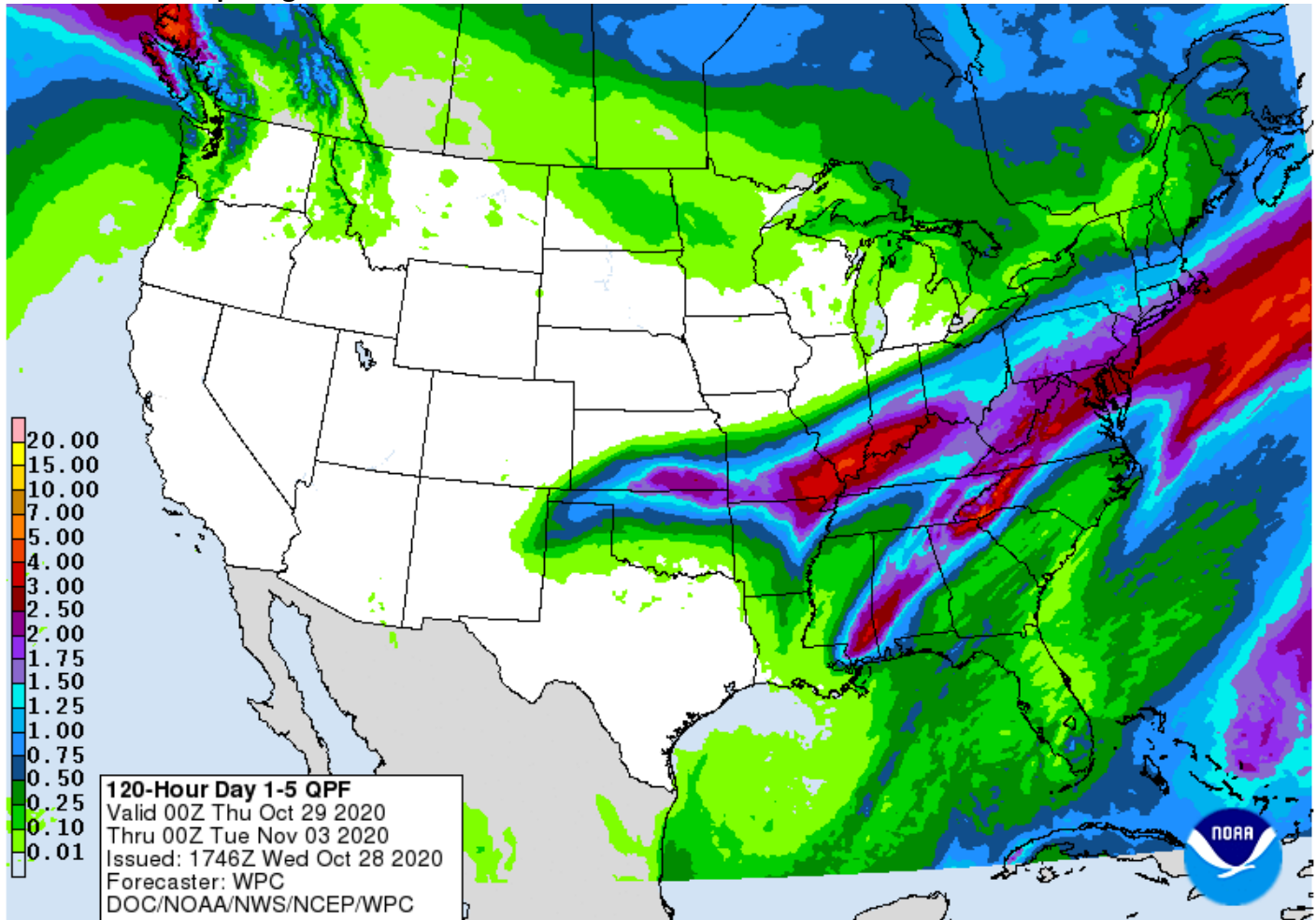




*Sharply lower trade in the agriculture markets from the spike in global COVID-19 cases and EU lockdowns. This caused a higher USD and triggered a “risk-off” event with widespread commodity/equity selling.*

### Weather and Crop Progress



### NOT MANY CHANGES OVERNIGHT

- Russia's Southern Region and Ukraine will receive rain from Friday through the first part of next week
  - Resulting rainfall will improve winter crop establishment, although it is rather late in the season
- An ice storm impacted the southwestern U.S. Plains Tuesday and similar conditions were expected briefly again today mostly in the Texas Panhandle and immediate surrounding areas.
- Snow totals in the U.S. southwestern Plains this week were lighter than advertised earlier in the week
  - Accumulations readings 15 inches at Texline, Texas (near the New Mexico border in the far northwest corner of the Texas Panhandle) while varying from 3 to 7 inches in the Oklahoma Panhandle
    - 2-6 inches of snow fell in eastern Colorado and northwest and west-central Kansas earlier in the week
    - Snow in other Texas Panhandle and West Texas locations did not accumulate for very long due to warm soil conditions

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- Some west-central U.S. Plains wheat areas did not receive quite as much moisture as hoped for this week, but big improvements did occur from southern Kansas through Oklahoma to north-central Texas and the Texas Panhandle
  - Southeastern Colorado and west-central into far southwestern Kansas will need more moisture
- Additional moisture of significance will fall from south-central Kansas into northern Texas through Thursday morning with some lighter precipitation westward to the Texas Panhandle and immediate neighboring areas further bolstering soil moisture for improved winter wheat development
  - Winter crop ratings in the southern Plains were terrible in USDA's crop progress report this week, but improvement is expected following this week's precipitation
  - Temperatures will trend warmer than usual in the first half of November (if not most of the month) and that will translate into better crop establishment after recent rainfall
- Hurricane Zeta will bring a band of heavy rain to the area from southeastern Louisiana through the northwest half of Alabama to Tennessee and the southern Appalachian Mountain region later today and Thursday
  - Rain totals of 2.00 to 6.00 inches will result in some flooding
  - More potential damage is possible for some unharvested cotton in the region
  - Zeta will come ashore as a weakening hurricane with strong wind speeds in southeastern Louisiana, southeastern Mississippi and southwestern Alabama
    - Some property damage is expected
  - Sugarcane that has not been harvested in far southeastern Louisiana may be damaged by the storm
  - Some of the moisture from Hurricane Zeta will merge with the mid-latitude storm system in the southern Plains as it moves to the Delta tonight and Thursday resulting in significant rain of 2.00 to 4.00 inches in some northern locations
- Lower U.S. Midwest, northern Delta and Tennessee River Basin will receive significant rain and experience local flooding into Thursday with much improved weather Friday into next week
- U.S. weather in the central and southwestern Plains, lower Midwest, Delta and southeastern states will improve late this week through next week as drier and warmer weather evolves
- U.S. temperatures in the Plains and western states will rise above average next week after this week's bitter cold
  - Snow will melt from most areas during the week
  - Mild to cool temperatures will occur in the eastern U.S. this weekend into early next week
  - Most of the extreme cold in the Plains either has abated or will abate in the next couple of days
  - Another shot of cool air will push into the north-central and northwestern U.S. during the second weekend of the two week outlook
- Interior portions of the U.S. Pacific Northwest will receive a limited amount of moisture during the coming week, although mountainous areas and coastal areas will see some periodic rain and snow
- California and the southwestern United States will remain dry for much of the coming ten days
- Central Argentina will receive a few more showers today after developing Wednesday, but drier weather will evolve late this week and last through early next week
  - Northwestern Buenos Aires, northeastern La Pampa and far southern Cordoba reported up to 0.56 inch of rain Tuesday and early today.
  - Next rain opportunity will be during mid-week with light amounts resulting followed by a little more dry weather
  - The drier biased weather will be fantastic for aggressive spring and summer crop planting after recent rainfall and associated moisture boost
  - Rain was great for long term wheat and early season corn and sunseed development
- Brazil's rainfall outlook for the next ten days has not changed much from that of Tuesday
  - Rain will fall in most of the nation at one time or another, but amounts will be least frequent and least significant in the interior south; including southwestern Sao Paulo, Parana and Santa Catarina

- None of the drier areas will be a concern for now since planting will advance aggressively off of the lighter rain that falls in those areas
    - Portions of central and northern Minas Gerais, Espirito Santo and immediate neighboring areas will be a little too wet in time
  - Summer crop planting and early development should advance well
- Eastern Australia rainfall recently has raised some concern over winter wheat, barley and canola quality
  - Drier weather is needed to protect crops until harvesting is complete
  - The moisture was good for cotton, sorghum and other summer crops especially in unirrigated areas
    - Planting will advance more aggressively after this week's rain
  - Winter wheat, barley and canola welcomed the rain in the south, but drier weather will soon be needed in the north to protect grain quality
- Eastern Australia will get a mix of rain and sunshine over the next two weeks; rain frequency is not likely to be so great as to cause a serious change in crop quality, but the situation will be closely monitored
  - La Nina conditions could present greater rainfall a little later this spring and early summer raising concern over crop conditions
- Western Australia will continue to get very little rain for the next ten days, although totally dry weather is not expected
- South Africa received some rain in 15% of the summer crop region Tuesday
  - Greater rain is needed throughout the nation to support better spring and summer crop planting and emergence conditions
  - An erratic rainfall pattern is expected through the end of this week while temperatures are warm to hot
  - Some greater rain will evolve during the weekend and next week that may be more beneficial in raising topsoil moisture for better planting, emergence and establishment of corn, soybeans, cotton, peanuts, sorghum, sunseed and other crops
- India weather will be favorable for late season crop development and widespread harvesting over the next ten days
  - Winter crop planting, emergence and establishment will advance well too
- Much of China was dry Tuesday and more of the same will occur for a while in the coming week to ten days
  - A few showers will occur periodically, but fieldwork will advance around them and the moisture will be good for winter crop planting, emergence and establishment
- Typhoon Molave moved into central Vietnam overnight as a Category 1 hurricane equivalent storm near Da Nang
  - Some heavy rain has occurred with amounts through 0001 GMT today varying up to 4.00 inches, but greater amounts have occurred since that time
  - Remnants of the storm were already moving into Thailand today where significant rain is expected as well
    - Some damage to the port cities of Da Nang and Hue may have occurred
    - This month has been unusually stormy for the central Vietnam coast and damage to the ports of Da Nang and Hue has been significant
- Another tropical cyclone will form east of the Philippines this week and pass across central parts of the nation Saturday
  - Additional heavy rain is likely and more flooding as well as possible wind damage
    - This storm is expected to be weak relative to Molave which brought damage to the northern Visayan Islands earlier this week
- Waves of rain will continue to impact parts of Southeast Asia that are not being impacted by tropical cyclones over the next ten days to two weeks; most crop conditions will remain favorable
- Brief periods of precipitation will move across the European continent over the coming week resulting in a favorable mix of moisture and sunshine for winter crops
  - Fieldwork will advance around the precipitation

- This weekend and next week should trend drier
- Temperatures will be near to above average
- Western CIS crop weather this week will bring erratic precipitation and warmer than usual temperatures
  - Winter crops are turning dormant in the west and north which is normal
- Kazakhstan is unlikely to get meaningful moisture in the next ten days, although some sporadic showers may evolve late this week or during the weekend
- Ontario and Quebec, Canada harvest delays will slowly improve later this week and into next week because of less precipitation
  - The region needs to dry out
- Canada's Prairies will experience some rain, freezing rain and snow early this week and then several days of drying are expected
- Southern Oscillation Index fell during the weekend down to +5.06 and the index may continue to drifting lower over the next couple of days; the index has fallen from a peak of +12.58 on October 13.
- Mexico precipitation will be scattered over far southern crop areas during the coming week
  - Net drying is expected for many other summer crop areas supporting crop maturation and harvest progress
- Central America will be wetter than usual over the next ten days to two weeks keeping late season crop maturation and harvest progress slow, but the moisture is improving long term water supply.
  - Some flooding is possible
- West-central Africa will experience erratic rain through the next ten days favoring coffee, cocoa, sugarcane, rice and other crops
  - Daily rainfall is expected to be decreasing as time moves along which is normal for this time of year
  - Cotton areas will benefit from drier weather
- East-central Africa rain will be erratic and light over the next couple of weeks, but most of Uganda and southwestern Kenya will be impacted while Tanzania and northwestern Ethiopia rainfall is erratic and light
  - Some heavy rain may fall in Uganda early this week
- New Zealand rainfall will be near to above average in western areas of South Island over the coming week while below average elsewhere
  - Temperatures will be seasonable

Source: World Weather Inc.

## **Bloomberg Ag Calendar**

Thursday, Oct. 29:

- USDA weekly crop net-export sales for corn, soybeans, wheat, cotton, pork, beef, 8:30am
- Port of Rouen data on French grain exports
- Vietnam's General Statistics Office releases commodity trade data for October
- International Grains Council monthly report
- EARNINGS: ADM
- HOLIDAY: Indonesia, Malaysia

Friday, Oct. 30:

- ICE Futures Europe weekly commitments of traders report, 1:30pm (6:30pm London)
- CFTC commitments of traders weekly report on positions for various U.S. futures and options, 3:30pm
- FranceAgriMer weekly update on crop conditions
- U.S. agricultural prices paid, received, 3pm
- HOLIDAY: Indonesia

Source: Bloomberg and FI

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Macros

Equity Blowout

	RMI	2Day	Value	Net Chg	%Chg
<b>Americas</b>					
DOW JONES			26519.95	-943.24	-3.43%
S&P 500			3271.03 d	-119.65	-3.53%
NASDAQ			11004.87	-426.48	-3.73%
S&P/TSX Comp			15586.57 d	-434.37	-2.71%
S&P/BMV IPC			37393.71 d	-607.60	-1.60%
IBOVESPA			95368.76 d	-4236.78	-4.25%
<b>EMEA</b>					
Euro Stoxx 50			2963.54 d	-107.06	-3.49%
FTSE 100			5582.80 d	-146.19	-2.55%
CAC 40			4571.12 d	-159.54	-3.37%
DAX			11560.51 d	-503.06	-4.17%
IBEX 35			6474.40 d	-176.90	-2.66%
FTSE MIB			17897.79 d	-757.16	-4.06%
OMX STKH30			1722.66	-41.34	-2.34%
SWISS MKT			9618.65 d	-268.84	-2.72%
<b>Asia/Pacific</b>					
NIKKEI			23418.51 d	-67.29	-0.29%
HANG SENG			24708.80 d	-78.39	-0.32%

Regional		Export	Settings	World Bond Markets							
91 Bonds		92 Spreads		93 Curves							
Maturity 10 Year								Data Range 3 Months			
Region	RMI	Security	Price	Chg	Yld	Chg	Yld	Low	Range	High	3M Chg
<b>1) Americas</b>											
10) United States	■	T 0 5 <sub>a</sub> 08/30	98-20	+ 00	0.771	+0.0		.507		.856	+19.7
11) Canada	■	CAN1 1 <sub>a</sub> 06/30	106.129c	+0.035	0.591	-0.4		.428		.661	+11.7
12) Brazil (USD)	■	BRAZIL3 7 <sub>a</sub> 30	102.243c	-0.405	3.597	+4.9		3.325		4.434	-82.4
13) Mexico (USD)	□	MEX 8.3 08/31	146.414c	-0.342	3.183	+2.9		2.683		3.569	+28.4
<b>2) EMEA</b>											
19) United Kingdom	□	UKT4 3 <sub>a</sub> 12/30	145.375c	+0.225	0.210	-1.9		.074		.334	+9.4
20) France	□	FRTR 0 11/30	103.387c	-0.002	-0.330			-.348		-.098	-14.3
21) Germany	■	DBR0 08/15/30	106.371c	+0.122	-0.629	-1.2		-.630		-.399	-12.6
22) Italy	■	BTPS 1.65 30	108.610c	-0.666	0.763	+6.5		.649		1.091	-22.7
23) Spain	□	SPGB 1 3 <sub>a</sub> 30	110.657c	-0.212	0.174	+2.0		.121		.403	-16.8
24) Portugal	□	PGB 0.475 30	103.269c	-0.192	0.144	+1.9		.109		.414	-20.4
25) Sweden	□	SGB0 1 <sub>a</sub> 05/31	102.159c	+0.147	-0.079	-1.4		-.162		.124	+4.8
26) Netherlands	□	NETHER0 07/30	105.126c	+0.039	-0.514	-0.4		-.526		-.295	-13.4
27) Switzerland	■	SWISS 0 1 <sub>a</sub> 30	110.799c	+0.148	-0.593	-1.5		-.593		-.462	-2.8
28) Greece	■	GGB1 1 <sub>a</sub> 06/30	104.344c	-0.976	1.024	+10.4		.757		1.155	-3.3
<b>3) Asia/Pacific</b>											
29) Japan	□	JGB 0.1 09/30	100.834c		0.015			-.002		.048	+4
30) Australia	□	ACGB 1 12/30	102.144	-0.017	0.780	+0.2		.717		1.014	-8.9
31) New Zealand	□	NZGB 1 1 <sub>a</sub> 31	110.429	+0.008	0.484	-0.1		.435		.800	-31.6
32) South Korea	□	KTB1 3 <sub>a</sub> 06/30	99.691c		1.469			1.273		1.572	+16.4
33) China	□	CGB2.68 05/30	95.946c		3.175			2.916		3.214	+24.2

Source: Bloomberg and FI

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## Corn.

- Corn futures closed down 3.43% to a two-week low on macro risk off selling. This was following a 14-month high yesterday. The risk off session is associated with record number of COVID-19 cases reported over the past week across the US and other parts of the globe, and position squaring ahead of the US elections early next week.
- While South Korea has been a good buyer this week of corn, likely from South America, traders are waiting for China to buy additional US corn. As we noted yesterday, China has already booked more than 10 million tons of corn from the US and another 5 million tons from other countries. If they end up importing more than 15 million tons during the 2020-21 campaign, they will likely book additional US corn.
- Funds were net sellers of 53,000 corn contracts on the session.
- Major importers could soon shop for US soybeans due to rising prices in Brazil and Ukraine.
- APK-Inform noted Ukrainian corn prices are up \$18-\$25 a ton over less than a week ago on strong demand to \$236-\$275 a ton by Oct. 28. Late yesterday Brazilian agricultural think tank reported that domestic corn prices hit a fresh record, rising above the previous 2007 record, by hitting 81.48 reais (\$14.49) per sack, up 28 percent so far in October alone.
- Brazil October corn exports could end up at 4.95 million tons (down from 5.5 million tons projected last week), according to Anec, while October soybean exports could reach 2.38 million tons (up from 2.32 previous week).
- Germany ASF: 94 cases since September 10
- South Africa's CEC sees 2.746 million HA of maize in the 2020-21 crop year, up 5% from last year. They see 1.686 million HA sown to white maize and 1.060 million HA to yellow maize.
- CEC forecasts production for 2019-20 maize production 15.420 million tons, (8.746 MT white and 6.674MT yellow)
- The US EPA is considering changes to gas pump labeling for E15 ethanol blend as the biofuel industry believes the current labels are discouraging use of the fuel.

The weekly US EIA report showed ethanol production up 28,000 barrels per day to 941,000 barrels, much higher than the Bloomberg trade average calling for a 12,000-barrel increase. Ethanol stocks were down 120,000 barrels to 19.601 million barrels. Traders were looking for stocks to be up 56,000 barrels. Early September to date ethanol production is running 6.3 percent below the same period a year ago, and many are questioning if corn for ethanol use will reach USDA's 2020-21 target of 5.050 billion bushels. We are optimistic that the US ethanol industry could see a rebound in energy consumption by early 2021. Many more people will be traveling by cars during the holidays in the United States. And if covid-19 concerns ease, many more people will be returning to work, by car. We currently have corn for ethanol use at 5.075 billion bushels, 25 more than USDA, while some other people have it 100 below USDA. Note the US may not grind as much sorghum during 2020-21. Although sorghum use for ethanol is very low for ethanol production, 1.5 percent to be specific for 2019-20, it was still about 75 million bushels. So, using USDA's 40 million-bushel FSI estimate for 2020-21, we figure 20-35 million bushels of corn will have to be made up for less sorghum used for ethanol production. It's too early to tell, but if we had a bias, we would move our number lower if production fails to increase back to 95 percent of last year's first half corn crop year grind of 2.683 billion bushels.

## US Weekly Petroleum Status Report - Ethanol

	Ethanol Production		Change		Ethanol Stocks		Change		Days of Ethanol
	Mbbl	Last Week	Last Year	Mbbl	Last Week	Last Year			
9/4/2020	941	19	-8.0%	19,993	(889)	-11.1%	22.2		
9/11/2020	926	(15)	-7.7%	19,798	(195)	-14.8%	21.6		
9/18/2020	906	(20)	-3.9%	19,997	199	-11.1%	21.9		
9/25/2020	881	(25)	-8.0%	19,691	(306)	-15.2%	22.7		
10/2/2020	923	42	-4.2%	19,672	(19)	-7.3%	21.3		
10/9/2020	937	14	-3.5%	20,008	336	-9.3%	21.0		
10/16/2020	913	(24)	-8.3%	19,721	(287)	-7.7%	21.9		
10/23/2020	941	28	-6.3%	19,601	(120)	-7.1%	21.0		

Source: EIA and FI

## US Weekly Ethanol By PADD

	23-Oct 2020	16-Oct 2020	Change	Weekly Percent	4-Week Percent	YOY Percent
<b>Ethanol Stocks</b>						
Total Stocks	19601	19721	(120)	-0.6%	-0.4%	-7.1%
East Coast PADD 1	6632	6384	248	3.9%	2.2%	0.1%
Midwest PADD 2	6122	6221	(99)	-1.6%	-6.4%	-13.2%
Gulf Coast PADD 3	3522	3607	(85)	-2.4%	14.0%	-15.0%
Rocky Mt. PADD 4	376	368	8	2.2%	-3.6%	12.9%
West Coast PADD 5	2949	3141	(192)	-6.1%	-6.9%	0.2%
<b>Plant Production</b>						
Total Production	941	913	28	3.1%	2.0%	-6.3%
East Coast PADD 1	10	13	(3)	-23.1%	66.7%	
Midwest PADD 2	896	871	25	2.9%	1.7%	-3.0%
Gulf Coast PADD 3	16	9	7	77.8%	-5.9%	
Rocky Mt. PADD 4	10	10	0	0.0%	0.0%	
West Coast PADD 5	9	10	(1)	-10.0%	0.0%	

Source: EIA and FI

### Corn Export Developments

- Under the 24-hour USDA reporting system private exporters reported optional origin sales of 207,000 metric tons of corn for delivery to South Korea during the 2020/2021 marketing year. An optional origin contract provides that the origin of the commodity may be the U.S. or one or more other exporting countries.
- South Korea's KFA bought 60,000 tons of South American or South African corn at \$264.99/ton c&f for shipment between December 16 and January 16. Yesterday South Korea's FLC bought 65,000 tons of corn, optional origin, at \$264.41/ton c&f for arrival around February 15. Abd NONFI bought 203,000 tons between \$250.20 and \$262.41 per ton.
- Iran's SLAL seeks 200,000 tons of corn and 200,000 tons of barley on October 28 for Nov-Jan shipment.

### Revised 2021 Crop Budgets Lead to Higher 2021 Return Projections

Schnitkey, G., K. Swanson, N. Paulson, C. Zulauf and J. Coppess. "Revised 2021 Crop Budgets Lead to Higher 2021 Return Projections." *farmdoc daily* (10):189, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, October 27, 2020.

<https://farmdocdaily.illinois.edu/2020/10/revised-2021-crop-budgets-lead-to-higher-2021-return-projections.html>

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Corn	Change	Oats	Change	Ethanol	Settle			
DEC0	401.75	(14.25)	DEC0	297.25	(10.75)	NOV0	1.47	Spot DDGS IL
MAR1	404.00	(12.50)	MAR1	295.50	(9.75)	DEC0	1.39	Cash & CBOT
MAY1	405.00	(12.00)	MAY1	296.25	(6.25)	JAN1	1.40	Corn + Ethanol
JUL1	405.50	(11.75)	JUL1	298.25	(4.75)	FEB1	1.40	Crush
SEP1	384.25	(10.25)	SEP1	280.50	(4.75)	MAR1	1.40	1.62
DEC1	382.50	(8.75)	DEC1	282.75	(4.75)	APR1	1.41	

Soybean/Corn	Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change	
NOV0	DEC0	2.64	657.25	(9.00)	DEC0	1.52	209.00	9.25
MAR1	MAR1	2.58	639.25	(5.00)	MAR1	1.51	205.50	6.25
MAY1	MAY1	2.56	632.75	(4.25)	MAY1	1.50	201.75	4.25
JUL1	JUL1	2.56	630.75	(3.75)	JUL1	1.48	193.25	4.75
SEP1	SEP1	2.58	607.25	(3.50)	SEP1	1.56	217.00	3.00
NOV1	DEC1	2.53	583.50	(3.25)	DEC1	1.59	225.25	1.00

### US Corn Basis & Barge Freight

Gulf Corn	BRAZIL Corn Basis	Chicago	dec price unch
OCT +87 / 95 Z unch/up1	JLY +80 / 100 n unch	Toledo	-5 z unch
NOV +82 / 88 z unch/up2	AUG +72 / 88 u up2/unch	Decatur	+20 z unch
DEC 36 unch/dn2	SEP +70 / 88 u unch	Dayton	-5 z up5
JAN +81 / 85 h unch/up1	0-Jan	Cedar Rapi	-3 z dn3
FEB +82 / 86 h unch/up2		Burns Harb	dec price unch
USD/ton: Ukraine Odessa \$ 224.00		Memphis-Cairo Barge Freight (offer)	
US Gulf 3YC Fob Gulf Seller (RTRS) 226.7 224.7 223.1 222.0 218.1 210.2		BrgF MTCT OCT	450 -25
China 2YC Maize Cif Dalian (DCE) 378.9 383.5 386.3 386.5 384.5 383.8		BrgF MTCT NOV	450 unchanged
Argentina Yellow Maize Fob UpRiver - 229.1 237.8 - - 213.4		BrgF MTCT DEC	350 unchanged

Source: FI, DJ, Reuters & various trade sources

Updated 10/23/20

December corn is seen in a \$4.00-\$4.40 range

China could easily change the global balance sheet if they boost corn imports above 15 million tons in 2021.

### Soybean complex.

- Lower trade in the soybean complex in a risk off session as the second wave of COVID-19 triggers lockdowns in EU. A slightly wetter forecast for South America also weighed on prices.
- We heard China bought 1 cargo of US soybeans for Dec/Jan out of the Gulf and at least one Brazil cargo for April shipment late Tuesday.
- Funds were net sellers of 25,000 soybean futures, 6,000 soybean meal contracts, and 5,000 soybean oil contracts on the session.
- Brazil will see widespread precipitation starting October 29 that could hit nearly all the nation's major crop areas over an eight-day period. Mato Grosso sure needs the rain as plantings were running at only 25 percent as of October 23, down from 65 percent average.
- Recent rains in Eastern Australia have helped rapeseed production, while the dryness in the western regions have hurt wheat and rapeseed development.
- The Malaysian bourse will be closed on Thursday for a public holiday.
- Malaysian palm oil futures settled down 14 MYR to 3051, from mainly profit taking.



## Oilseeds Export Developments

- Under the 24-hour USDA reporting system private exporters reported
  - Export sales of 110,000 metric tons of soybeans for delivery to Egypt during the 2020/2021 marketing year.
  - Export sales of 120,000 metric tons of soybeans for delivery to unknown destinations during the 2020/2021 marketing year.
- Results awaited: Syria seeks 50,000 tons of soybean meal and 50,000 tons of corn on October 26 for delivery within four months of contract.
- The USDA seeks 240 tons of packaged vegetable oil under the PL 480 program for Dec 1-31 shipment, on November 3.

Soybeans		Change	Soybean Meal		Change	Soybean Oil		Change
NOVO	1059.00	(23.25)	DECO	377.50	(6.50)	DECO	33.41	(0.70)
JAN1	1056.75	(19.75)	JAN1	370.80	(7.10)	JAN1	33.26	(0.66)
MAR1	1043.25	(17.50)	MAR1	358.80	(6.00)	MAR1	33.04	(0.63)
MAY1	1037.75	(16.25)	MAY1	348.40	(5.40)	MAY1	32.86	(0.62)
JUL1	1036.25	(15.50)	JUL1	346.20	(3.70)	JUL1	32.73	(0.67)
AUG1	1024.00	(16.00)	AUG1	341.00	(3.20)	AUG1	32.51	(0.72)
SEP1	991.50	(13.75)	SEP1	334.30	(2.40)	SEP1	32.19	(0.77)

Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Nov/Jan	-2.25	3.50	Dec/Jan	-6.70	(0.60)	Dec/Jan	-0.15	0.04

Electronic Beans Crush		Oil as %		Meal/Oil \$		Meal		Oil	
Month	Margin		of Oil&Meal	Con. Value	Value	Value			
NOVO/DEC0	139.01	DECO	30.68%	\$ 17,704	830.50	367.51			
JAN1	124.87	JAN1	30.96%	\$ 17,124	815.76	365.86	EUR/USD	1.1749	
MAR1	109.55	MAR1	31.53%	\$ 16,056	789.36	363.44	Brazil Real	5.7601	
MAY1	90.19	MAY1	32.05%	\$ 15,124	766.48	361.46	Malaysia Bid	4.1540	
JUL1	85.42	JUL1	32.10%	\$ 14,982	761.64	360.03	China RMB	6.7279	
AUG1	83.81	AUG1	32.28%	\$ 14,594	750.20	357.61	AUD	0.7045	
SEP1	98.05	SEP1	32.50%	\$ 14,116	735.46	354.09	CME Bitcoin	13190	
NOV1/DEC1	98.80	OCT1	32.82%	\$ 13,460	715.88	349.80	3M Libor	0.21438	
JAN2	95.97	DEC1	32.79%	\$ 13,486	715.66	349.14	Prime rate	3.2500	
MAR2	95.98	JAN2	32.90%	\$ 13,298	710.60	348.37			

### US Soybean Complex Basis

OCT	+94 / 100 x up4/up6			DECATUR	+20 f up5
NOV	+90 / 92 x unch	IL SBM	Z-2 10/27/2020	SIDNEY	-10 x unch
DEC	+88 / 93 f dn2/dn2	CIF Meal	Z+28 10/27/2020	CHICAGO	-5 x unch
JAN	+87 / 93 f dn1/up3	Oil FOB NOLA	500 10/23/2020	TOLEDO	-1 x unch
FEB	+80 / 87 h unch	Decatur Oil	100 10/23/2020	BRNS HRBR	-15 x unch
				C. RAPIDS	-7 f up4

Brazil Soybeans Paranagua fob		Brazil Meal Paranagua		Brazil Oil Paranagua	
NOV	+250 / +350 x unch/up30	NOV	+34 / +36 x unch	DEC	+600 / +800 z unch
FEB	+123 / +135 f dn3/dn3	DEC	+27 / +29 z dn3/dn4	JAN	+500 / +630 f unch
MCH	+88 / +92 h dn2/dn2	JAN	+28 / +32 f dn1/dn1	FEB	+330 / +560 f unch
APR	+78 / +82 k dn2/dn3	FEB	+25 / +32 f unch	MCH	+230 / +390 h unch
MAY	+82 / +88 k dn1/dn5	MCH	+14 / +22 f up1/up4	APR	+170 / +300 k unch
	Argentina meal	417 46.4	Argentina oil:	Spot fob	38.2 4.93

Source: FI, DJ, Reuters & various trade sources

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*Updated 10/23/20*

*November soybeans are seen in a \$10.60-\$11.25 range*

*December soybean meal is seen in a \$370-\$4.10 range*

*December soybean oil is seen in a 33.50-35.00 range*

## **Wheat**

- US wheat futures finished lower on the risk off macro move today but did see light to quality bids come in as some traders think flour demand may rise like it did the first COVID wave in March which triggered global lockdowns.
- Paris (Matif) December wheat settled down 1.75 at 204.00 euros.
- Funds were net sellers of 7,000 wheat contracts.
- Rains should favor far eastern Queensland, eastern and southern New South Wales, Victoria, and eastern South Australia through Saturday.
- Southern Russia will see rain on and off through at least the first week of November. Most of Russia's winter grain areas will see slightly above normal temperatures which will be beneficial for crop establishment.
- South Africa's CEC estimates 2020 wheat production at 2.135 million tons compared to 1.535 million tons last year.

## *Export Developments.*

- Jordan bought 120,000 tons of hard milling wheat at \$279.00/ton and \$279.90/ton C&F for LH February to FH March shipment.
- South Korean flour mills bought an estimated 77,900 tons of milling wheat to be sourced from the United States and 27,900 tons of wheat from Canada for shipment in January and February 2021.
- Japan bought 16,225 tons of feed wheat out of 80,000 tons sought and passed on 100,000 tons of feed barley for arrival by Feb 25.
- Syria seeks 200,000 tons of wheat from the Black Sea on October 28.
- Jordan seeks 120,000 tons of feed barley on November 3.
- Pakistan seeks 320,000 tons of wheat on November 3 for arrival by November 3 for arrival by the end of January.

## **Rice/Other**

- China's rice crop in the northern growing areas look good. Wholesale rice prices appreciated during the COVID crises but soon may decline after supplies increase.
- Syria seeks 37,400 tons of white rice on November 23. White Chinese/Egyptian short grain white rice of third or fourth class was sought. Shipment is sought within three months of order confirmation.
- Results awaited: Mauritius seeks 5,500 tons of white rice on October 20 for Dec 15-Mar 15, 2021 delivery.

Chicago Wheat			KC Wheat			MN Wheat		
		Change			Change	Settle		Change
DEC0	610.75	(5.00)	DEC0	544.50	(4.75)	DEC0	552.00	(9.50)
MAR1	609.50	(6.25)	MAR1	551.00	(5.25)	MAR1	564.75	(8.75)
MAY1	606.75	(7.75)	MAY1	556.75	(5.25)	MAY1	571.75	(8.25)
JUL1	598.75	(7.00)	JUL1	561.75	(4.25)	JUL1	578.25	(8.00)
SEP1	601.25	(7.25)	SEP1	566.25	(5.75)	SEP1	580.25	(6.50)
DEC1	607.75	(7.75)	DEC1	575.25	(5.75)	DEC1	586.75	(5.50)
MAR2	611.25	(7.75)	MAR2	580.00	(6.25)	MAR2	589.50	(5.25)

Chicago Rice			Change					
NOV0	12.47	(0.010)	JAN1	12.45	(0.030)	MAR1	12.59	(0.045)

US Wheat Basis					
Gulf SRW Wheat		Gulf HRW Wheat		Chicago mill	
OCT	+68 / 76 z unch	OCT	160 / z dn10	Toledo	-10 z unch
NOV	+73 / 80 z unch	NOV	160 / z dn5	PNW US Soft White 10.5% protein	
DEC	+80 / 89 z dn5/dn1	DEC	160 / z dn5	PNW Jan	610 -15.00
JAN	+65 / 68 h unch	JAN	160 / h unch	PNW Feb	610 -15.00
0-Jan		FEB	160 / h unch		

Paris Wheat		Change	OI	OI Change	World Prices \$/ton		Change
DEC0	204.00	(1.75)	184,155	(10,686)	US SRW FOB	\$275.80	\$1.60
MAR1	204.00	(1.75)	163,418	4,587	US HRW FOB	\$278.90	\$1.00
MAY1	202.00	(2.00)	57,565	(182)	Rouen FOB 11%	\$237.92	\$5.50
SEP1	187.25	(0.75)	32,443	190	Russia FOB 12%	\$253.00	\$5.00
EUR	1.1749				Ukr. FOB feed (Odessa)	\$218.50	\$0.00
					Arg. Bread FOB 12%	\$254.26	\$0.00

Source: FI, DJ, Reuters & various trade sources

*Updated 10/20/20*  
*December Chicago wheat is seen in a \$6.10-6.60 range*  
*December KC wheat is seen in a \$5.50-\$6.10 range*  
*December MN wheat is seen in a \$5.55-\$6.20 range*

## Traditional Daily Estimate of Funds 10/27/20

(Neg)-"Short" Pos-"Long"

	Corn	Bean	Chi. Wheat	Meal	Oil
Est	356.9	277.9	34.5	113.2	117.8
28-Oct	(53.0)	(25.0)	(7.0)	(6.0)	(5.0)
29-Oct					
30-Oct					
2-Nov					
3-Nov					
<b>FI Est. of Futures Only 10/27/20</b>	<b>303.9</b>	<b>252.9</b>	<b>27.5</b>	<b>107.2</b>	<b>112.8</b>
<b>FI Est. Futures &amp; Options</b>	<b>330.3</b>	<b>252.1</b>	<b>40.3</b>	<b>111.0</b>	<b>103.2</b>
Futures only record long	498.2 2/1/2011	260.4 6/27/2017	86.5 8/7/2018	167.5 5/1/2018	160.2 11/1/2016
Futures only record short	(235.0) 6/9/2020	(118.3) 4/30/2019	(130.0) 4/25/2017	(49.5) 3/1/2016	(69.8) 9/18/2018
Futures and options record net long	458.5 9/28/2010	259.8 5/1/2012	64.8 8/7/2012	132.1 5/1/2018	159.2 1/1/2016
Futures and options record net short	(270.6) 4/26/2019	(132.0) 4/30/2019	(143.3) 4/25/2017	(64.1) 3/1/2016	(77.8) 9/18/2018

## Managed Money Daily Estimate of Funds 10/27/20

	Corn	Bean	Chi. Wheat	Meal	Oil
Latest CFTC Fut. Only	211.6	227.6	51.8	80.7	82.0
Latest CFTC F&O	218.8	231.9	49.7	81.6	82.0
FI Est. Managed Money F&O	193	225	31	89	84

## Index Funds Latest Positions (as of last Tuesday)

Index Futures & Options	330.4	199.5	128.0	NA	114.4
Change From Previous Week	0.0	0.0	0.0	NA	0.0

Source: Reuters, CFTC & FI (FI est. are noted with latest date)

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## USDA Export Sales Estimates/Results in 000 tons

	ESTIMATED 10/22/2020			10/15/2020 Last Week			10/24/2019 Year Ago		
<b>Beans</b>	20/21	1600-2000		20/21	2,225.5		19/20	943.6	
							n/c	0.0	
						Sales to China 1,222.0		Sales to China 481.0	
<b>Meal</b>			Shipped			Shipped			Shipped
	20/21	175-300	100-200	20/21	321.9	90.8	19/20	179.1	147.9
							n/c	0.4	
<b>Oil</b>			Shipped			Shipped			Shipped
	20/21	5-15	5-15	20/21	37.0	3.2	19/20	30.0	9.7
							n/c	0.2	
<b>Corn</b>									
	20/21	1100-1500		20/21	1,831.6		19/20	549.1	
							n/c	0.0	
<b>Wheat</b>									
	20/21	300-450		20/21	367.5		19/20	493.8	
							n/c	0.0	

o/c=Old Crop, n/c= New Crop

Source: Futures International and USDA

# US Weekly Petroleum Status Report

	Ethanol Production 000 Barrels Per Day	Change from Last Week	Change from Last Month	Change from Last Year	Ethanol Stocks 000 Barrels	Change from Last Week	Change from Last Month	Change from Last Year	Days of Ethanol Inventory
10/4/2019	963	5	-5.9%	-7.4%	21,224	(1995)	-5.7%	-11.6%	24.1
10/11/2019	971	8	-3.2%	-4.0%	22,061	837	-5.1%	-8.6%	21.9
10/18/2019	996	25	5.6%	-2.7%	21,364	(697)	-5.0%	-10.6%	22.1
10/25/2019	1004	8	4.8%	-5.2%	21,099	(265)	-9.1%	-7.2%	21.3
11/1/2019	1014	10	5.3%	-5.1%	21,874	775	3.1%	-5.5%	20.8
11/8/2019	1030	16	6.1%	-3.5%	20,985	(889)	-4.9%	-10.8%	21.2
11/15/2019	1033	3	3.7%	-0.9%	20,514	(471)	-4.0%	-10.0%	20.3
11/22/2019	1059	26	5.5%	1.0%	20,277	(237)	-3.9%	-11.6%	19.4
11/29/2019	1060	1	4.5%	-0.8%	20,639	362	-5.6%	-10.4%	19.1
12/6/2019	1072	12	4.1%	2.5%	21,815	1176	4.0%	-4.7%	19.3
12/13/2019	1064	(8)	3.0%	1.7%	21,798	(17)	6.3%	-8.7%	20.5
12/20/2019	1083	19	2.3%	3.9%	21,469	(329)	5.9%	-7.2%	20.1
12/27/2019	1066	(17)	0.6%	5.4%	21,034	(435)	1.9%	-9.2%	20.1
1/3/2020	1062	(4)	-0.9%	6.2%	22,462	1428	3.0%	-3.4%	19.8
1/10/2020	1095	33	2.9%	4.2%	23,006	544	5.5%	-1.5%	20.5
1/17/2020	1049	(46)	-3.1%	1.7%	24,031	1025	11.9%	2.3%	21.9
1/24/2020	1029	(20)	-3.5%	1.7%	24,244	213	15.3%	1.1%	23.4
1/31/2020	1081	52	1.8%	11.8%	23,474	(770)	4.5%	-2.0%	22.4
2/7/2020	1033	(48)	-5.7%	0.4%	24,358	884	5.9%	3.8%	22.7
2/14/2020	1040	7	-0.9%	4.4%	24,781	423	3.1%	3.6%	23.4
2/21/2020	1054	14	2.4%	2.5%	24,718	(63)	2.0%	4.3%	23.5
2/28/2020	1079	25	-0.2%	5.4%	24,964	246	6.3%	2.9%	22.9
3/6/2020	1044	(35)	1.1%	3.9%	24,334	(630)	-0.1%	2.5%	23.9
3/13/2020	1035	(9)	-0.5%	3.1%	24,598	264	-0.7%	0.8%	23.5
3/20/2020	1005	(30)	-4.6%	3.1%	24,140	(458)	-2.3%	-1.3%	24.5
3/27/2020	840	(165)	-22.2%	-15.9%	25,717	1577	3.0%	7.2%	28.7
4/3/2020	672	(168)	-35.6%	-32.9%	27,091	1374	11.3%	16.8%	38.3
4/10/2020	570	(102)	-44.9%	-43.9%	27,469	378	11.7%	21.1%	47.5
4/17/2020	563	(7)	-44.0%	-46.3%	27,689	220	14.7%	21.7%	48.8
4/24/2020	537	(26)	-36.1%	-47.6%	26,337	(1352)	2.4%	16.0%	51.6
5/1/2020	598	61	-11.0%	-42.3%	25,612	(725)	-5.5%	14.0%	44.0
5/8/2020	617	19	8.2%	-41.3%	24,190	(1422)	-11.9%	8.7%	41.5
5/15/2020	663	46	17.8%	-38.1%	23,626	(564)	-14.7%	0.9%	36.5
5/22/2020	724	61	34.8%	-31.5%	23,176	(450)	-12.0%	2.4%	32.6
5/29/2020	765	41	27.9%	-26.7%	22,476	(700)	-12.2%	-0.3%	30.3
6/5/2020	837	72	35.7%	-23.6%	21,802	(674)	-9.9%	0.0%	26.9
6/12/2020	841	4	26.8%	-22.2%	21,346	(456)	-9.7%	-1.2%	25.9
6/19/2020	893	52	23.3%	-16.7%	21,034	(312)	-9.2%	-2.5%	23.9
6/26/2020	900	7	17.6%	-16.7%	20,164	(870)	-10.3%	-11.7%	23.4
7/3/2020	914	14	9.2%	-12.7%	20,620	456	-5.4%	-10.4%	22.1
7/10/2020	931	17	10.7%	-12.7%	20,608	(12)	-3.5%	-11.8%	22.1
7/17/2020	908	(23)	1.7%	-12.6%	19,801	(807)	-5.9%	-16.4%	22.7
7/24/2020	958	50	6.4%	-7.1%	20,272	471	0.5%	-17.1%	20.7
7/31/2020	931	(27)	1.9%	-10.5%	20,346	74	-1.3%	-12.0%	21.8
8/7/2020	918	(13)	-1.4%	-12.2%	19,750	(596)	-4.2%	-17.3%	22.2
8/14/2020	926	8	2.0%	-9.5%	20,270	520	2.4%	-13.3%	21.3
8/21/2020	931	5	-2.8%	-10.3%	20,409	139	0.7%	-11.2%	21.8
8/28/2020	922	(9)	-1.0%	-9.0%	20,882	473	2.6%	-12.3%	22.1
9/4/2020	941	19	2.5%	-8.0%	19,993	(889)	1.2%	-11.1%	22.2
9/11/2020	926	(15)	0.0%	-7.7%	19,798	(195)	-2.3%	-14.8%	21.6
9/18/2020	906	(20)	-2.7%	-3.9%	19,997	199	-2.0%	-11.1%	21.9
9/25/2020	881	(25)	-4.4%	-8.0%	19,691	(306)	-5.7%	-15.2%	22.7
10/2/2020	923	42	-1.9%	-4.2%	19,672	(19)	-1.6%	-7.3%	21.3
10/9/2020	937	14	1.2%	-3.5%	20,008	336	1.1%	-9.3%	21.0
10/16/2020	913	(24)	0.8%	-8.3%	19,721	(287)	-1.4%	-7.7%	21.9
10/23/2020	941	28	6.8%	-6.3%	19,601	(120)	-0.5%	-7.1%	21.0

4-week average change:

15

4-week average change:

-23

YOY Δ

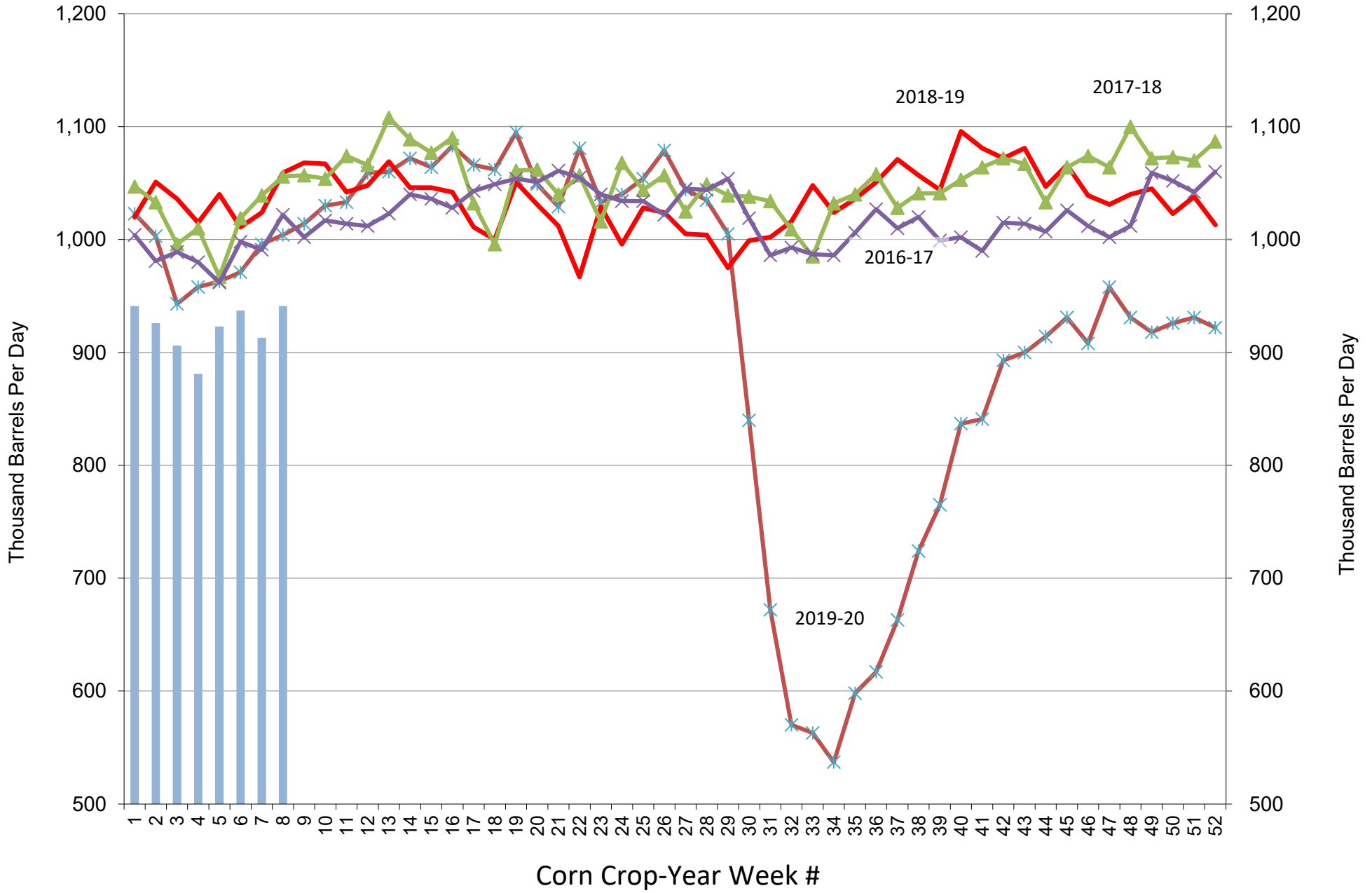
-10.3%

CY to Date:

929 2019-20 season average

Source: Reuters, EIA, FI

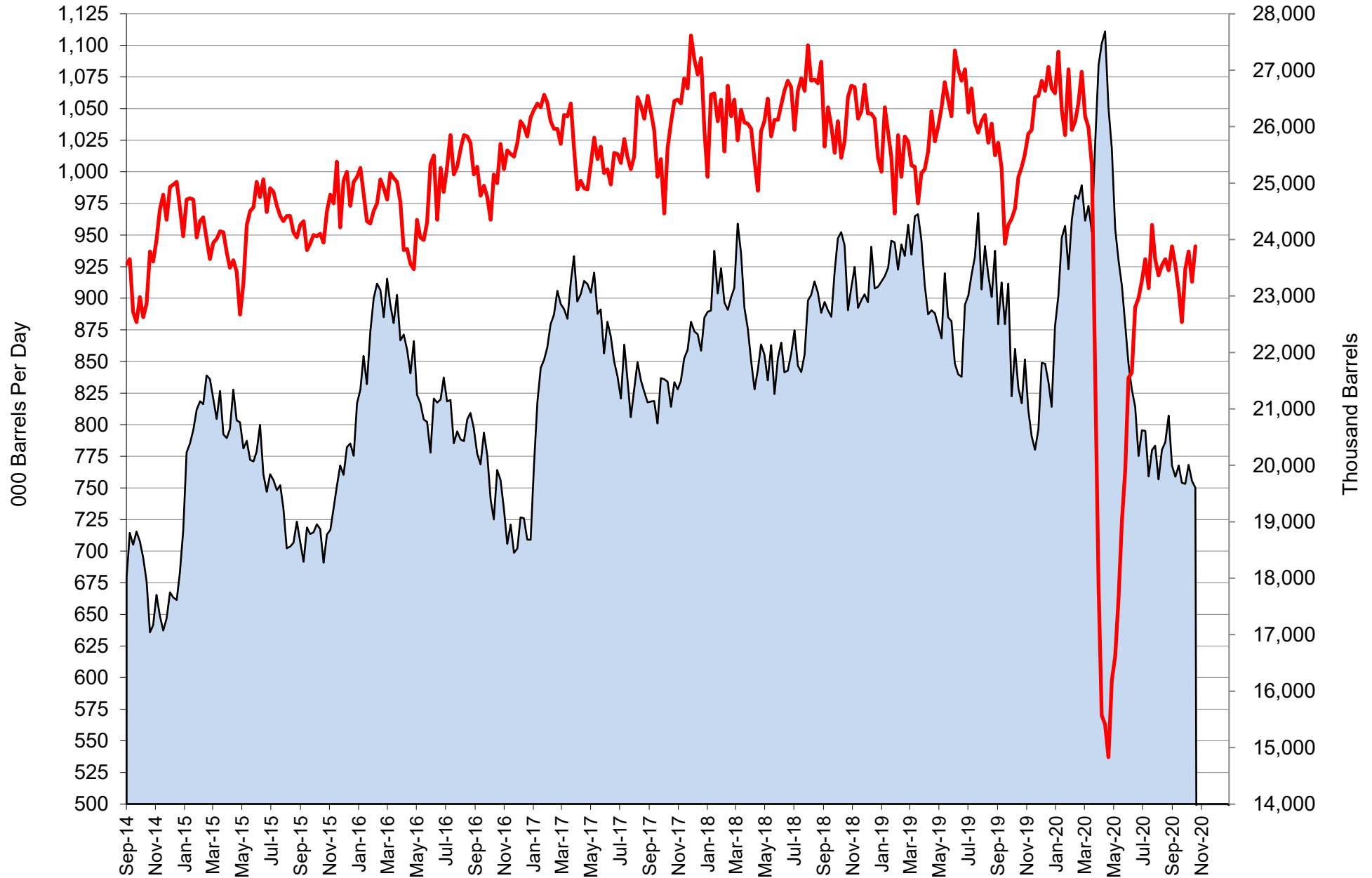
# US Weekly Ethanol Production



Source: EIA & FI

■ 2020-21   
 ✕ 2019-20   
 — 2018-19   
 ▲ 2017-18   
 ✕ 2016-17

# US Weekly Ethanol Production and Stocks



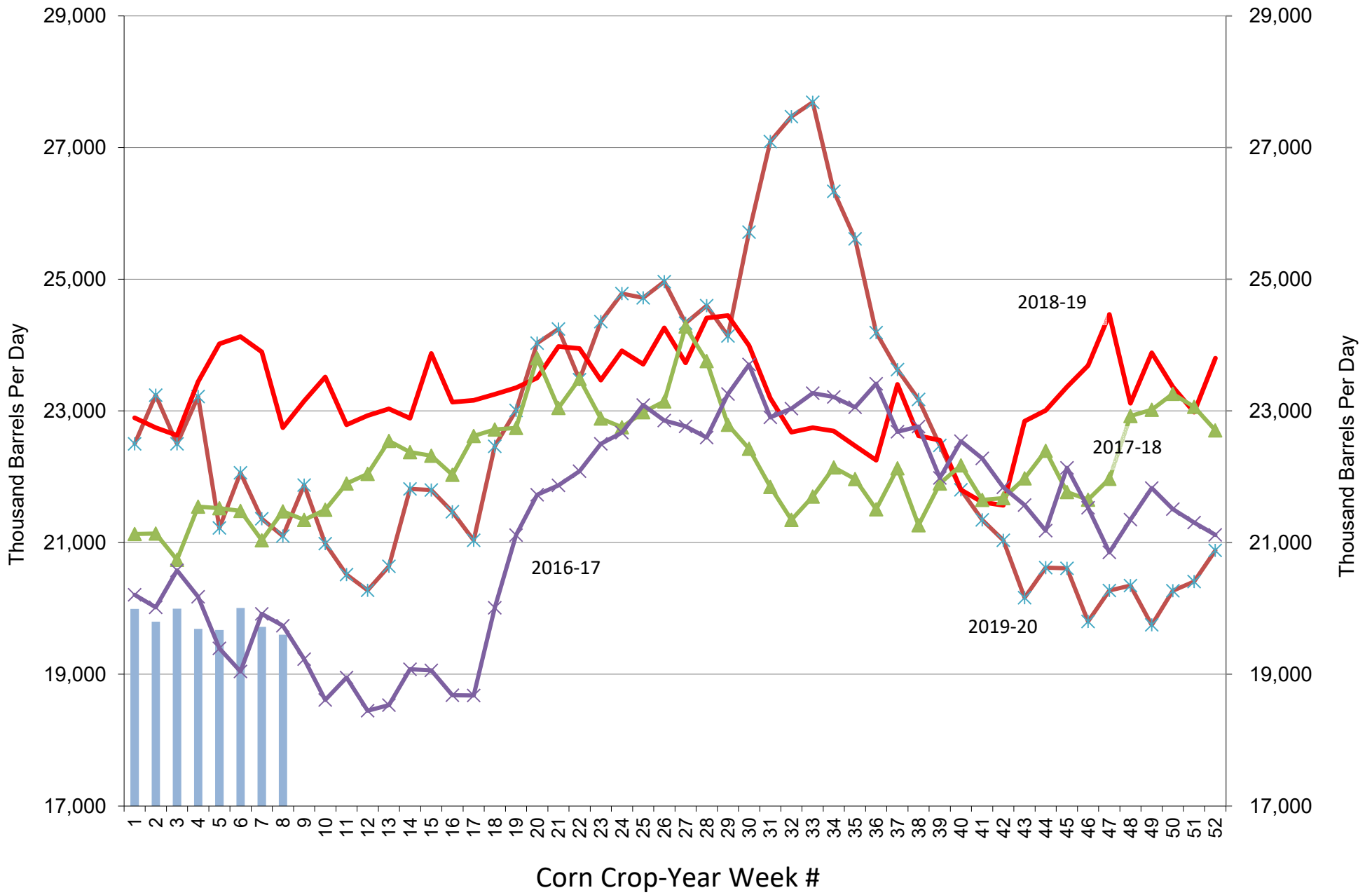
Source: EIA & FI

Stocks (1000bd)

Production (1000bd)



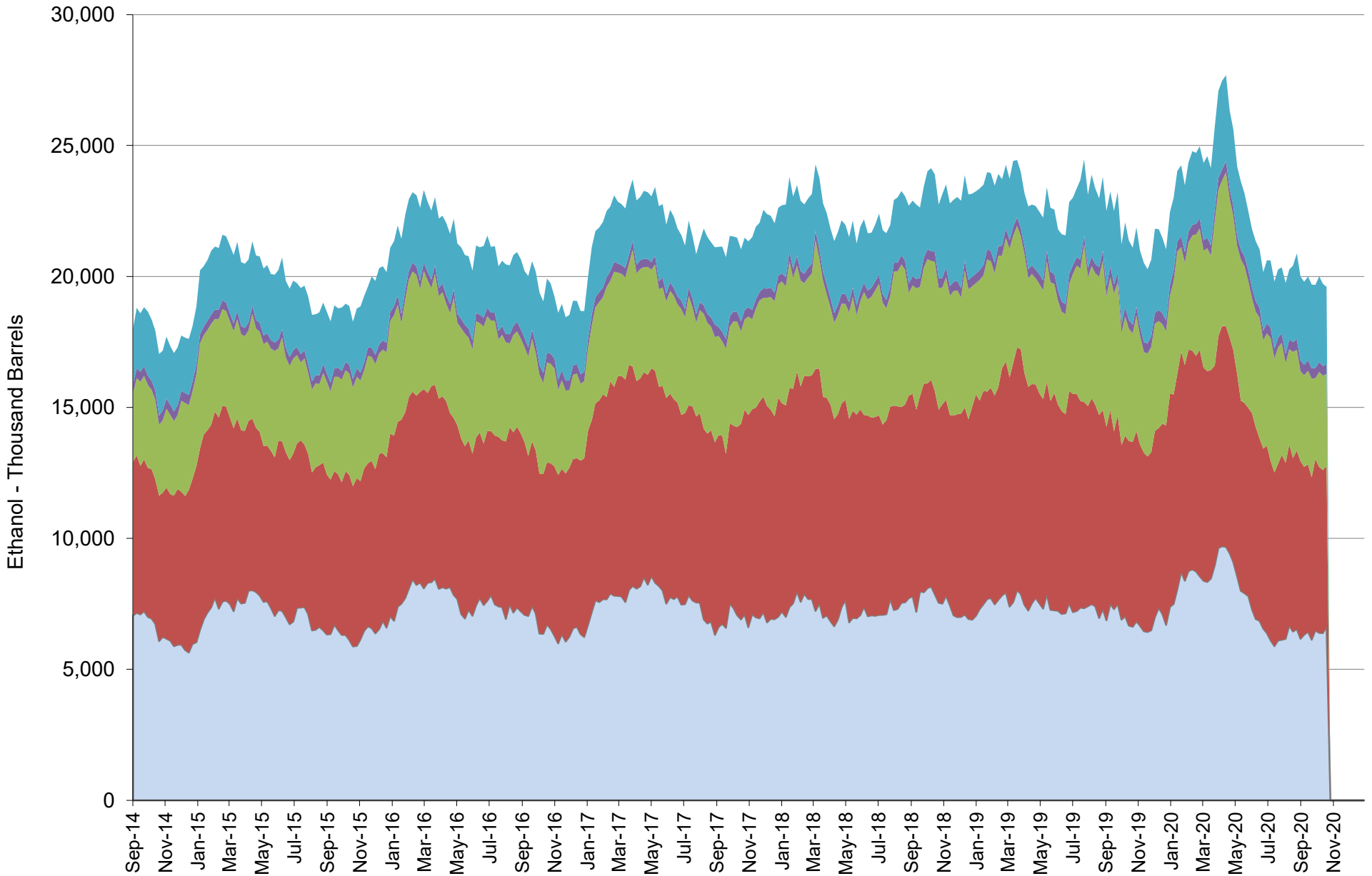
# US Weekly Ethanol Stocks (corn crop year)



Source: EIA & FI

■ 2020-21   
 \*— 2019-20   
 — 2018-19   
 ▲— 2017-18   
 x— 2016-17

# US Weekly Ethanol Stocks by PADD

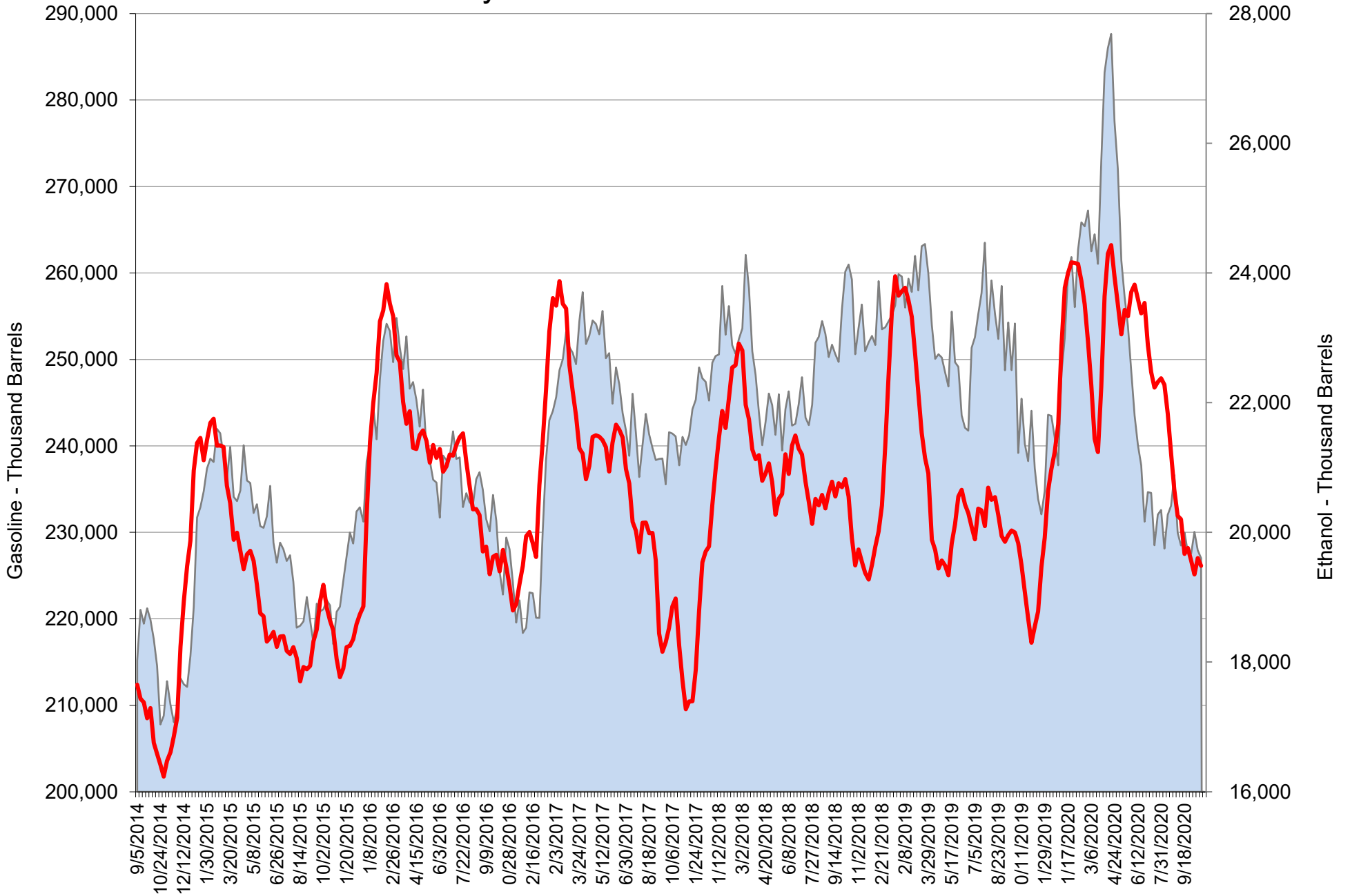


Source: EIA & FI

■ PADD1 ■ PADD2 ■ PADD3 ■ PADD4 ■ PADD5

10/28/2020

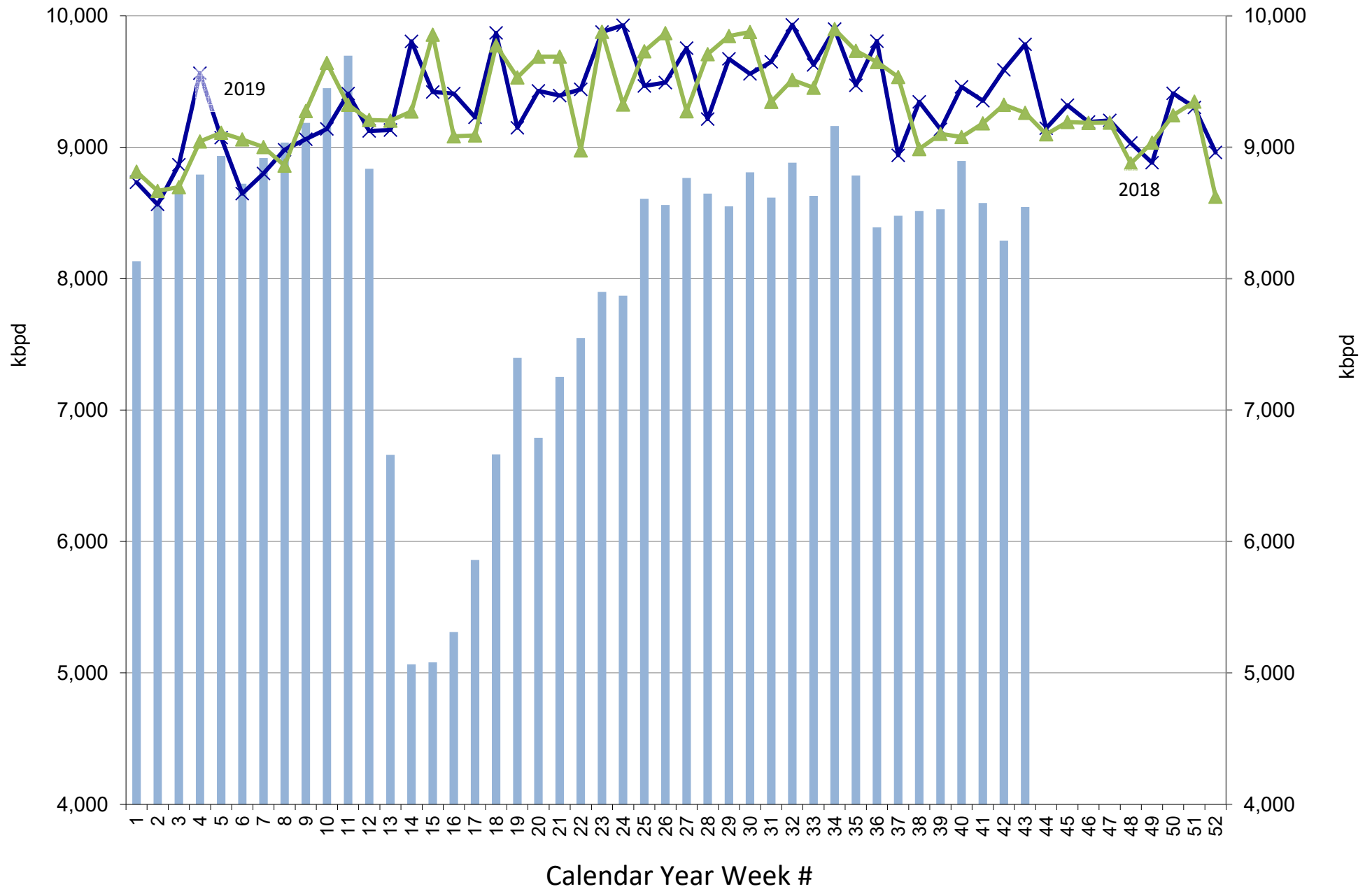
# US Weekly Gasoline and Ethanol Stocks



Source: EIA & FI

Stocks (1000bd) US Gasoline Ending Stocks (thousand barrels)

# US Weekly Gasoline Product Supplied



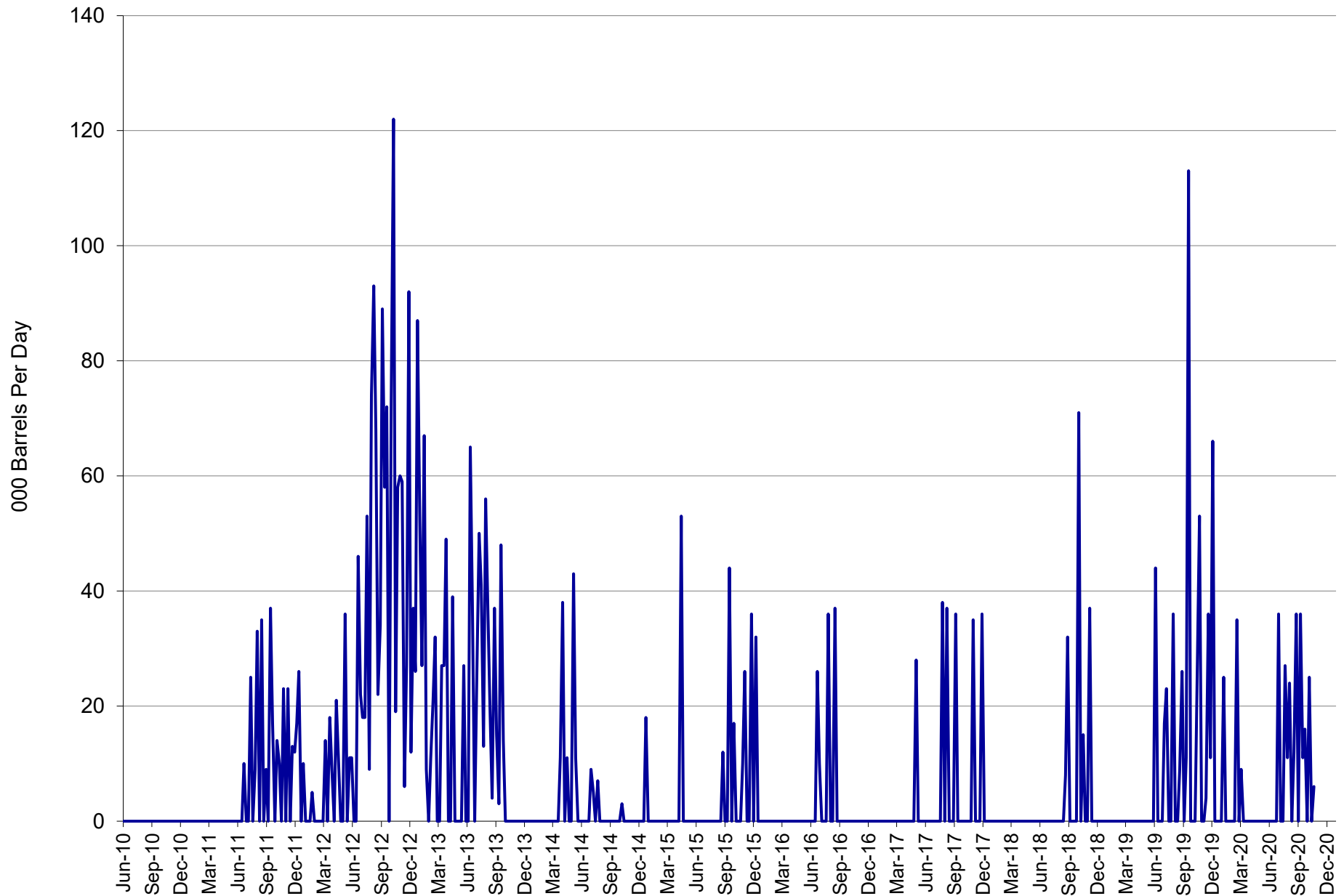
Source: EIA & FI

Gasoline Product Supplied (kbpd)

2019

2018

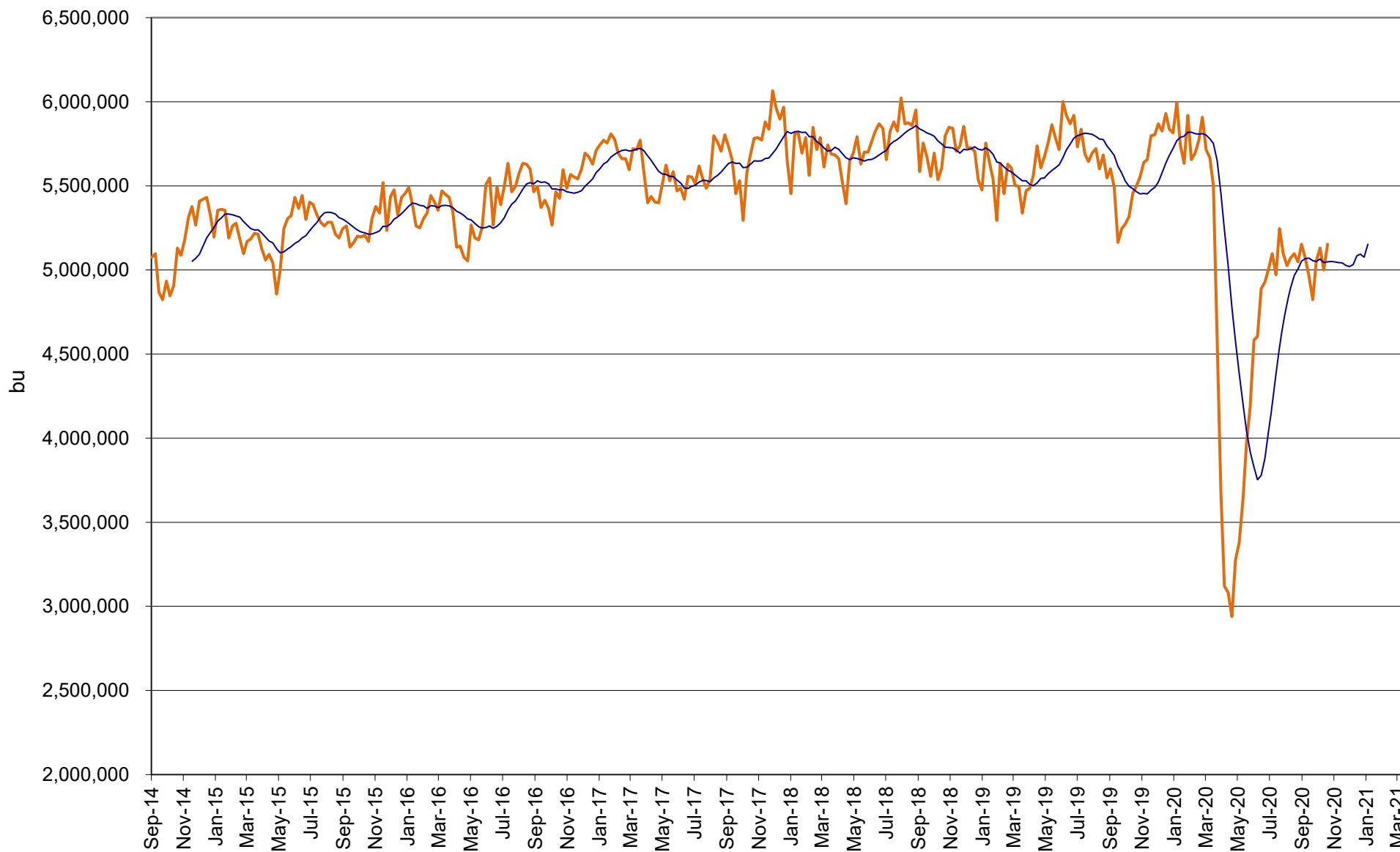
# US Weekly Ethanol Imports



Source: EIA & FI

— Imports (BPD)

# US Annualized Implied Corn Use

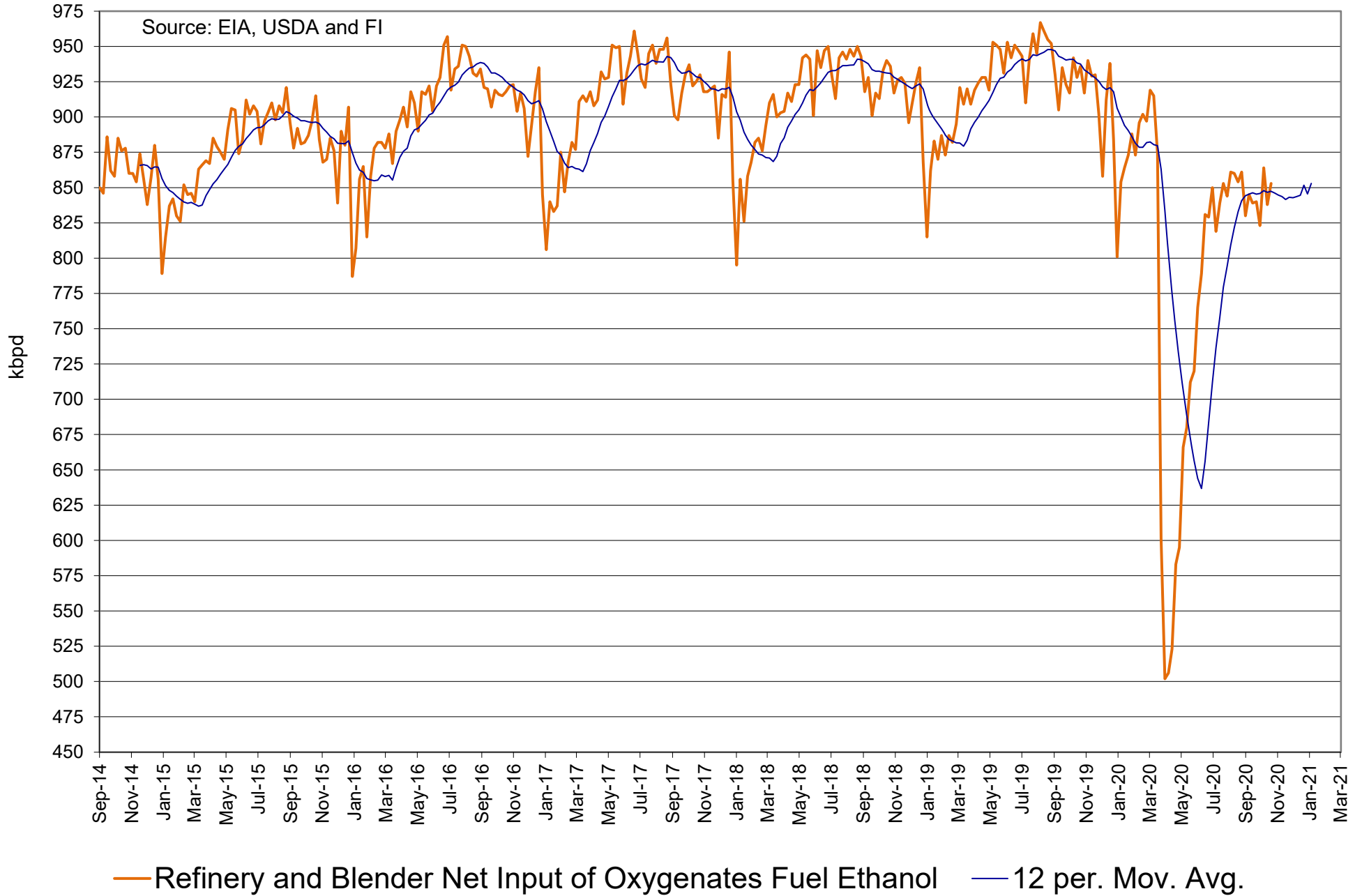


Source: EIA, USDA and FI

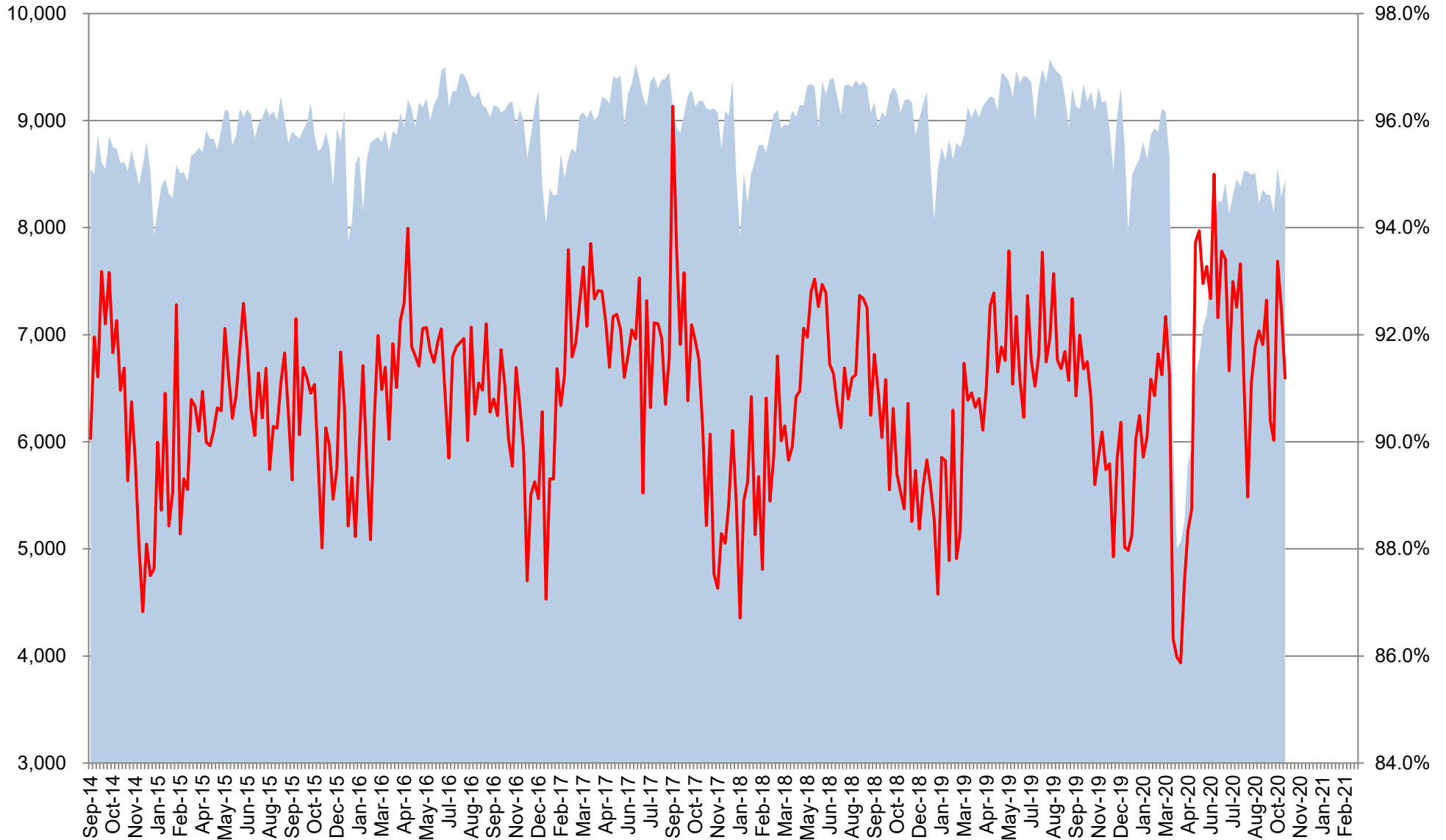
— US

— 12 per. Mov. Avg. (US)

# Refinery and Blender Net Input of Oxygenates Fuel Ethanol



# US Net Blender Input of Fuel Ethanol and % Blend of Net Production of Finished Motor Gasoline



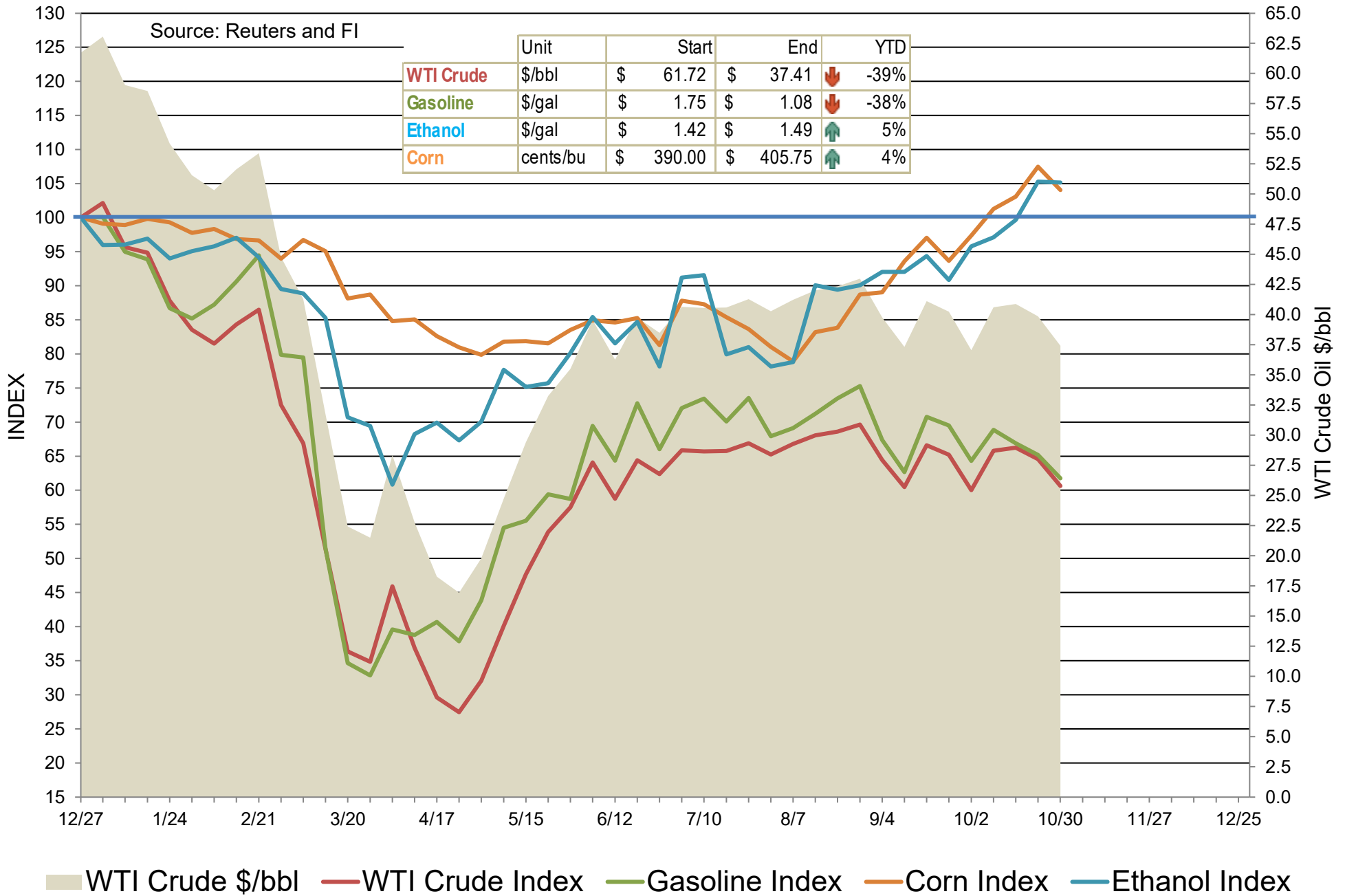
Source: EIA, USDA and FI

■ Total Blend Etoh

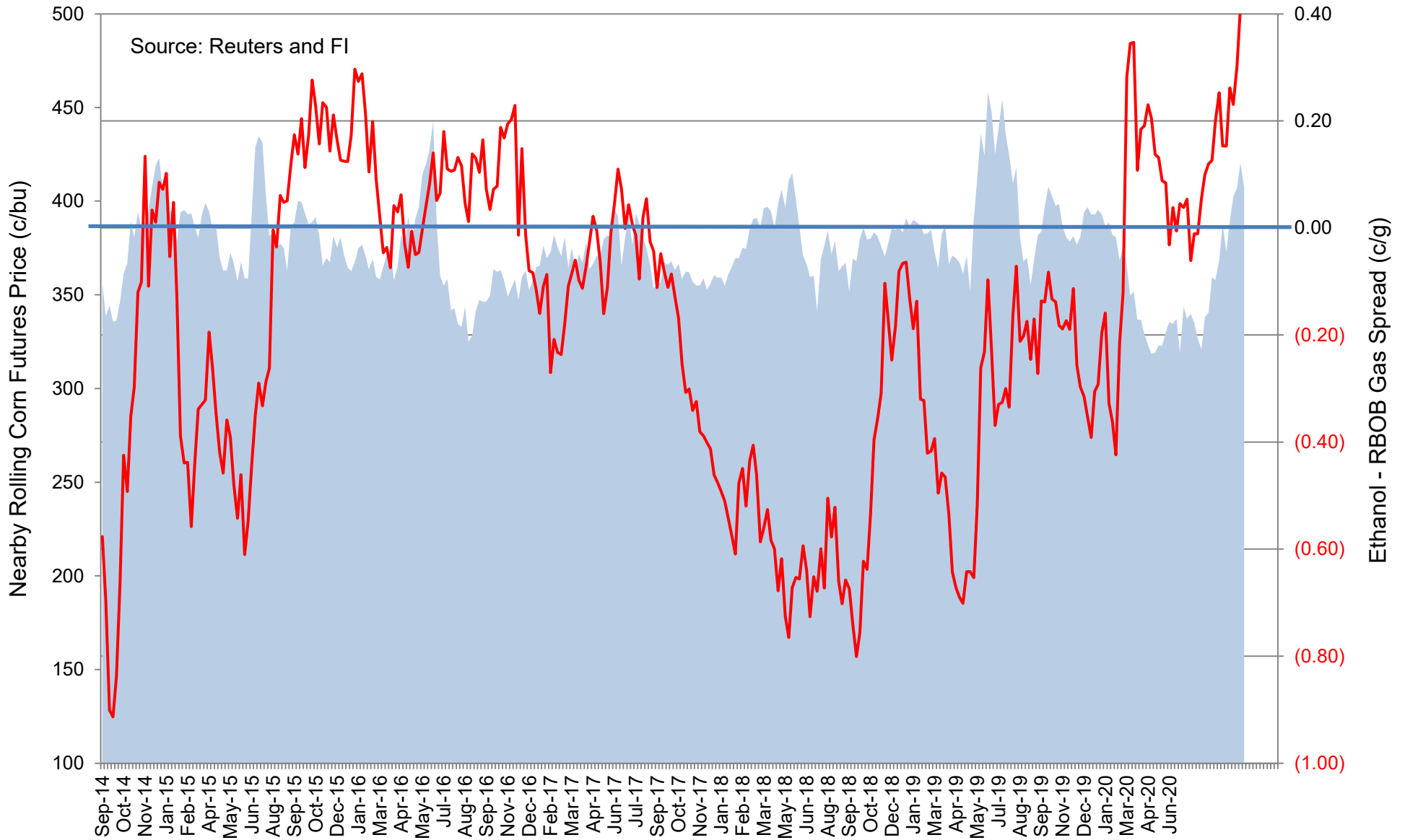
— Etoh Blend %



# Indexed Commodity Prices Starting January 2020 versus WTI Crude Nearby Futures



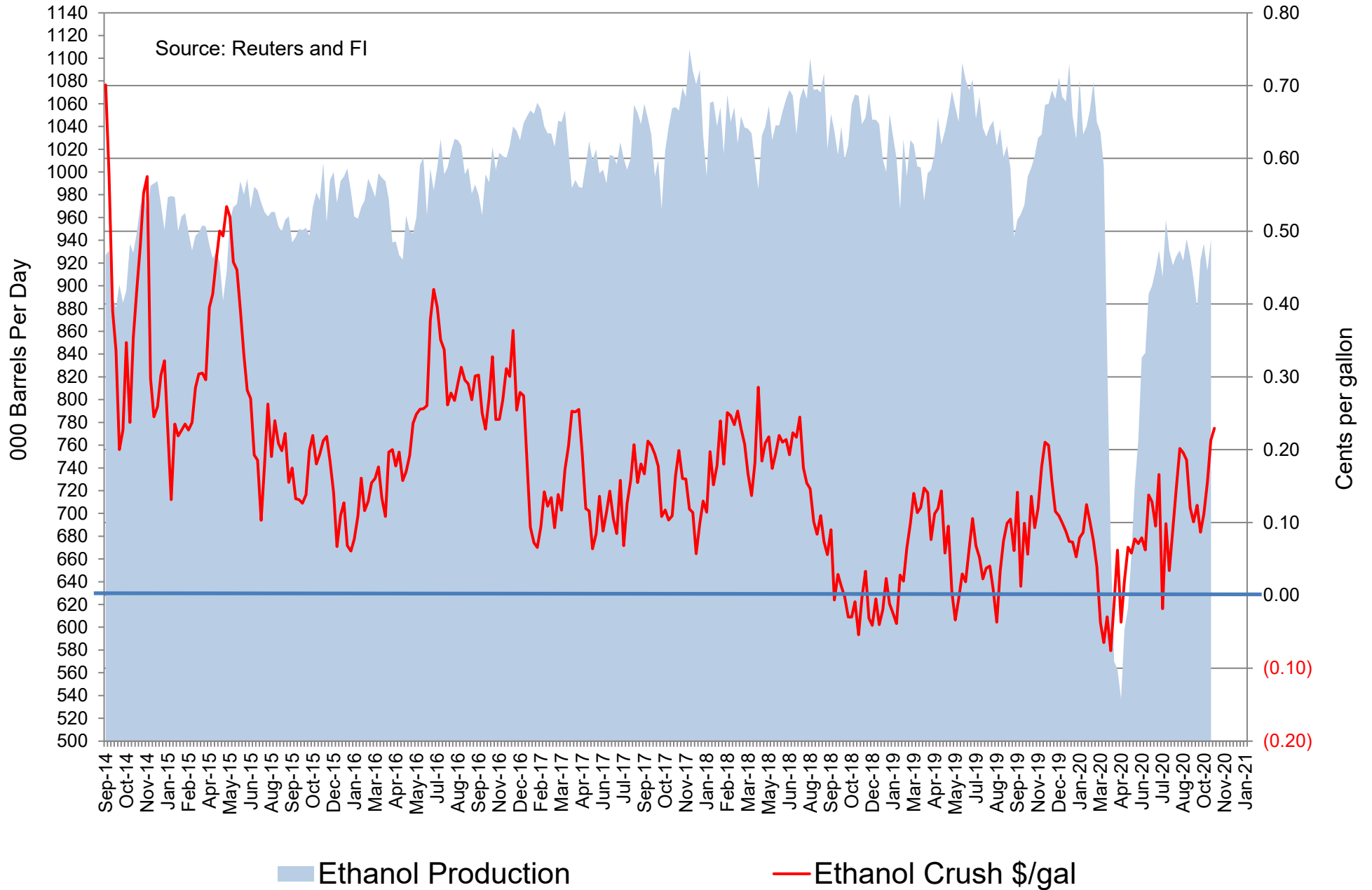
# CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



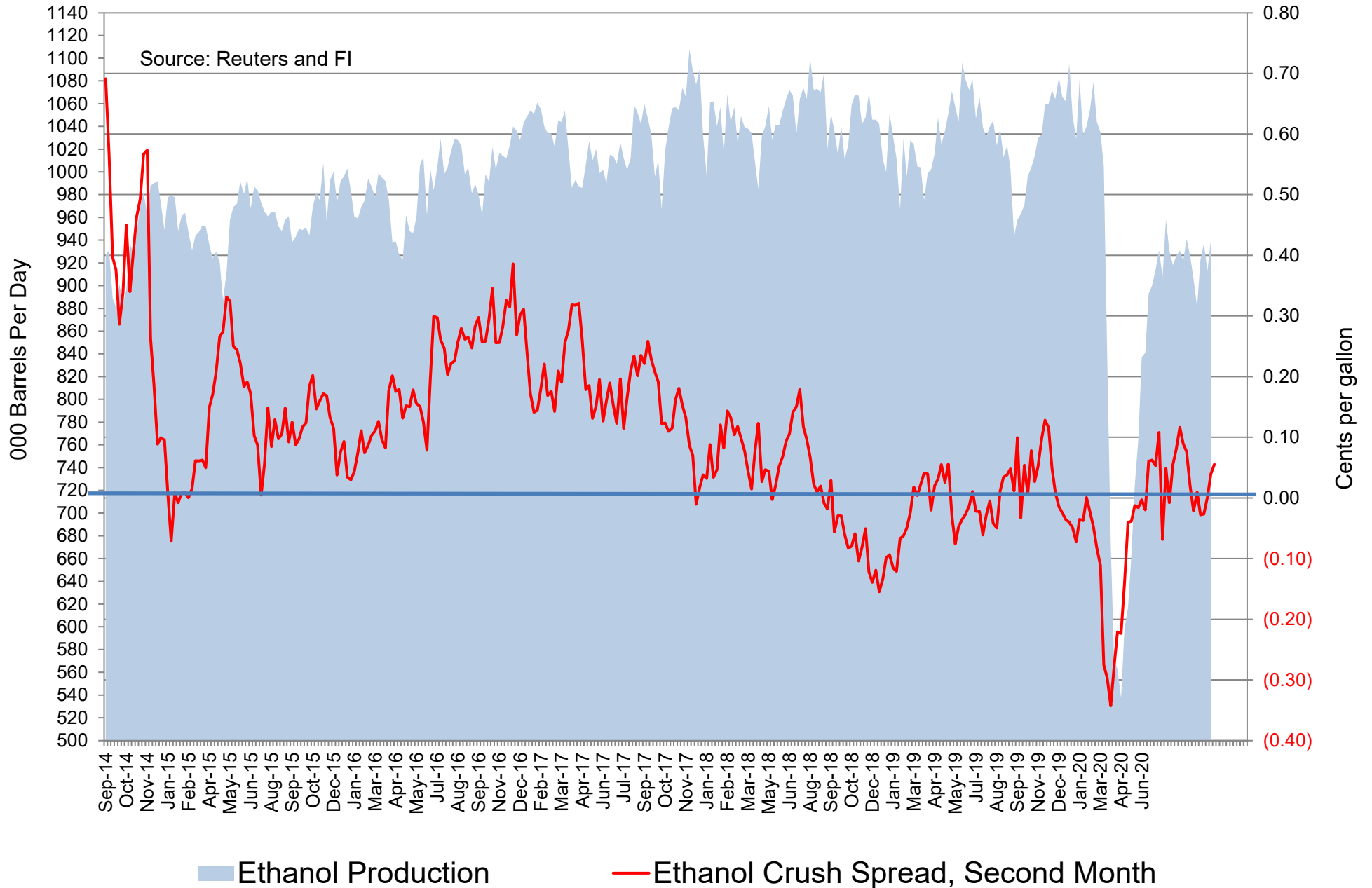
■ Nearby CBOT corn

— Rolling 2nd Month Ethanol-RBOB Spread

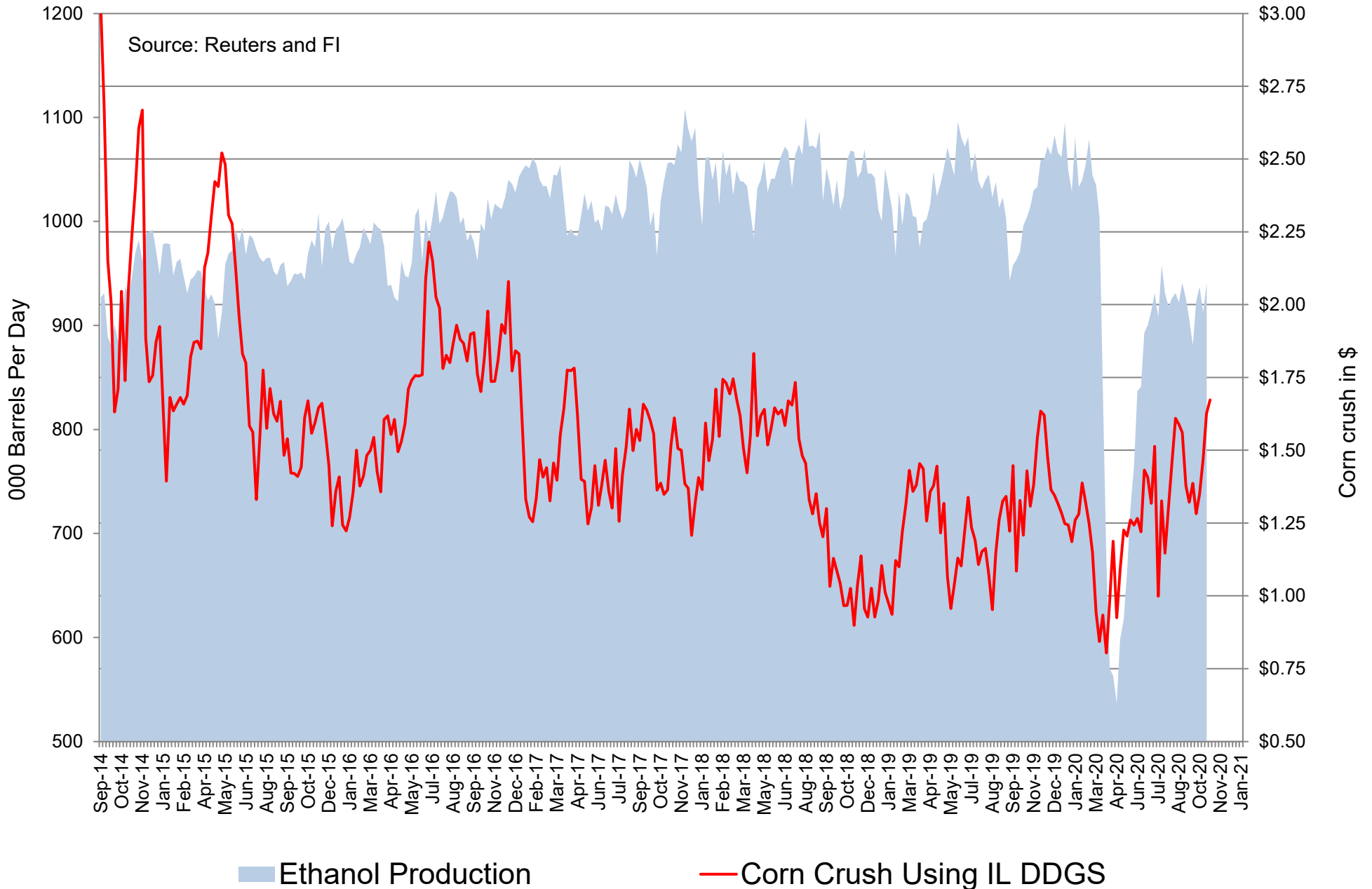
# CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production Production (uses Chicago ethanol and IL DDGS w/ implied costs)



# Chicago Platts Second Month Corn Crush Spread versus Weekly Ethanol Production (Straight Calculation)



# CBOT Second Month Corn Crush Spread with IL DDGS versus Weekly Ethanol Production (straight 3-commodity calculation)



# Disclaimer

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