

February WASDE on tap

- **Overnight- Early rains have started to fall in S Argentina with bigger rains forecasted Fri/Sat.**
 - o **New lows in corn for March and March soybeans are off 15 cents at the morning break.**
- **Feb WASDE tomorrow at 11 AM**
 - o **We are looking for USDA to cut Brazilian production but there should be little change to domestic numbers.**
 - o **US corn demand estimates are in line with ethanol grind possibly growing later this year.**
 - o **US soybean exports are lagging behind lower USDA estimates for the year and cut be cut further down the road but seems too early to do it now with shrinking Brazilian production.**
 - o **Soybean crush should be raised in the future as well but will not offset the shortfall in exports.**
- **Soybeans shipped out of the US Gulf currently running \$1.52 per bushel higher than Brazilian soybeans on a FOB basis.**

Bottomline

So far this week, March corn is down 4 cents and March soybeans are up 11 cents. Funds are short and adding this week going into tomorrow's report. They are dropping the hammer and corn has run out of support levels. Soybean support lies at 11.75. Look for more pressure today with some possible short covering late in the day or overnight.

March Corn Technicals: The market is bearish and needs a climb over 4.51 for a reversal.

January Soybean Technicals: The market is negative and 11.71 ¼ is support but the bulls need a rally over 12.22.

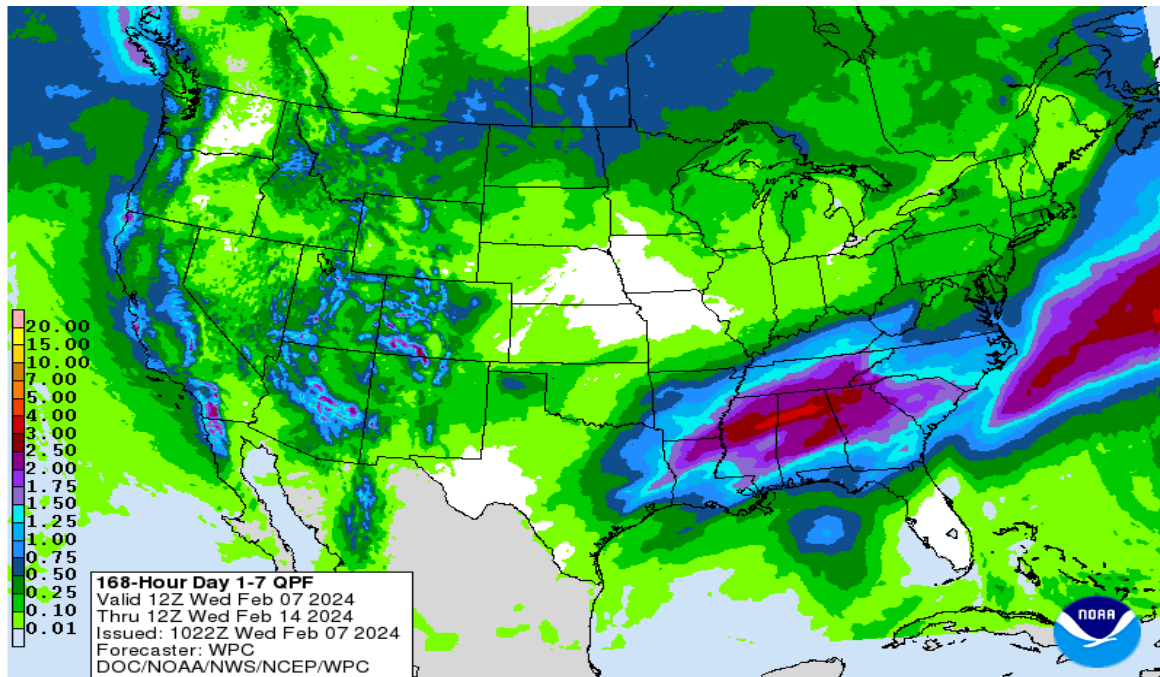
Exports: None to report.

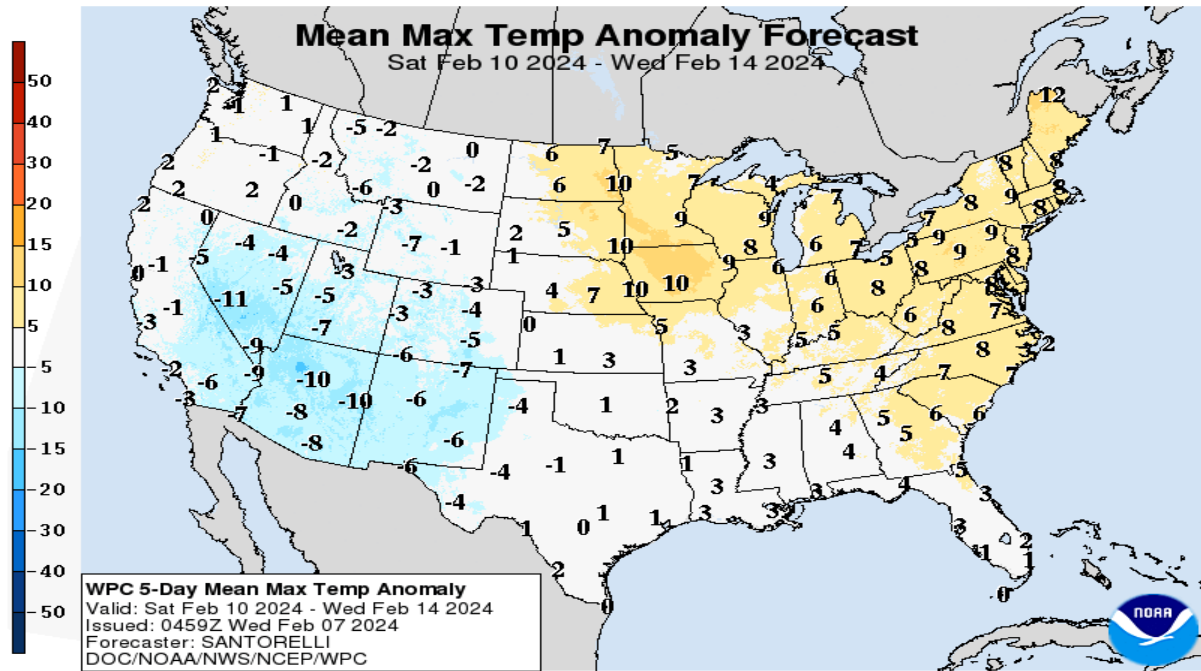
Weather: S. Brazil and Paraguay have rains forecasted in the 6-15 day. Early rains have started in Argentina, but the bigger relief is expected Fri/Sat.

Dollar Index: The dollar is trading 18 ticks lower this morning at 103.88.

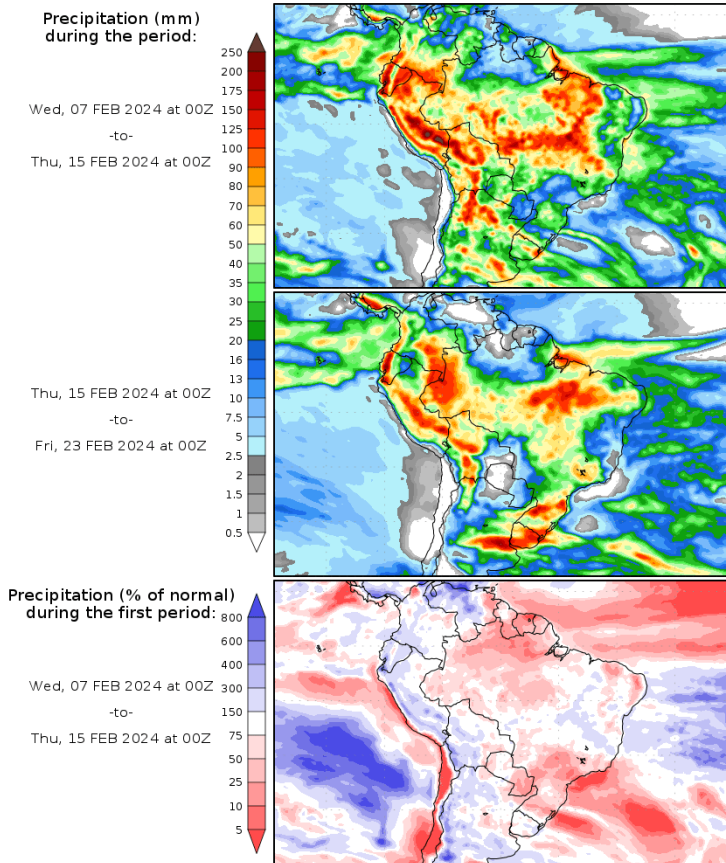
Brazilian Real: The Real is trading **1.5 ticks lower** this morning at 20.11.

7-day weather maps





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: 00Z07FEB2024

GRADS/COLA

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