

December WASDE 11AM

The Grain Complex moved higher midweek as corn, soy and wheat all finished higher as we move towards the December Wasde report. Carryout estimates for corn average 1.691 billion bushels and 169 million bushels for soybeans. Those are slight cuts from November as analysts expect the USDA to make only modest changes but the consensus is exports will have to move higher in both soybeans and corn. I have pasted RJO's estimate sheet on page 2. Brazil's Conab did not cut much of their soybean production estimate. They dropped it from 134.95 MMT to 134.5 saying it too early to cut more this early in the growing season. They did cut corn by 2 MMT as early corn was stressed but have yet to change 2nd crop forecast. Look for some jostling pre- and post-report but the risk remains to the upside as the SAM forecasts are drier the next 2 weeks.

Today's Corn Outlook: Corn rallied 4 cents on Wednesday and added another 3 cents overnight as weather is turning drier in SAM for the next 2 weeks and solid export sales that were at the top end of estimates. Any selloffs after the report should be well supported.

Mar Corn Technicals: The corn market is topping turnover and is looking to test 4.13. A close over 4.30 will turn the market back fully positive.

Today's Soybean Outlook: Beans reclaimed Tuesday's losses taking back 12.75 cents and added another 11 cents overnight. Exports sales were at the low end of the range but shipments are strong and that is what matters at this point. The balance sheet is tight which should support any selloffs today as there does not seem to be any rationing at current prices.

Jan Soybean technicals: The trend is still up but a close under 11.42 ½ will open up a run below 11.30. Bulls would like to close over 11.74.

Exports: 344,442 tons of corn to Mexico.

Weather: S Brazil and Argy relief looks to be ending with a drier 2 weeks ahead. Check 5-day rain fall map on PG 2 and South American Map on PG 3.

Dollar Index: The dollar is trading **18 ticks lower** this morning at 90.90.

Brazilian Real: The Real is trading **22 ticks higher** this morning at 1956.



Trade Estimate Summary for December 10, 2020 USDA Reports

USDA 2020/21 U.S. Grain Ending Stocks (million bushels)						Estimates reflecting current month ideas only	
USDA	Average Estimate	Range of Estimates	USDA Previous	Last Year	Average Estimate	Range of Estimates	
Corn	1,710	1,477-2,192	1,702	1,995	1,691	1,550-1,775	
Soybeans	163	104-221	190	523	168	120-190	
Wheat	873	850-900	877	1,028	874	850-900	

USDA 2020/21 World Crop Production (million tonnes)						Estimates reflecting current month ideas only	
USDA	Average Estimate	Range of Estimates	USDA Previous	Last Year	Average Estimate	Range of Estimates	
Brazil							
Corn	108.8	104.0-115.0	110.0	102.0	109.1	105.0-112.0	
Soybeans	131.9	126.0-134.0	133.0	126.0	132.3	130.0-134.0	
Argentina							
Corn	48.8	45.0-50.0	50.0	51.0	49.3	48.0-50.0	
Soybeans	50.1	47.0-51.0	51.0	49.0	50.4	49.0-51.0	

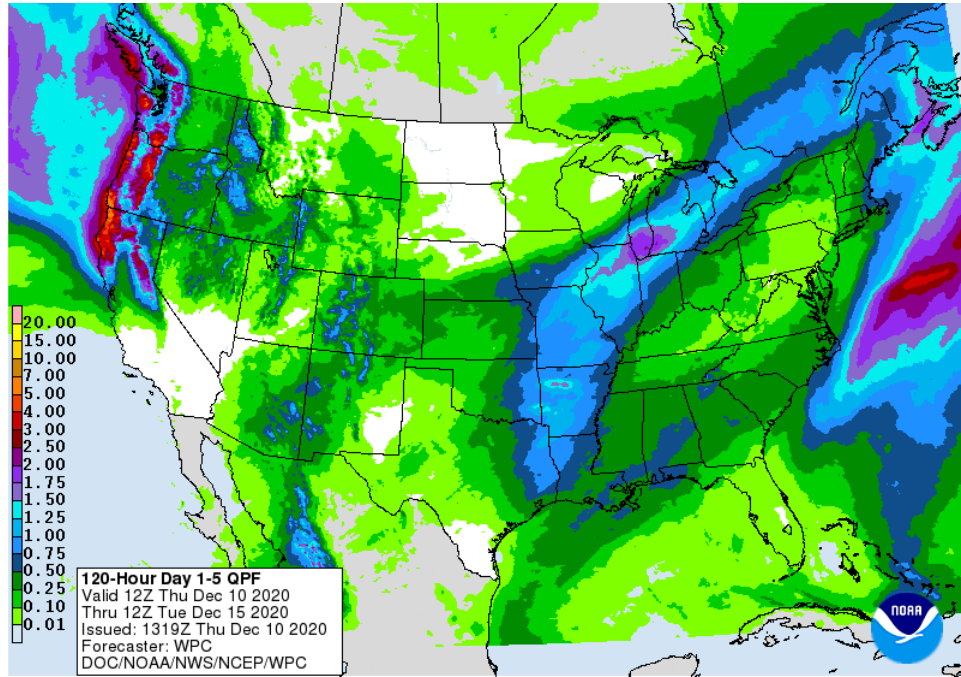
USDA 2020/21 World Grain Ending Stocks (million tonnes)						Estimates reflecting current month ideas only	
USDA	Average Estimate	Range of Estimates	USDA Previous	Last Year	Average Estimate	Range of Estimates	
Corn	289.2	284.0-295.0	291.4	303.3	289.3	284.0-293.0	
Soybeans	85.0	81.0-86.5	86.5	95.3	85.1	81.0-86.5	
Wheat	320.9	317.4-325.5	320.5	300.8	321.1	318.5-325.5	

*All reports to be released Thursday, December 10 at 11:00 AM CT

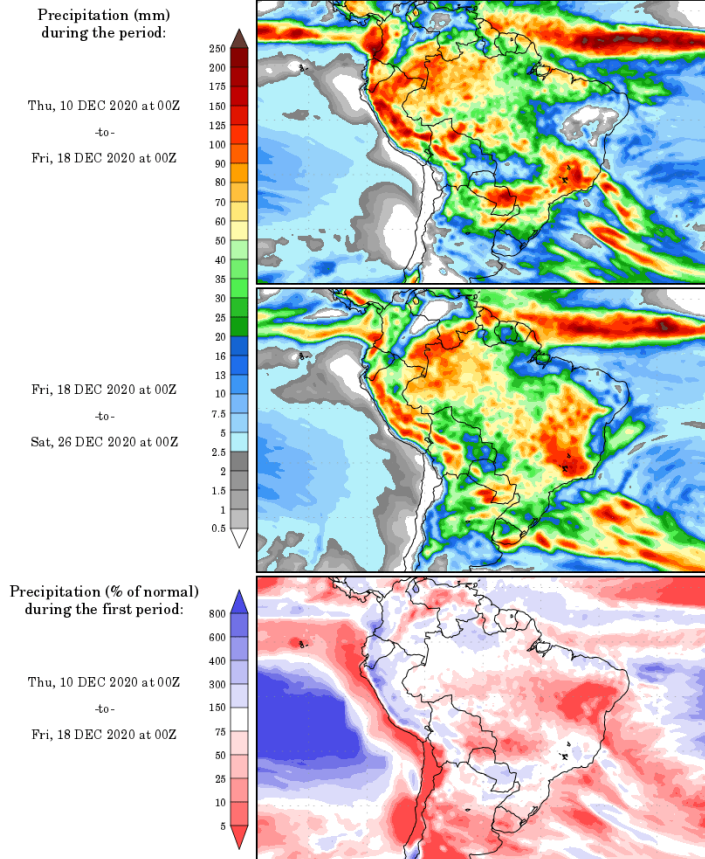
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Additional Comments:

5 Day Rainfall Accumulation Forecast

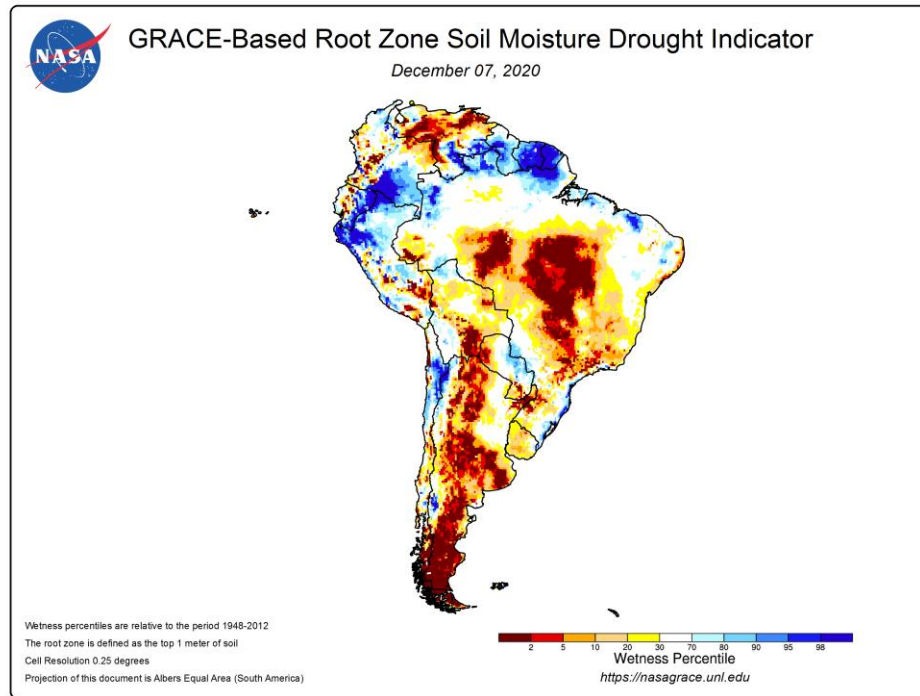


Precipitation Forecasts



Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.
Forecast Initialization Time: 00Z10DEC2020

GrADS/COLA



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