

Corn and soybeans rallied off Sunday night lows. Corn was able to hold gains but the front of the soybean curve sold off a bit on the close. Both are lower overnight but soybeans are leading the way lower as better weather and European funds lighten up on their longs. We may see some softness going into the report on Thursday as the markets want to confirm balance sheets getting tighter. China's Foreign Minister says China intends to honor the Phase-one agreement. They will do this as a good will gesture to the new administration. Biden will have no choice but to be hard on China but the way he deals with them will be vastly different especially on the rhetoric side. We will continue to watch last week's lows for support.

**Today's Corn Outlook:** Corn finished 3.5 cents higher on Monday but dropped a penny overnight. Looking towards the report average trade guess is a 1.69 bbu carryout which is a drop of 11 million bushels. The surprise could be the South American forecasts and if they drop them but it would be an early move for them.

**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 lost 4.5 cents yesterday and is off another 9 cents overnight. We had rumors of China booking cargoes for new crop but have yet to see confirmation. Trade estimates of the report has a decline of 22 million bushels to 168 million bushel carryout.

**Jan Soybean technicals:** The trend is less bullish but still holding but a close below 11.55 will open up 11.30. Bulls need a lot of work and would like to see a move over 11.84.

**Exports:** None to report.

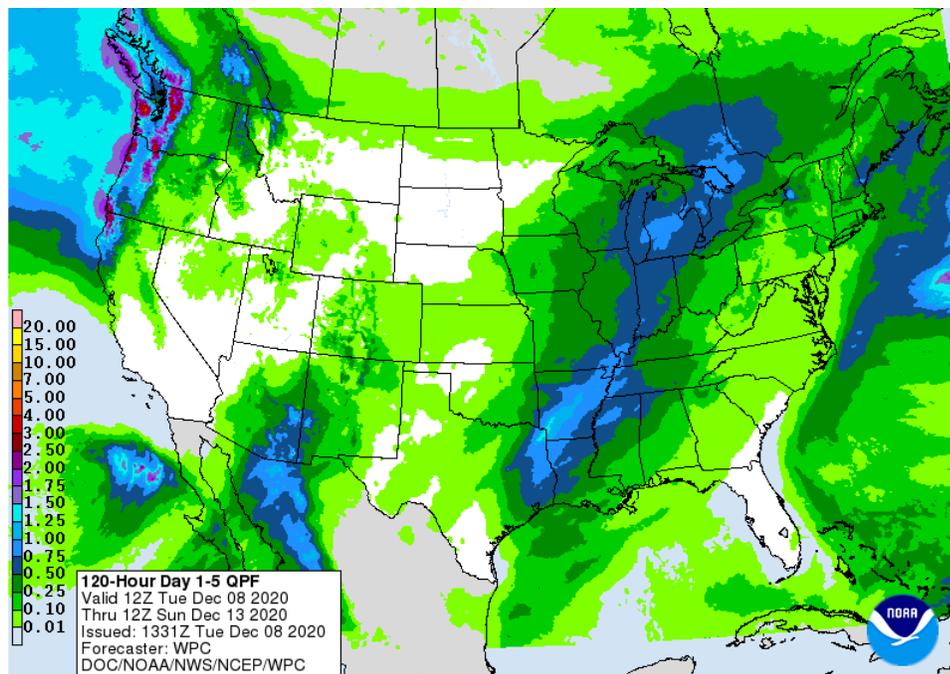
**Weather:** Showers hit much of Brazil and Argy over the weekend but dry forecasts moving forward. Check 5-day rain fall map on PG 2 and South American Map on PG 3.

**Dollar Index:** The dollar is trading 6 cents higher this morning at 90.85.

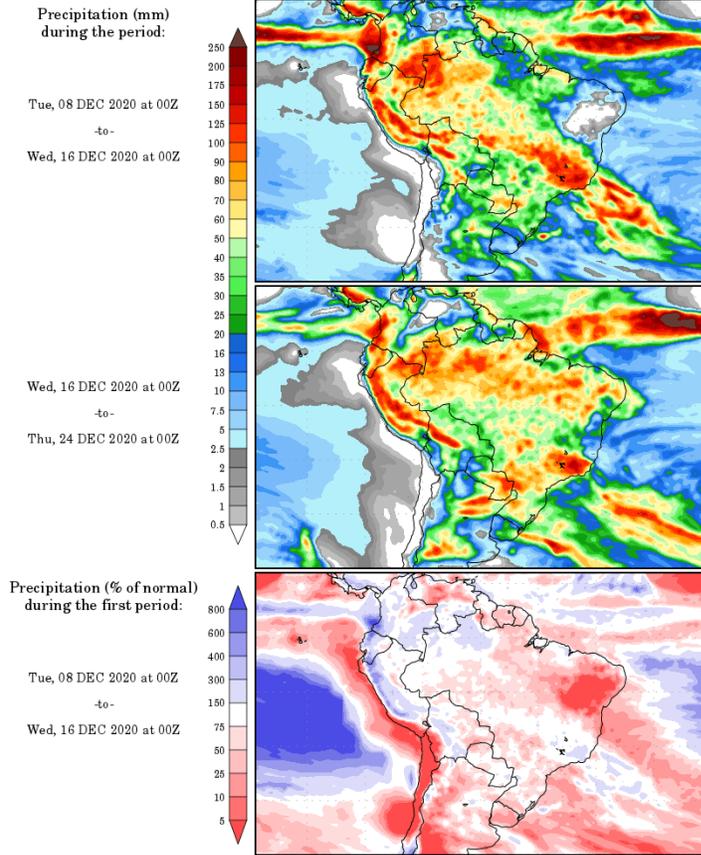
**Brazilian Real:** The Real is trading 3 cents higher this morning at 1965.

***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: 00Z08DEC2020

GrADS/COLA

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