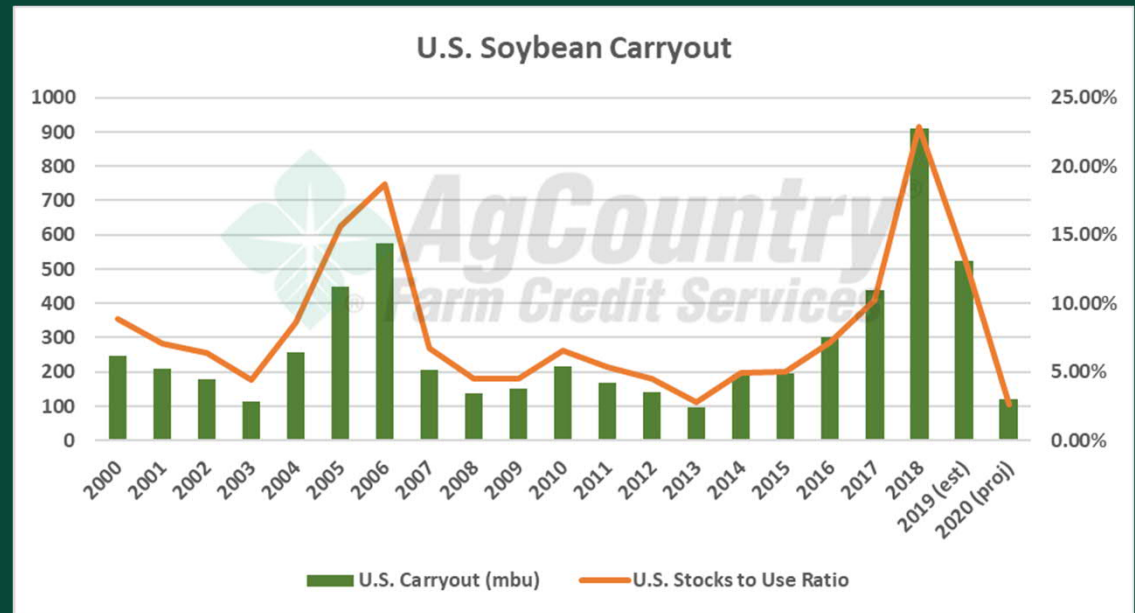
- USDA came in with a 120 mbu carryout, which is a low print for this time of year
- The only year lower (final estimate was lower) were 2003 and 2013
- Only change was a 20 mbu increase to export projections
- USDA DID NOT increase projected price

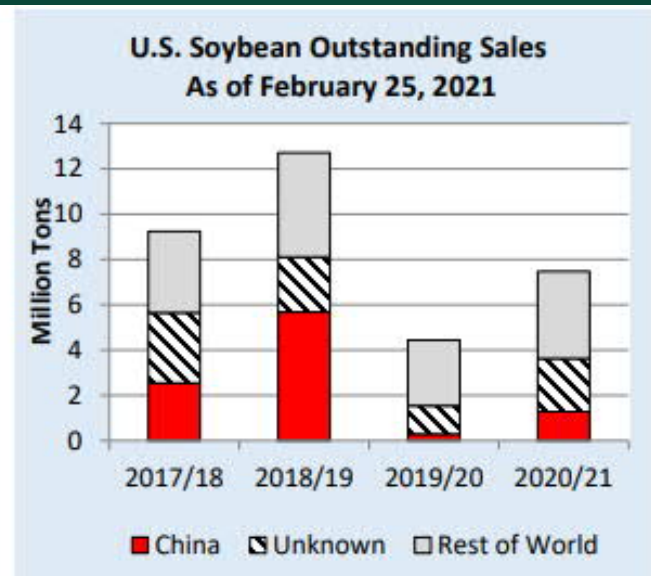
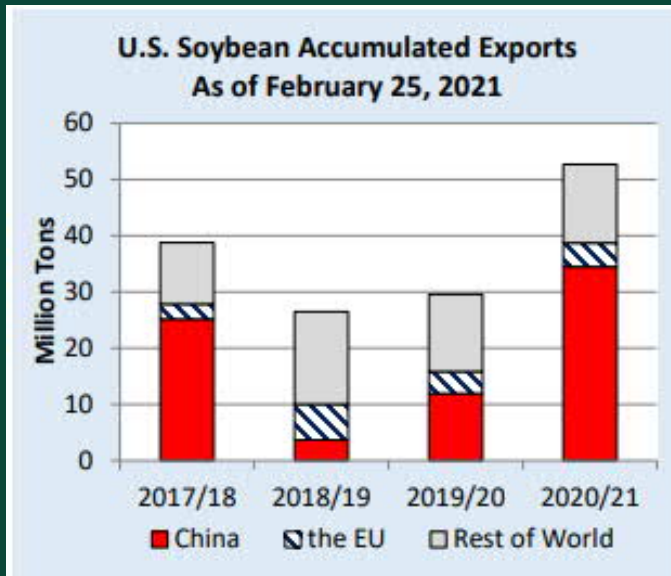
U.S. Soybeans

U.S. Low Print Projection for March

AND

U.S. soybean shipments hit a new record of 47.5 million tons

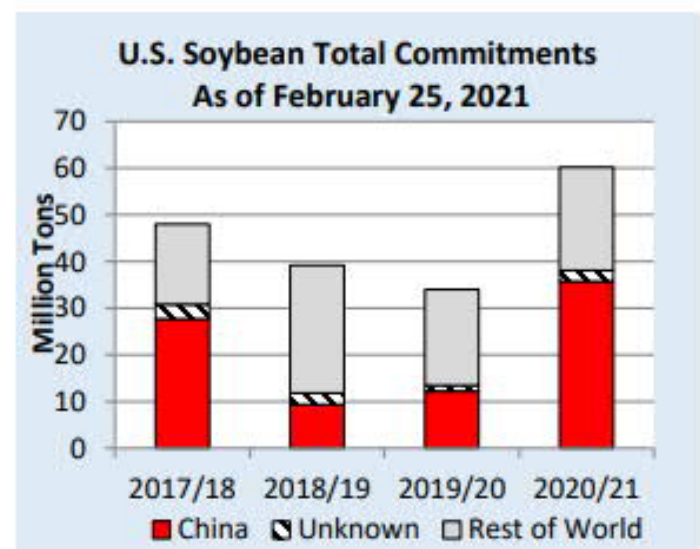




Source: Mar 2021 USDA Oilseed Outlook Report

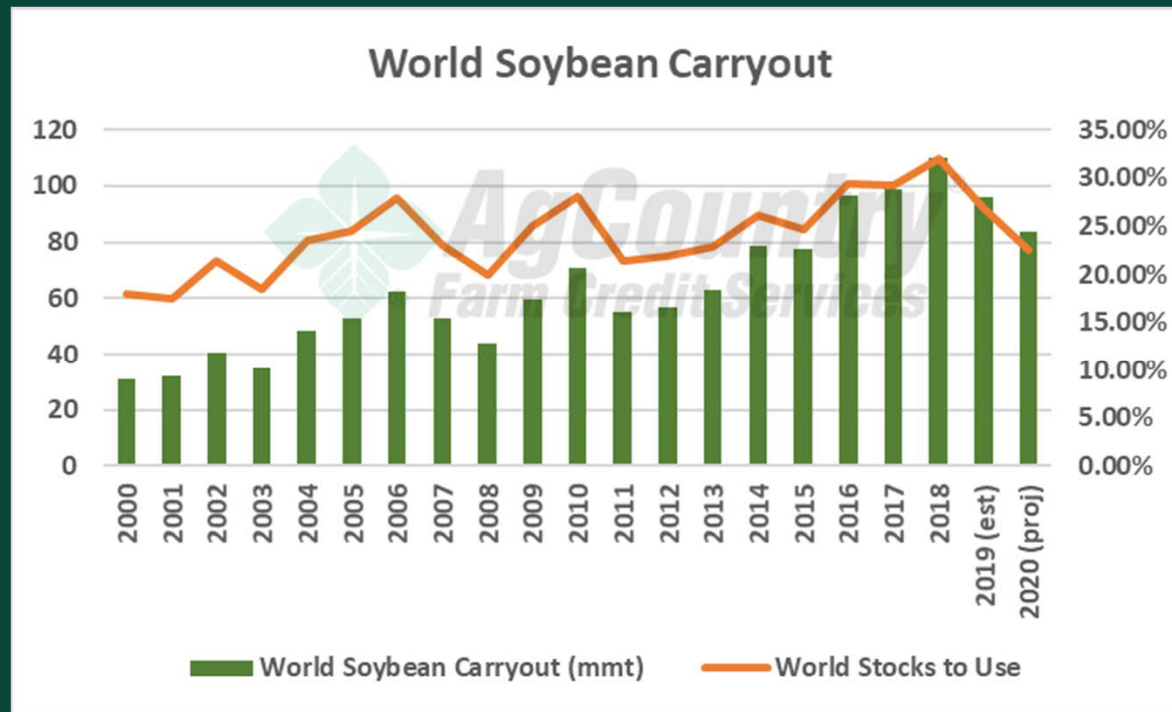
U.S. Soybeans

U.S. Soybean Export Sales as of Feb 25, 2021 (Million Tons)				
	Feb 27 2020	Feb 25 2021	Net Change YOY	% Change
Accumulated Exports				
China	11.9	34.5	22.5	189%
ROW	13.8	14.0	0.2	2%
Outstanding Sales				
China	0.3	1.3	1.0	337%
ROW	2.9	3.8	1.0	33%
Total Commitments				
China	12.2	35.8	23.5	192%
ROW	20.5	22.0	1.5	7%



Source: Mar 2021 USDA Oilseed Outlook Report

World Soybeans



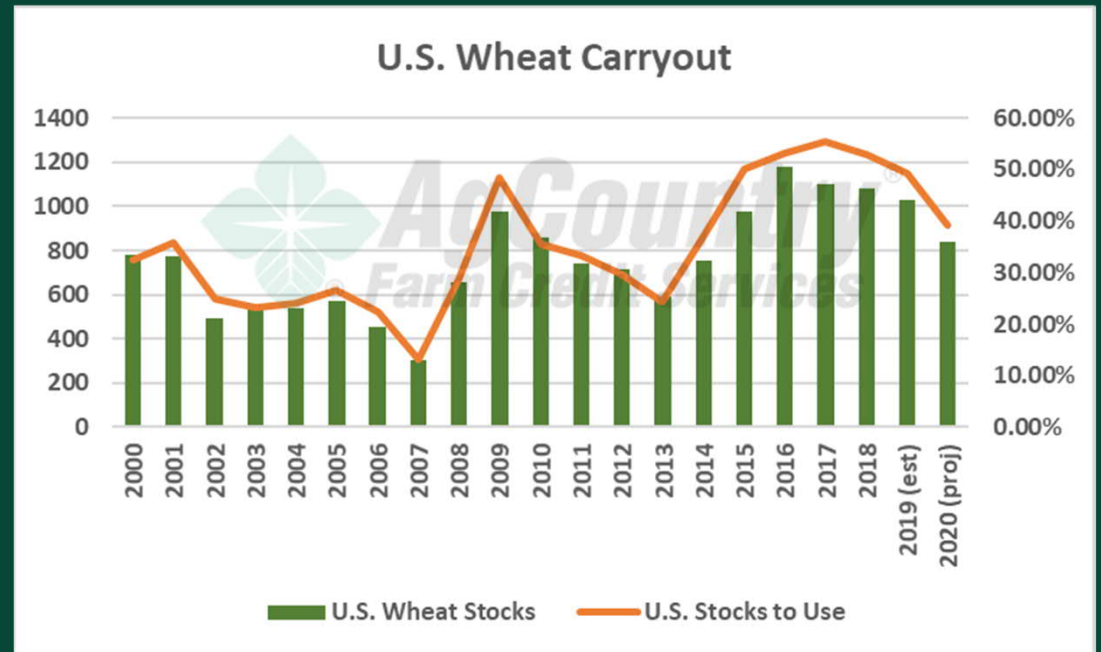
U.S. Wheat

No change to the Wheat balance sheet in March.

Class by class balance sheets were also the same:

-U.S. Sold HRS wheat into Canada following heavy Canadian exports

-Emergence and condition of HRW will be watched more closely as we emerge from dormancy

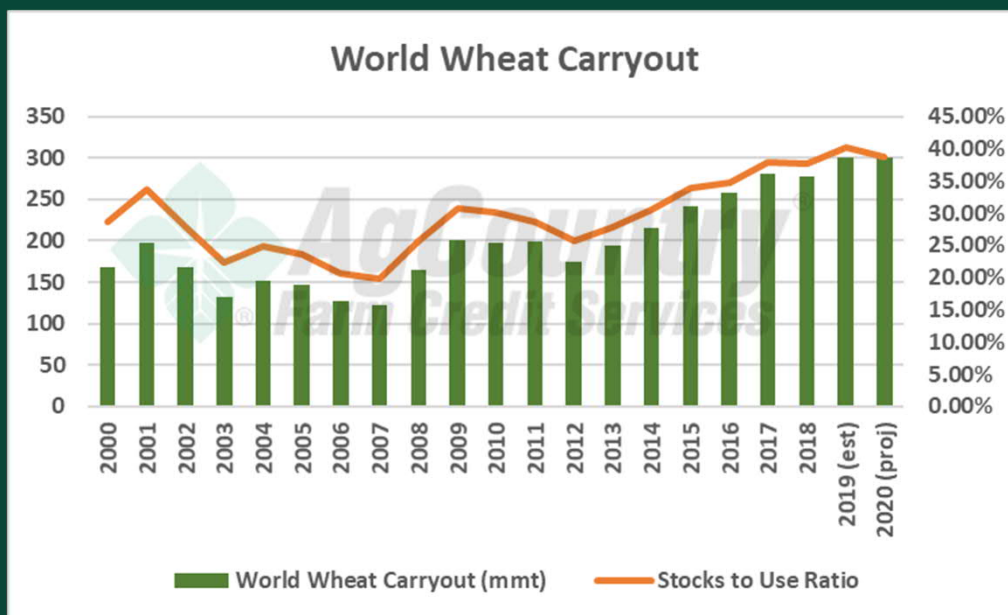


World Wheat

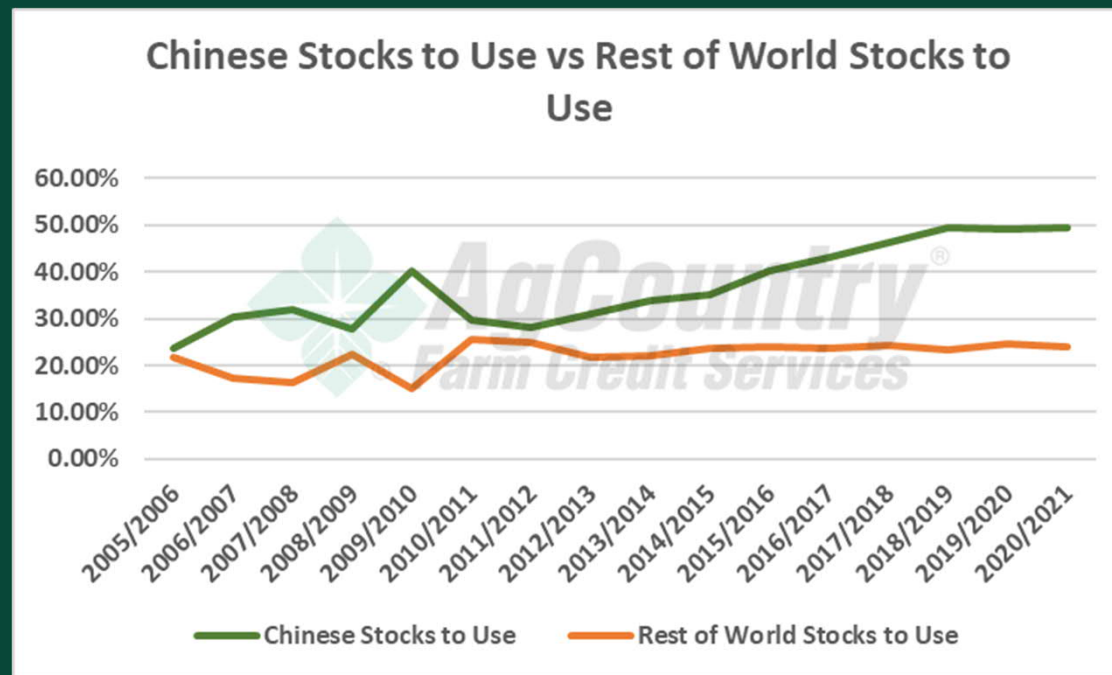
Notable Changes:

-Australia crop estimated at 33.00 mmt, just over twice as much as last year's crop

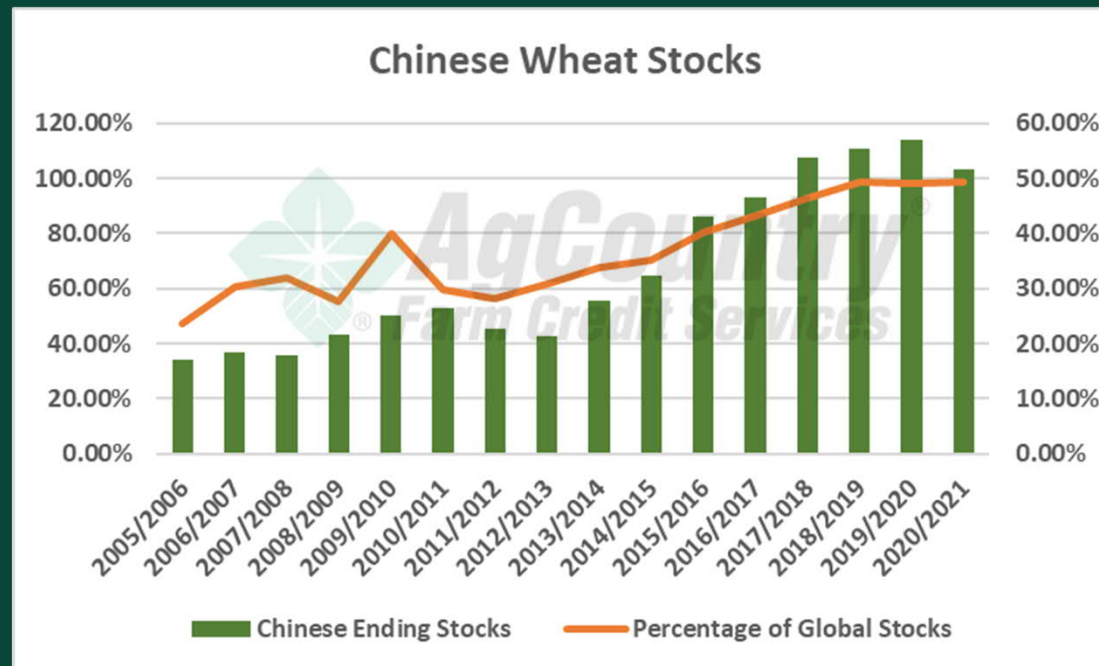
- China increased feed usage by 5 mmt and food usage by another 5 mmt



World Wheat



World Wheat



Questions????

