

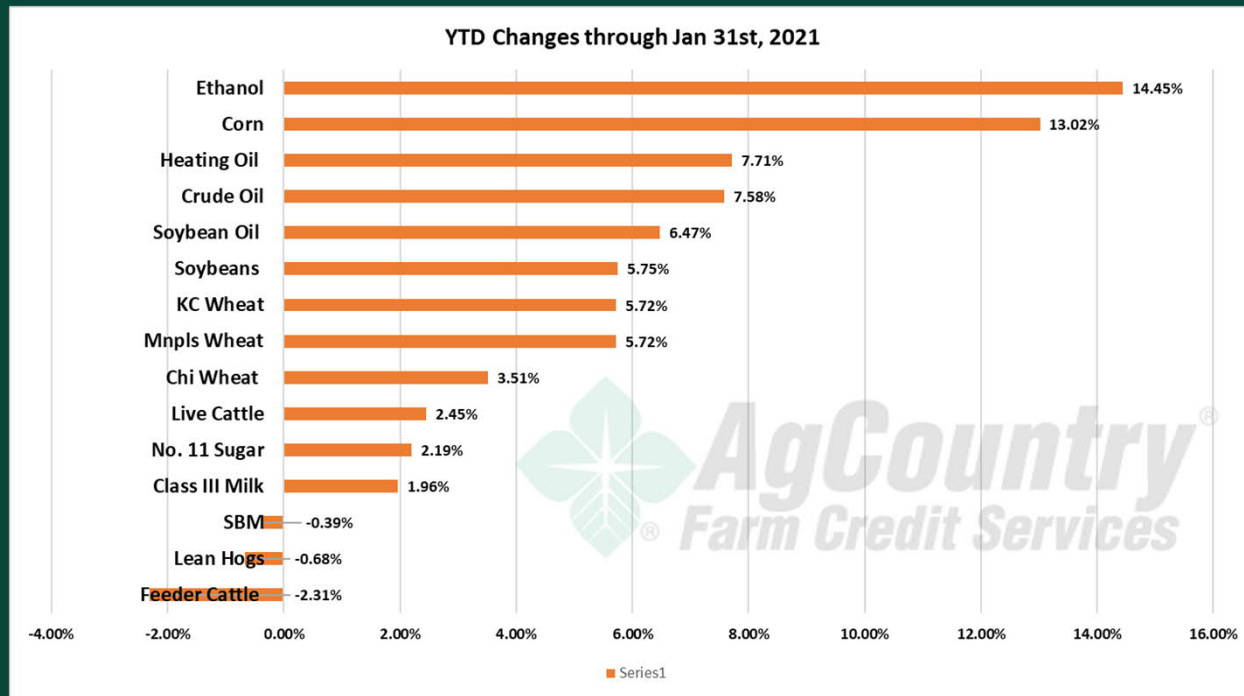


USDA Update

February 2021



Monthly Reports



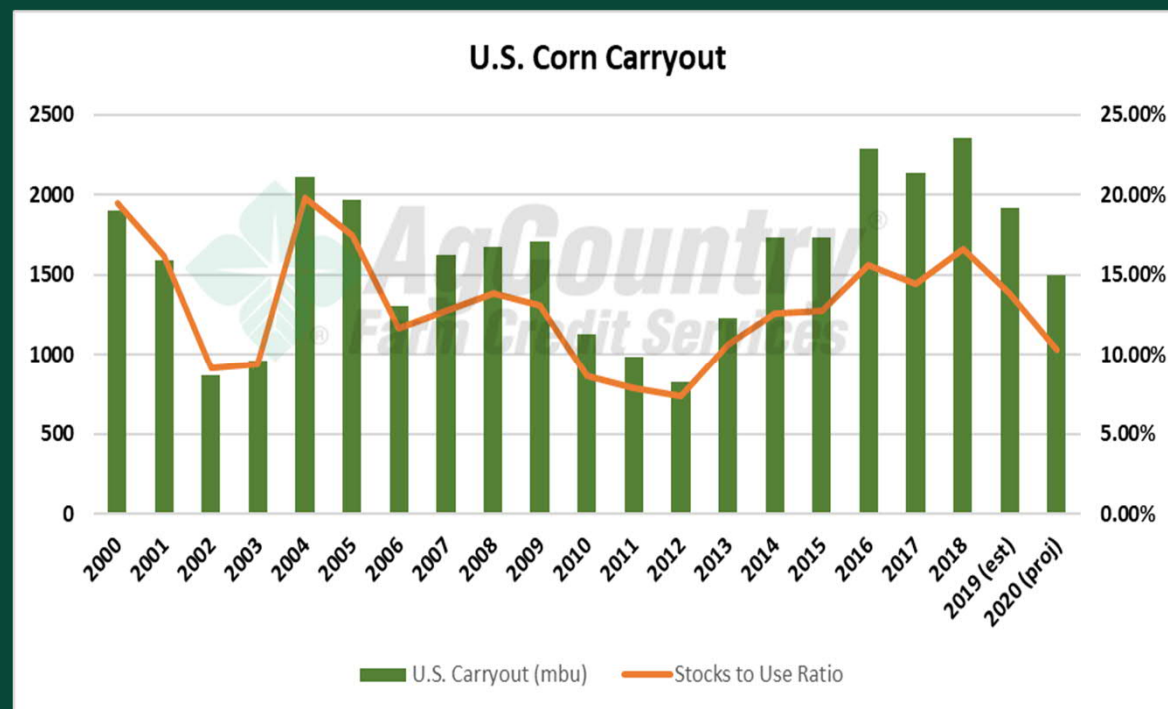
Preface

Closes on Report Day:

	Spot Month	New Crop
Corn	\$5.5625 (-7 ½)	\$4.5575 (-2 ½)
Soybeans	\$14.01 ¾ (+14)	\$11.90 ¾ (+11)
Spring Wheat	\$6.26 ½ (-8 ¾)	\$6.52 (-6 ½)

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%



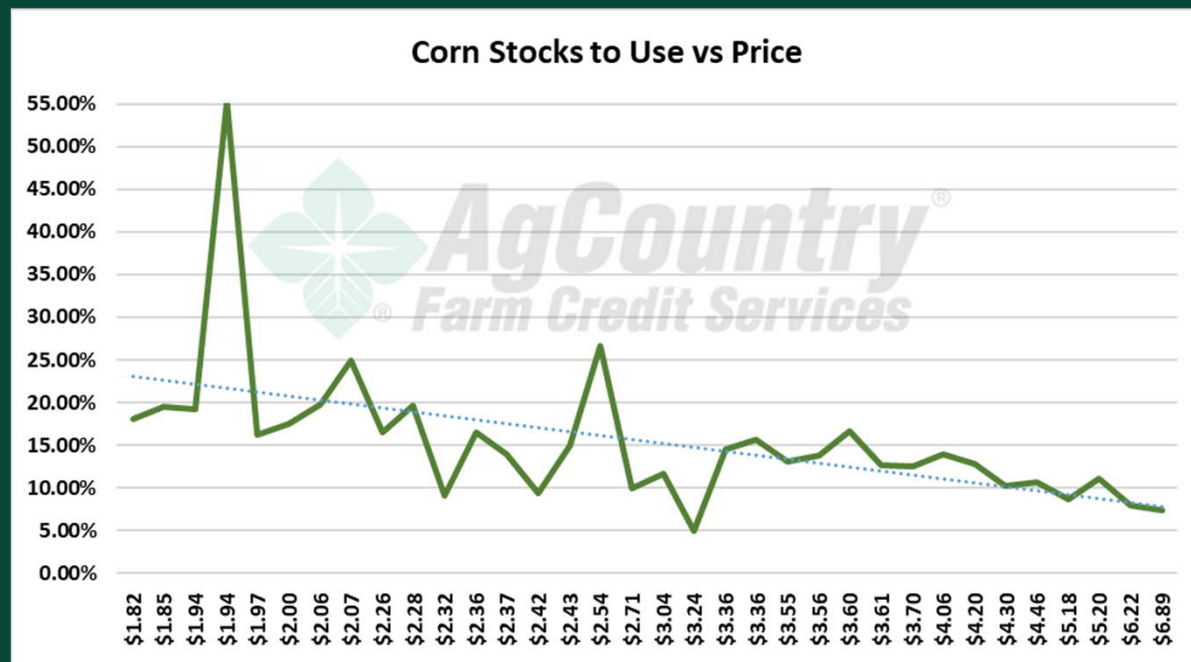
U.S. Corn

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

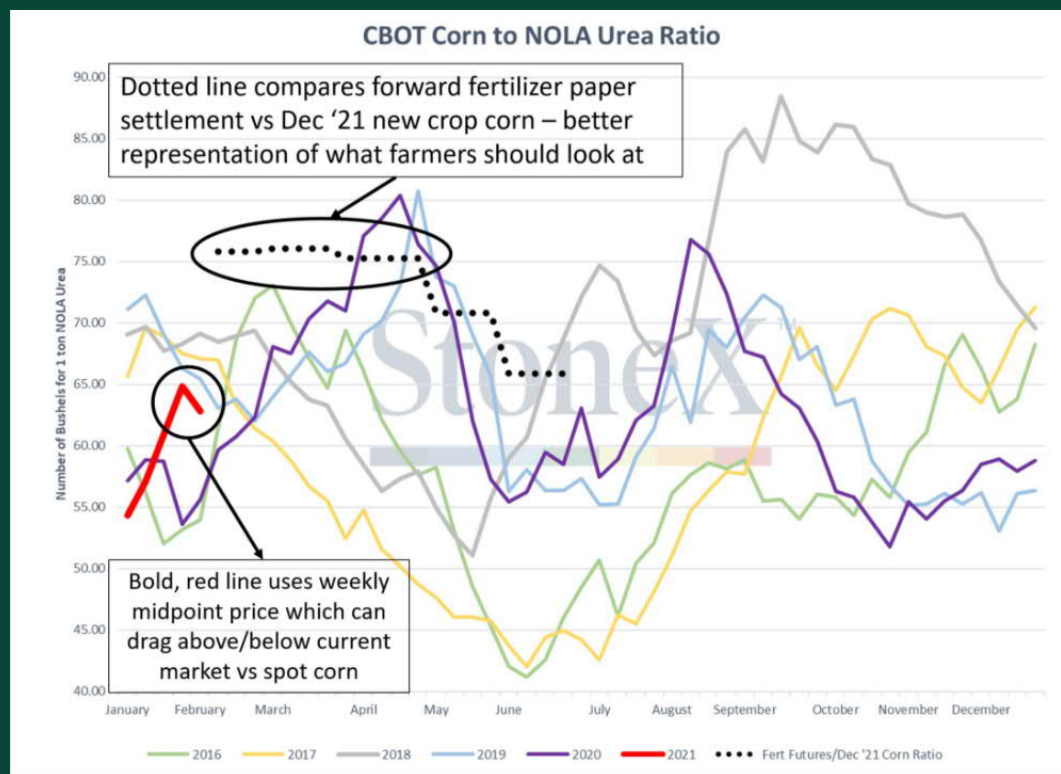


U.S. Corn

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

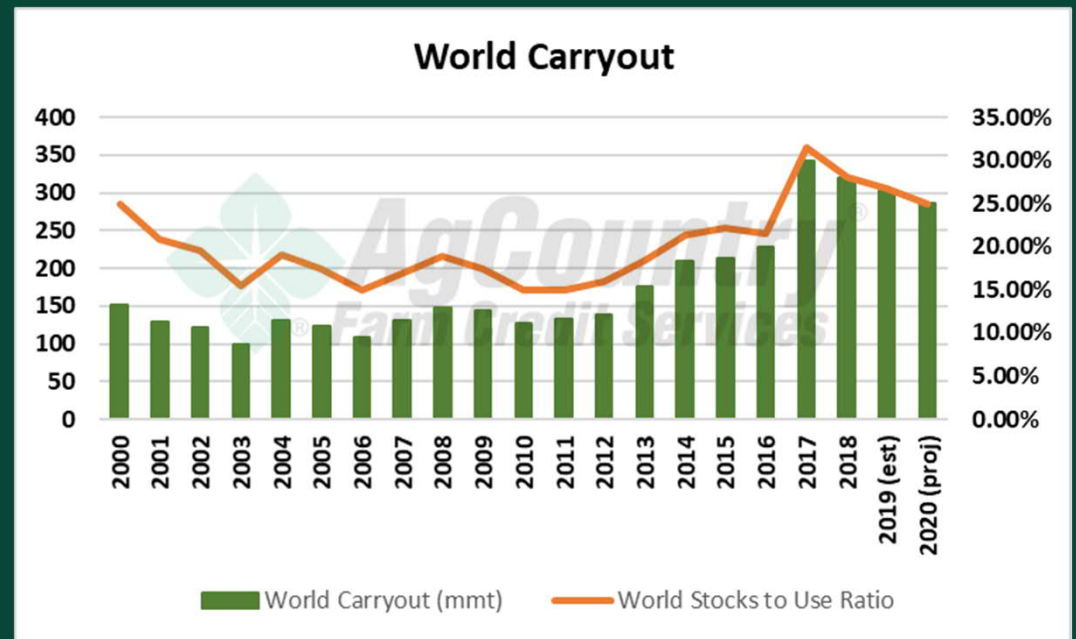
World Ending Stocks					
	Actual	Ave Est	Range	Jan USDA	2019/2020
Corn	286.53	279.79	270.5-287.6	283.83	303.01
Soybeans	83.36	83.3	78-85.6	84.31	95.39
Wheat	304.22	312.86	310-316.1	313.19	300.09

World Corn

2021 Projected World Ending Stocks ROSE to 286.53 mmt

Slight increase in production due to some place (can't find it, possibly rounding difference)

USE, However, fell ~3 mmt



More Complicated



- World Stocks Increasingly Concentrated in China
- Chinese Imports were raised to 24 mmt from 17 mmt
- Chinese Feed Use was raise 6 mmt for corn, but was ALSO raised in wheat

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 last week 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

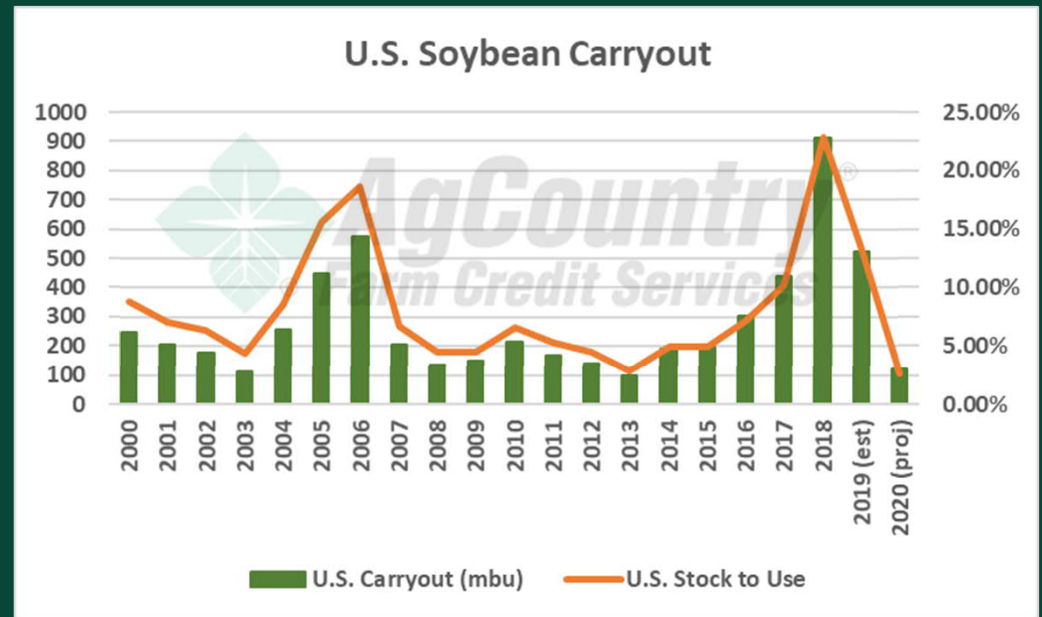
U.S. Soybeans

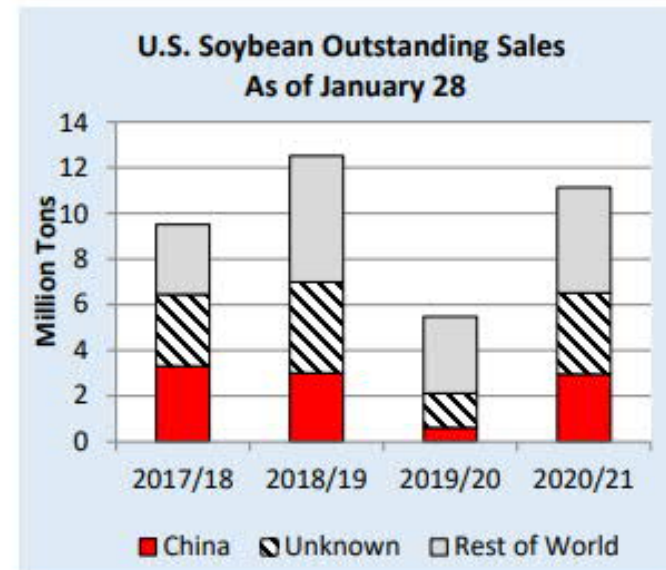
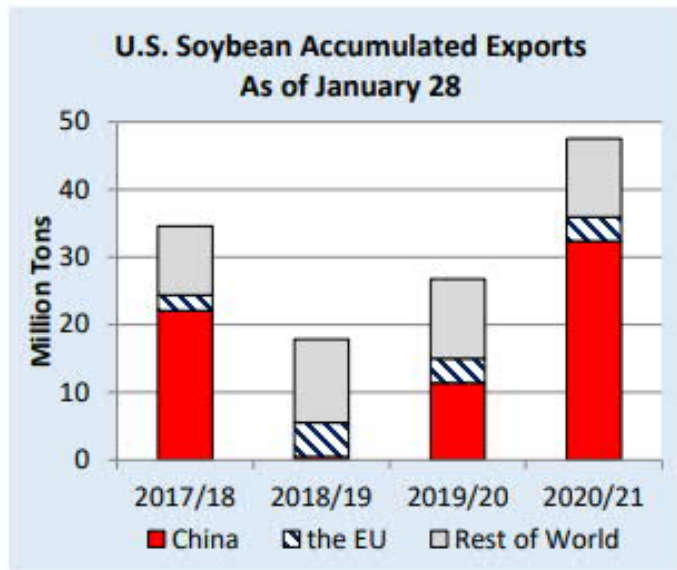
U.S. Low Print Projection for Feb

AND

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

Shipments to China total 32.4 million tons, ~3X's the total the year before

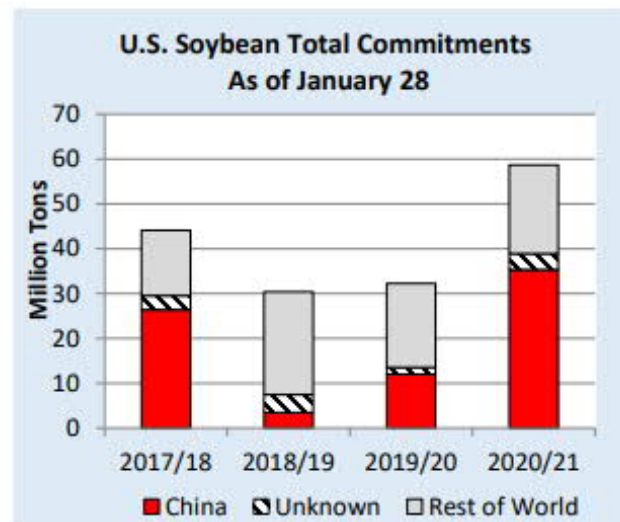




Source: Feb 2021 USDA Oilseed Outlook Report

U.S. Soybeans

	Jan 30, 2020	Jan 28, 2021	Net Change	% Change
<i>Accumulated Exports</i>				
China	11.4	32.4	21.0	184%
ROW	3.6	11.6	8.0	223%
<i>Outstanding Sales</i>				
China	0.6	3.0	2.3	383%
ROW	3.3	4.6	1.3	38%
<i>Total Commitments</i>				
China	12.0	35.3	23.3	194%
ROW	18.7	19.8	1.0	6%



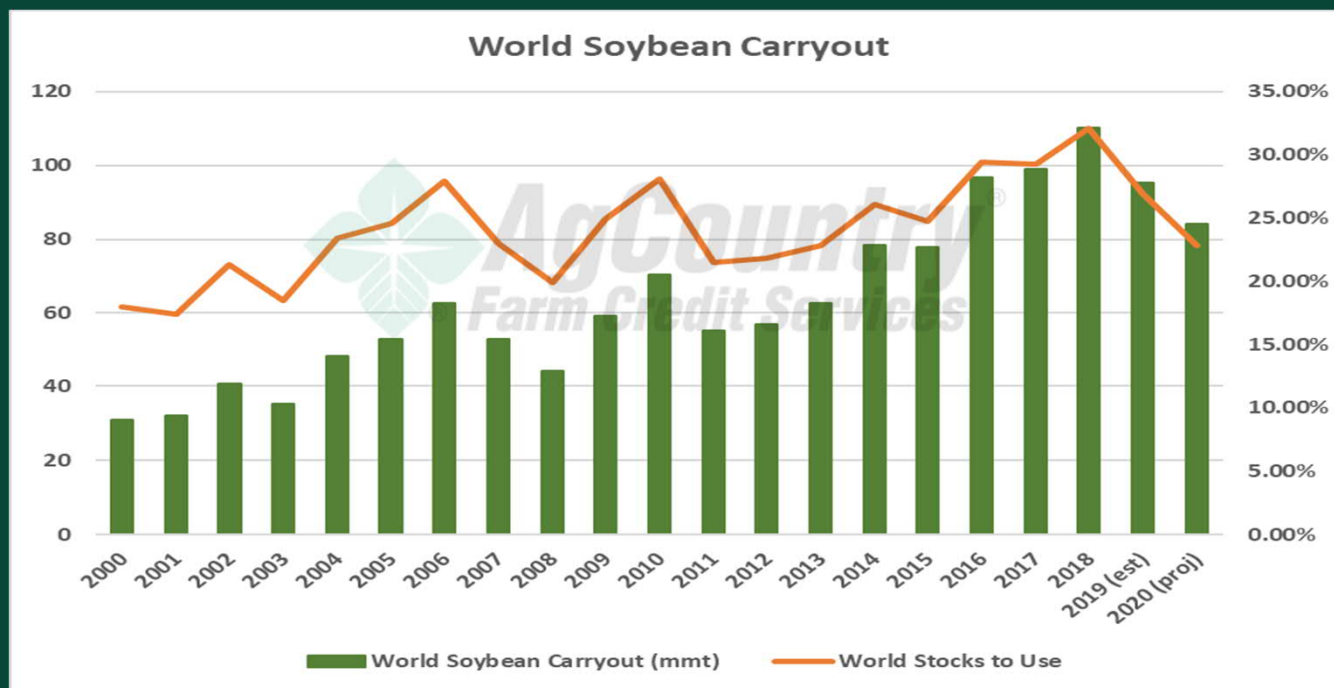
Source: Feb 2021 USDA Oilseed Outlook Report

World Soybeans

South American Production					
	Actual	Average	Range	Jan USDA	2019/2020
Brazil Sbeans	133	132.46	129-134.5	133	126
Arg. Sbeans	48	47.64	46-48.5	48	48.8
Brazil Corn	109	108.4	105-110.2	109	102
Arg. Corn	47.5	47.03	44.5-47.5	47.5	51

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World Soybeans



World Soybeans

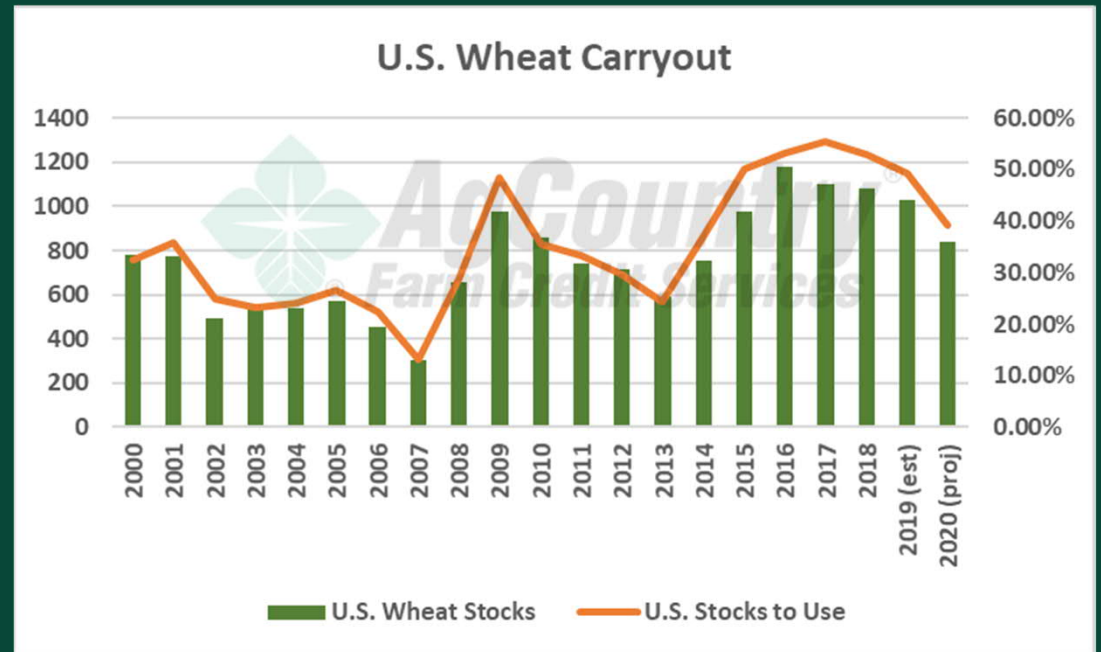
PRÊMIOS EM PARANAGUÁ : SOJA (¢/bu) DIA 08/02/21								
EMBARQUE	VENDEDOR	DIA	VARIAÇÃO DIÁRIA	VARIAÇÃO SEMANAL	COMPRADOR	DIA	VARIAÇÃO DIÁRIA	VARIAÇÃO SEMANAL
SAFRA 20/21								
MAR 21	+30	▼	-5	-10	+18	▼	-8	-14
ABR 21	+28	▼	-7	-12	+18	▼	-7	-12
ABR/MAI 21	+33	▼	-5	-8	+20	▼	-10	-12
MAI-21	+34	▼	-7	-8	+22	▼	-13	-13
JUN-21	+58	▼	-12	-16	+48	▼	-14	-17
JUN/JUL 21	+65	▼	-13	-15	+53	▼	-14	-17
JUL-21	+72	▼	-13	-13	+58	▼	-14	-17
AGO-21	+135	▼	-5	-10	+115	▼	-5	-10
SAFRA 21/22								
FEV 22	+62	▼	-4	-2	+53	▼	-2	-2
MAR 22	+41	▢	unch	+1	+36	▢	unch	-1
ABR/MAI 22	+40	▢	unch	unch	+32	▼	-3	unch
JUN/JUL 22	ns				+42	▢	unch	unch

U.S. Wheat

By itself, not much of a story. No change to balance sheet, price was raised by 15 cents for 2020 crop

HOWEVER, there were some class changes

HRS Carryout dropped 21 mbu, HRW ROSE by 28 mbu, White Wheat carryout dropped by 10 mbu



World Wheat

Notable Changes:

Production increased just under 1 mmt, pretty minimal

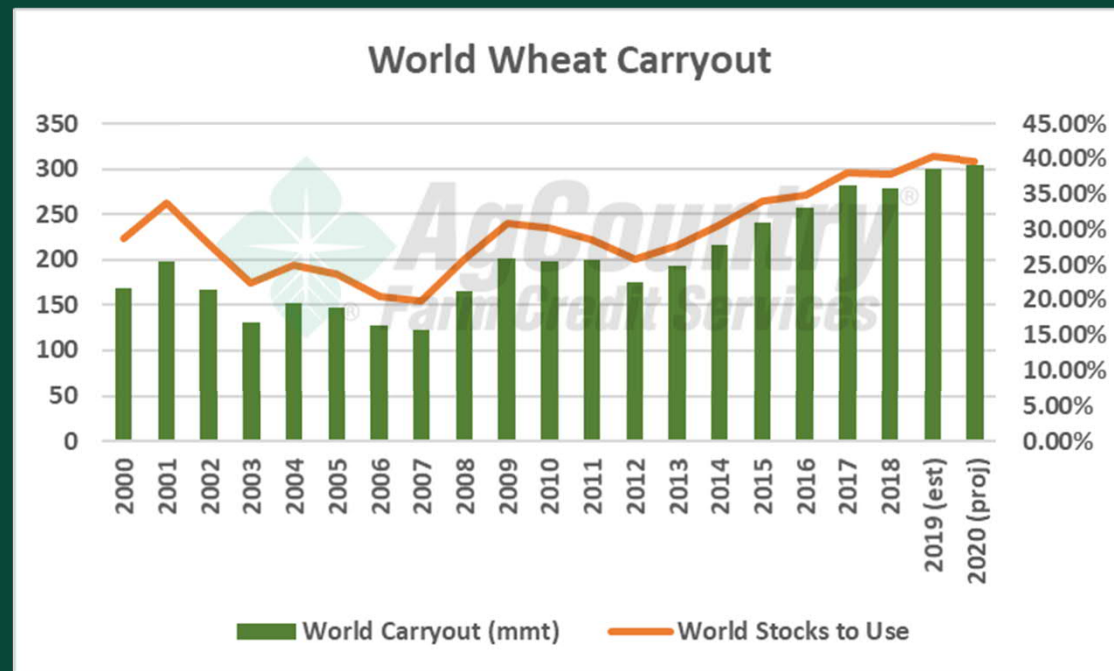
Usage **INCREASED** by 10 MMT

Where?

India – Up ~3.5 mmt

China – up 5 mmt

Several small changes made up the rest



World Wheat



World Wheat



Questions????