

Soybeans lost some ground but corn was strong to start the last week of 2020. The Argy crushers strike was extended for another day but you must assume they are getting closer to a deal even if they extend it until next week. We saw the delay Commitment of Traders report yesterday afternoon and funds were active buyers of corn adding 15K longs for a net long of 266K contracts. They were small sellers of soybeans cutting longs by 1600 lots for a net long of 189K. Soybeans rallied 50 cents over that time period when funds were slight sellers. Cheaper dollar, plentiful demand and weather concerns around the globe combine for major bullish sentiment in corn and soybeans.

Today's Corn Outlook: Corn finished 5.5 cents higher on Monday and traded flat overnight. Funds have been active buyers last week and are doing the same this week. They are estimated long 307k contracts as of the close yesterday and haven't owned this much corn since Sept of 2012. This will get many nervous but many are predicting a commodity boom cycle and maybe the funds are ahead of it. We think there is good support under the market but it should not keep one from taking advantage of prices while keeping the upside open.

Mar Corn Technicals : The corn market is bullish and got a settle over 4.50. Next upside level is 460. Bears will need a trade back below 4.25.

Today's Soybean Outlook: Beans gave back 8.25 on Monday and is off another 4 cents overnight. Funds are estimated to be long 188K as of the close yesterday and is 40K off their recent longs. The Argy port strike moving towards a conclusion has taken some wind out the soybean bulls. We are not seeing a big fund liquidation so far into the end of the year and dips continue to find support.

Mar Soybean technicals: We have move to the March contract. The soybeans market is bullish but put a key reversal on the chart yesterday that could spur some short-term selling. Bears need a move under 12.00 to start turning this market over.

Exports: None to report.

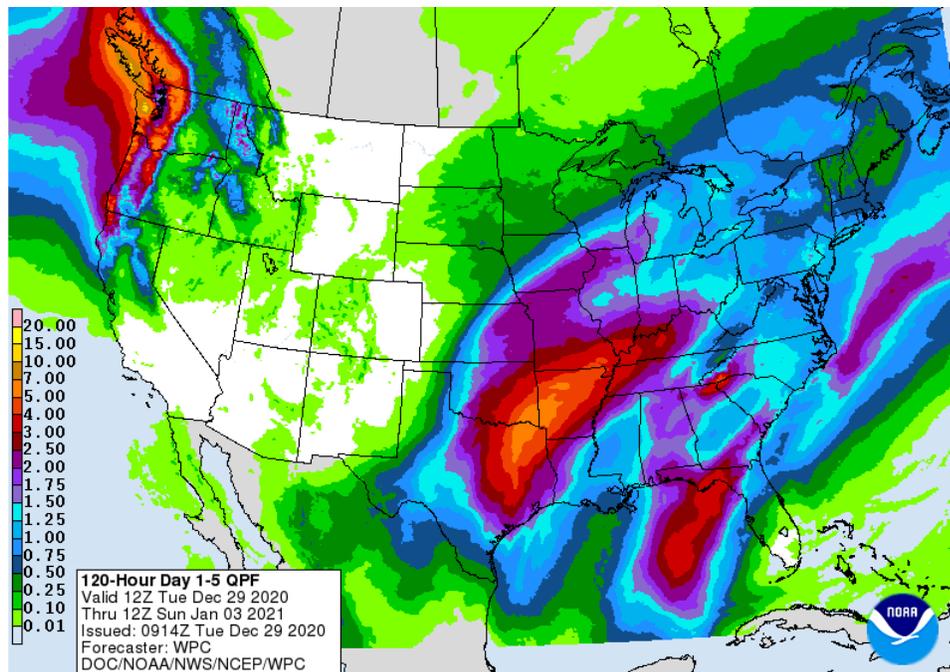
Weather: NE Brazil saw some showers and is trending wetter. A third of Brazil corn/soy is under stress most of this is Center/West. SE 2/3 of Argy has stress building in the crops. Check 5-day rain fall map on PG 2 and South American Map on PG 3.

Dollar Index: The dollar is trading **32 ticks lower** this morning at 89.95.

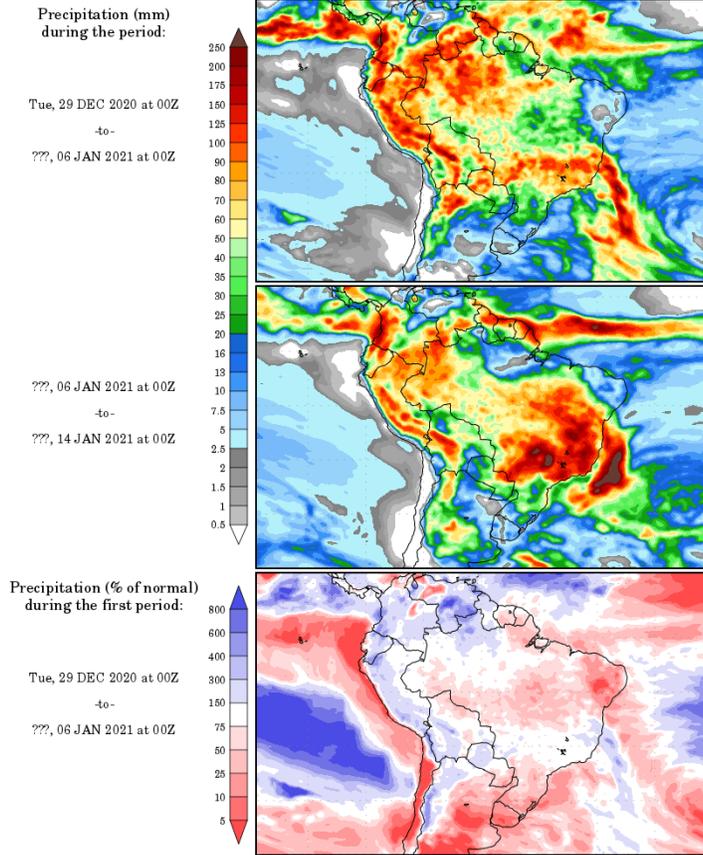
Brazilian Real: The Real is trading **24 ticks higher** this morning at 1926.

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: 00Z29DEC2020

GRADS/COLA

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