



The Argentina strike was settled yet futures rallied again as traders focused on tightening global supplies amid adverse SA weather, Argentina corn export restrictions, and Chinese demand. Thursday is FND. Export sales are due out in the morning.

We raised most of our projected price ranges for corn and soybeans. FI 2020-21 nearby crop-average price change outlook:

- Soybeans 11.25 to 11.50
- Soybean meal \$370 to \$380
- Soybean oil 37.50 to 38.40
- Corn \$4.20 to \$4.35
- Chicago wheat \$6.00 unchanged
- KC wheat \$5.90 to \$5.75
- MN wheat \$5.70 unchanged
- Oats \$3.25 unchanged

Crop-Year Average for Nearby Rolling Futures

		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	To Date 2020-21	FI Est. 2020-21
Soybeans	Bushel	\$9.85	\$9.50	\$9.83	\$9.69	\$8.80	\$8.89	\$10.96	\$11.50
Soybean Meal	Short ton	\$335	\$313	\$315	\$341	\$308	\$298	\$369	\$380
Soybean Oil	Cents/lb	31.4	31.2	33.8	31.3	28.5	29.9	35.6	38.4
Oil Share	Oil as % of Meal	32%	33%	35%	31%	32%	33%	33%	34%
Crush	Cents	98.5	82.6	81.4	126.3	110.7	96.8	107.4	108.4
Corn	Bushel	\$3.75	\$3.69	\$3.60	\$3.64	\$3.82	\$3.55	\$4.03	\$4.35
Oats	Bushel	\$3.12	\$2.18	\$2.17	\$2.55	\$2.72	\$2.89	\$2.95	\$3.25
Wheat (Chi.SRW)	Bushel	\$5.34	\$4.90	\$4.24	\$4.57	\$4.99	\$5.20	\$5.55	\$6.00
Wheat (KC-HRW)	Bushel	\$5.97	\$4.83	\$4.26	\$4.64	\$4.87	\$4.46	\$4.94	\$5.75
Wheat (Minn)	Bushel	\$5.95	\$5.23	\$5.29	\$6.36	\$5.65	\$5.26	\$5.34	\$5.70
B/C	Sep-Aug	2.63	2.57	2.73	2.66	2.31	2.50	2.72	2.64
W/C	Sep-Aug*	1.40	1.27	1.20	1.29	1.30	1.47	1.46	1.38
C/O	Sep-Aug*	1.31	1.80	1.52	1.46	1.36	1.22	1.35	1.34

*W/C based on corn crop year / Chicago wheat adjusted to Sep/Aug C/O based on Sep-Aug

Source: CME, Reuters and FI. Forecast (shaded) as of Dec 29, 2020 (prices are on a US crop-year basis)

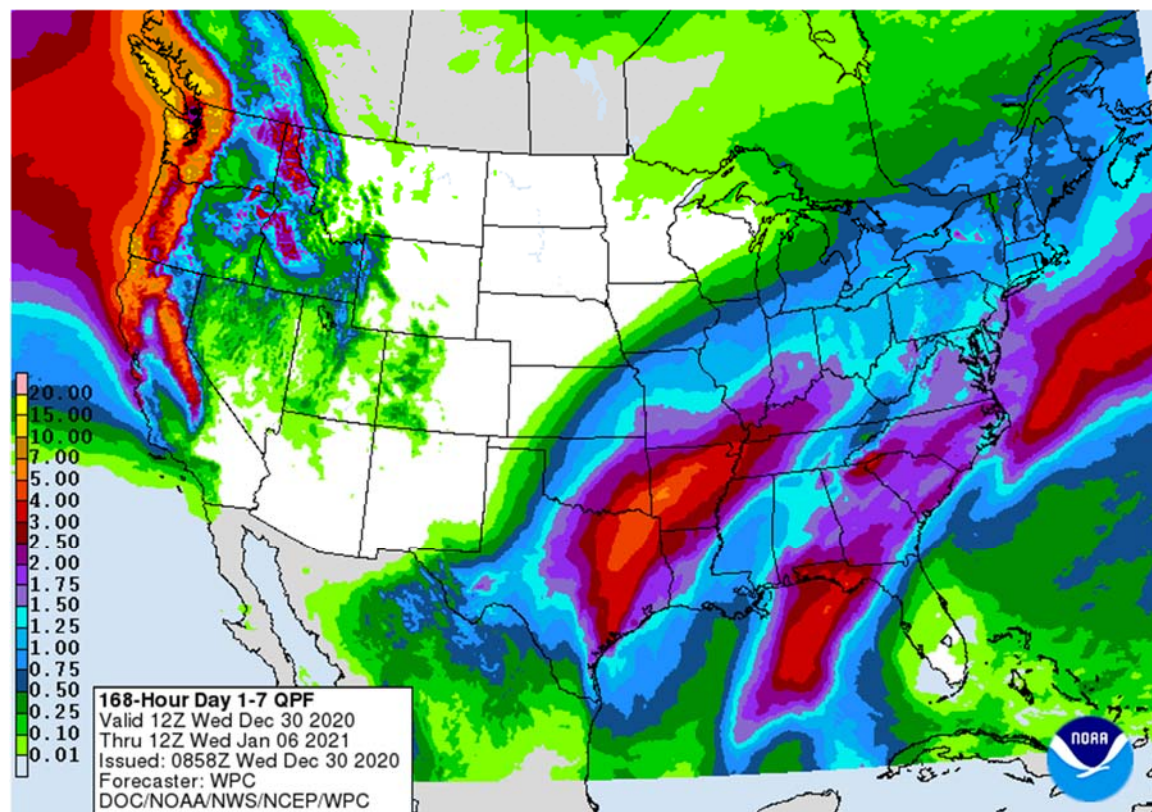
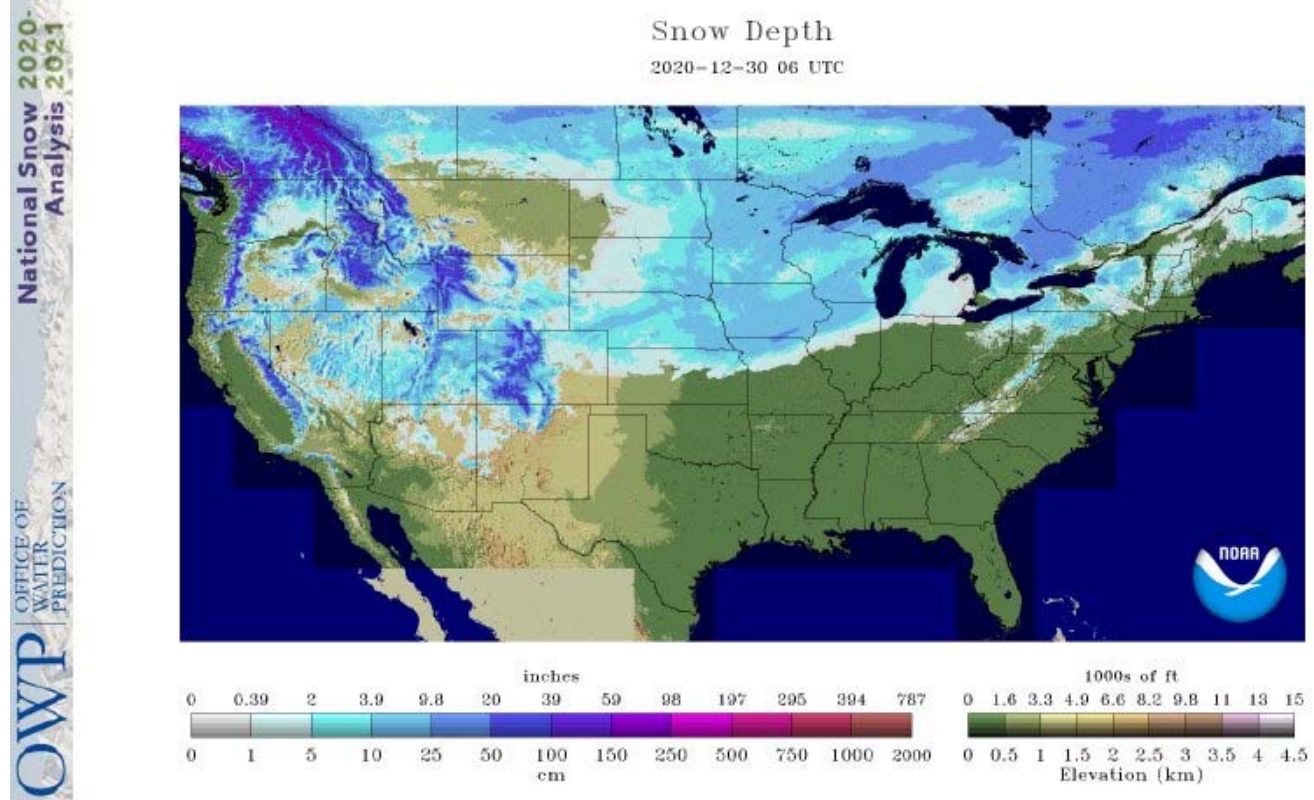
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Weather



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MOST IMPORTANT WEATHER OF THE DAY

- Light rain fell across most of southern Argentina Tuesday and early today
 - Amounts varied from 0.05 to 0.50 inch with a few amounts to 0.75 inch
 - One location in northernmost La Pampa reported 2.06 inches
 - The precipitation fell from Cordoba and southern Santa Fe into all of Buenos Aires and included a few areas northeastern La Pampa
 - High temperatures were in the upper 80s and lower to the middle 90s Fahrenheit making the rain very important, but limiting the benefit due to high evaporation rates
- Brazil rainfall Tuesday and early today was concentrated on areas from southeastern Mato Grosso through much of Mato Grosso do Sul and southern Goias to far southern Minas Gerais, Sao Paulo and Parana
 - Amounts through dawn varied widely with 0.10 to 0.50 inch common and local totals of 0.50 to 1.57 inches
 - Greatest rainfall occurred in southeastern Mato Grosso, northern Mato Grosso do Sul (in isolated locations) and from central Sao Paulo to extreme southern Minas Gerais
 - Net drying occurred elsewhere
 - Temperatures were seasonable with highs in the middle and upper 70s to lower 80s Fahrenheit in southeastern Brazil while in the 80s and lower 90s in most other areas
 - A few extreme highs of 95-96 were noted in Mato Grosso, northwestern Mato Grosso do Sul, southeastern Bolivia and northwestern Rio Grande do Sul
- Bolivia continues to deal with hot and dry weather hurting its summer crop development
- No major theme changes were noted overnight for South America
 - Argentina's rain will be limited today, but sporadic showers are possibly favoring the west and north parts of the nation with some rain in southwestern Buenos Aires as well
 - Mostly dry weather is expected Thursday through Sunday except in the far westernmost parts of crop country where a few thunderstorms are possible during the weekend
 - Monday thunderstorms will continue greatest in the west, but some expansion into central parts of the nation may occur Tuesday
 - Mostly dry conditions will continue to dominate much of the nation into Jan. 8 resulting in net drying conditions and rising crop stress
 - Cordoba is the only province that could get by with a little more rain of benefit
 - Rain totals late this weekend into Tuesday may range from 0.50 to more than 2.00 inches in the province
 - Some increase in rainfall is possible Jan. 9-13, but confidence is low
 - Argentina temperatures will be warmer biased in the coming two weeks
 - Brazil's weather outlook remains mostly unchanged for the next two weeks with frequent precipitation in center west and center south production areas and net drying in the far northeast and extreme south
 - Rain in Mato Grosso will be greatest this week and beyond, but limited rainfall may occur for the balance of this week
 - Crop moisture stress will eventually impact parts of Rio Grande do Sul and neighboring areas, but there will be a couple of timely rain events to slow net drying briefly
 - Some brief rainfall is expected in northeastern Brazil this weekend and early next week and many crops will benefit from the moisture
 - Brazil temperatures will be near average during both weeks of the outlook
- China temperatures trended colder Tuesday with lows in the positive and negative single digits Fahrenheit from northern Shaanxi to northern Hebei
 - Much colder readings occurred farther north into Inner Mongolia

- Snow cover is lacking in these areas and some winterkill cannot be ruled out, although the production region impacted is considered minor relative to the nation's most important production areas farther south
- China winter crops will remain dormant through the next two weeks
 - Cold air in eastern Russia and Mongolia will be closely monitored for possible influence in winter wheat production areas through the coming week with temperatures a week from now more threatening farther to the south
 - Precipitation will be confined to east-central China today and Wednesday and then mostly dry for at least a week and that will leave some of these winter crop areas snow free and unprotected from the bitter cold
 - A week's worth of cold conditions prior to the coldest conditions will give the crop time to adequately harden, but the situation will still need to be closely monitored
- South Africa will experience erratic daily rainfall over the next two weeks eventually benefiting all agricultural areas
 - Daily rainfall will vary widely with some areas getting more than others, but sufficient amounts will occur to suffice the needs of most crops
 - Temperatures will be seasonable
 - Precipitation Monday was sporadic and light leading to net drying for much of the nation
- Australia rainfall in northern New South Wales and in a few Queensland locations Monday was welcome, but not nearly enough suffice crop moisture needs in dryland production areas
 - Temperatures were seasonable
- Eastern Australia weather during the next two weeks will be sufficient to support sorghum, cotton and other summer crops
 - Rainfall will be periodic and highly variable, but most areas will be impacted at one time or another and crop development should improve for the driest areas
- India weather Tuesday was mostly dry with a few more bouts of light frost and brief freezes in the north today
 - None of the frost or freezes should have had a negative impact on winter crops which are still in the pre-reproductive phase of development
- Northern India winter crop areas will get rain Saturday into Tuesday benefiting wheat and some minor rapeseed production areas
 - Pre-reproductive crop conditions will improve wherever the rain falls
 - Moisture totals may range from 0.20 to 0.80 inch and locally more
 - Brief periods of rain will also continue in far southern India on a near-daily basis during the next couple of weeks
 - The moisture may hinder some farming activity; including late season harvesting, but no crop quality issues are expected
- Southeast Asia rainfall was relatively light and insignificant Tuesday
 - Periodic precipitation is expected through the next ten days in Indonesia, Malaysia and Philippines while only coastal areas of Vietnam are impacted on the mainland
 - The moisture will be good for most crops impacted
- Russia and Ukraine weather will not change much over the next two weeks
 - Frequent precipitation from eastern Europe into Ukraine, Belarus and western Russia is expected
 - Snow cover will be deep and moisture potentials from melting snow in the spring are good
 - Russia's Southern Region may get some precipitation next week and any precipitation will be welcome
 - No threatening cold is expected in snow free areas anytime soon
- Europe will remain plenty moist over the next two weeks with frequent waves of rain and mountain snow anticipated

- Some heavy rain and local flooding will impact southwestern France northern Spain, Italy and the eastern Adriatic Sea nations
 - Some of these wetter areas will receive 2.00 to more than 6.00 inches of rain in the coming week
- Temperatures will be mild to cool in the west and warm in the east
- Southwestern Morocco remains in a drought with little relief expected for a while
 - Some rain is possible early to mid-week next week, but it will be brief and light
 - Northwestern Algeria also has need for rain and it should get some of that briefly in the coming week
 - Soil moisture in other North Africa crop areas is rated mostly good
- U.S. Weather Tuesday brought significant snowfall to the northern half of the Great Plains and the northwestern one third to one half of the Midwest
 - Snow accumulations ranged from 1 to 4 inches in much of the northern Plains and upper Midwest with a band of 4 to 8 inches from central Nebraska through east-central Iowa to northwestern Illinois and southern Wisconsin
 - An extreme amount of 12 inches occurred at Fairfax and Hiawatha, Iowa
 - Moisture totals from rain and a wintry mix of precipitation types from eastern Kansas and Missouri to a part of West Texas ranged from 0.20 to 0.70 inch with local totals to 1.30 inches
- U.S. Weather over the next ten days will be more active in the eastern half of the nation
 - Tuesday's storm in the Plains and western Midwest will move through the eastern Midwest today
 - A follow up storm is expected to evolve in southeastern Texas late Wednesday and Thursday and lift to the northeast late Thursday into Saturday
 - Widespread rain is expected in the lower Midwest, Delta and southeastern states
 - Freezing rain, sleet and snow will occur from eastern Kansas to the Great Lakes region
 - Snowfall of 2 to 6 inches and local totals to 10 inches will occur in central Kansas and possibly in a part of northwestern Missouri, Iowa and Wisconsin from the same storm
 - Rain in the Delta and southeastern states will be sufficient to delay farming activity for a while
 - Local flooding might occur in eastern Oklahoma and a few neighboring areas into southern Illinois and southern Missouri
 - One more storm is expected in the second half of next week with a possible follow up event in the following weekend
- North America temperatures will be warmer than usual in Canada, the north-central U.S. and in most areas east of the Mississippi River in the coming week
 - Next week's temperatures will trend colder in the western and north-central states and staying mostly unchanged elsewhere
- U.S. hard red winter wheat areas will be driest in the west-central and southwest during the next two weeks
 - Additional rain will fall in southeastern parts of the wheat today with more rain, freezing rain and snow possible Thursday into Friday
 - Heavy snowfall is possible Thursday night and early Friday in north-central Oklahoma and central Kansas
 - Significant icing may also occur in a few eastern fringe crop areas of the region
 - Another mix of light precipitation will be possible late next week and into the following weekend
 - The bottom line leaves the high Plains region without much significant moisture, but some brief periods of light precipitation are possible without having much impact on the long term condition of crops and soil in the region
- U.S. northern Plains
 - No major storms are expected in the next two weeks; only light snowfall will impact eastern parts of the region periodically

- Far southwestern U.S. Plains crop areas will remain drier biased over the next two weeks, although a little rain, freezing rain, sleet and snow will fall tonight and Thursday with moisture totals of 0.05 to 0.35 inch except in the Rolling Plains of Texas where more than 0.60 inch will result.
- U.S. Delta and southeastern states will remain plenty moist over the next two weeks with the greatest rain event expected in the northwestern Delta today through Friday of this week when some 0.75 to 2.50-inch amounts will be possible
 - The lower eastern Delta will receive much less rain with amounts of 0.30 to 1.00 inch
 - The southeastern states will experience rainfall of 0.75 to 2.00 inches
 - Another weather system will occur in the latter part of next week
- U.S. Pacific Northwest will experience frequent waves of rain and mountain snowfall during the next couple of weeks
- Waves of rain and mountain snow will fall across the Sierra Nevada with periods of rain in northern California over the next two weeks
 - The precipitation will help improve soil moisture and mountain snowpack for better crop use in the spring
 - Snowpack in the Sierra Nevada is well below average running close to the record low of 2014, but that will soon change
- West Africa rainfall will remain mostly confined to coastal areas while temperatures in the interior coffee, cocoa, sugarcane, rice and cotton areas are a little warmer than usual over the next ten days
- East-central Africa rainfall will continue limited in Ethiopia as it should be at this time of year while frequent showers and thunderstorms impact Tanzania, Kenya and Uganda over the next ten days
- Southern Oscillation Index remains very strong during the weekend and was at +16.26 this morning – its highest values of the current La Nina episode
- Mexico and Central America weather will continue to generate erratic rainfall
 - Eastern and far southern Mexico and portions of Central America will be most impacted by periodic moisture

Source: World Weather inc. & FI

Bloomberg Ag Calendar

Thursday, Dec. 31:

- U.S. Export Sales Report will be released on Thursday, December 31, 2020.

Source: Bloomberg and FI

Macros




FI ESTIMATES FOR US EXPORT INSPECTIONS

Million Bushels	FI Estimates	Last Week	5-Year Ave.
WHEAT	11 to 17	11.2	12.3
CORN	30 to 37	39.1	23.0
SOYBEANS	59 to 73	53.2	45.2

Million Tons	FI Estimates	Last Week	5-Year Ave.
WHEAT	300 to 450	303.8	335.5
CORN	750 to 950	993.7	583.9
SOYBEANS	1,600 to 2,000	1,447.3	1229.0

Source: USDA & FI

USDA US Export Sales Projections in 000 Metric Tons

		Trade Estimates* 12/24/2020	FI Estimates 12/24/2020		Last Week Last Week		Year Ago 12/26/2019
Beans	2020-21 NC 	200-700 0	400-500 0.0	2020-21	352.8		330.3
Meal	2020-21	100-350	200-350	Sales	223.7	Sales	94.7
	Shipments	NA	200-300	Shipments	314.1	Shipments	201.1
Oil	2020-21 	5-40	5-15	Sales	20.9	Sales	-1.9
	Shipments	NA	10-20	Shipments	23.6	Shipments	29.9
Corn	2020-21 NC 	500-1000 0	600-800 0	2020-21	651.1		531.4
Wheat	2020-21 NC	200-600 0-25	300-450 0-25	2020-21	393.7		312.9

Source: FI & USDA *Trade estimates provided by Reuters

n/c= New Crop

Corn.

- Nearby corn hit its highest level since May 2014. They were higher earlier following very good strength in wheat and found another leg higher after Argentina's government suspended corn sales until at least March. This comes after ate on Tuesday Argentina unions agreed to end their strike after reaching a deal with exporters/crushers. The government may determine how supply this season will shape up with the current drought underway. They may want to ensure domestic demand before allowing anymore export commitments. The statement (link below) said "34.23 million tons of corn from the 2019/20 season has been authorized for export, out of an exportable total of 38.50 million tons."
- Official Argentina announcement: The Ministry of Agriculture, Livestock and Fisheries of Argentina informs that on the date of the date it proceeded to temporarily suspend the registration of Affidavits of Foreign Sales (DJVE) for the corn product whose start date of shipment is prior to 1 March 2021,

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when the new 2020/21 cereal campaign formally starts.

<https://www.argentina.gob.ar/noticias/comunicacion-oficial-sobre-las-ventas-al-exterior-de-maiz>

- Weekly ethanol data was viewed bearish for corn.
- We have not heard updates if the China buying rumored yesterday (up to 2 million tons US corn) was related to government buying or Cofco buying internal US corn. Note barge corn was down slightly at the Gulf, so a private purchase of 25 plus US corn cargoes would have likely increased Gulf premiums.
- Note there were no USDA 24-hour sales this morning.

Weekly EIA US ethanol production dropped a large 42,000 barrels to 934,000 barrels, lowest level since October 16 and off 4 percent from the previous month. Production was down more than 4 times trade expectations. US ethanol stocks increased for the ninth consecutive week, by 335,000 to 23.504 million barrels, highest level since May 15, 2020. Stocks are nearly up 11.7 percent from this time last month.

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		
11/6/2020	977	16	-5.1%		20,159	484	-3.9%		20.1
11/13/2020	962	(15)	-6.9%		20,203	44	-1.5%		21.0
11/20/2020	990	28	-6.5%		20,866	663	2.9%		20.4
11/27/2020	974	(16)	-8.1%		21,240	374	2.9%		21.4
12/4/2020	991	17	-7.6%		22,083	843	1.2%		21.4
12/11/2020	957	(34)	-10.1%		22,950	867	5.3%		23.1
12/18/2020	976	19	-9.9%		23,169	219	7.9%		23.5
12/25/2020	934	(42)	-12.4%		23,504	335	11.7%		24.8

Source: EIA and FI

US Weekly Ethanol By PADD

	25-Dec 2020	18-Dec 2020	Change	Weekly Percent	4-Week Percent	YOY Percent
Ethanol Stocks						
Total Stocks	23504	23169	335	1.4%	6.4%	11.7%
East Coast PADD 1	7397	7297	100	1.4%	7.5%	10.5%
Midwest PADD 2	8029	7806	223	2.9%	6.7%	5.5%
Gulf Coast PADD 3	4497	4381	116	2.6%	5.1%	24.8%
Rocky Mt. PADD 4	388	412	(24)	-5.8%	-10.4%	-3.2%
West Coast PADD 5	3194	3272	(78)	-2.4%	7.7%	17.2%
Plant Production						
Total Production	934	976	(42)	-4.3%	-5.8%	-12.4%
East Coast PADD 1	12	12	0	0.0%	0.0%	
Midwest PADD 2	891	929	(38)	-4.1%	-5.3%	-9.9%
Gulf Coast PADD 3	13	17	(4)	-23.5%	-27.8%	
Rocky Mt. PADD 4	9	9	0	0.0%	-10.0%	
West Coast PADD 5	9	9	0	0.0%	0.0%	

Source: EIA and FI

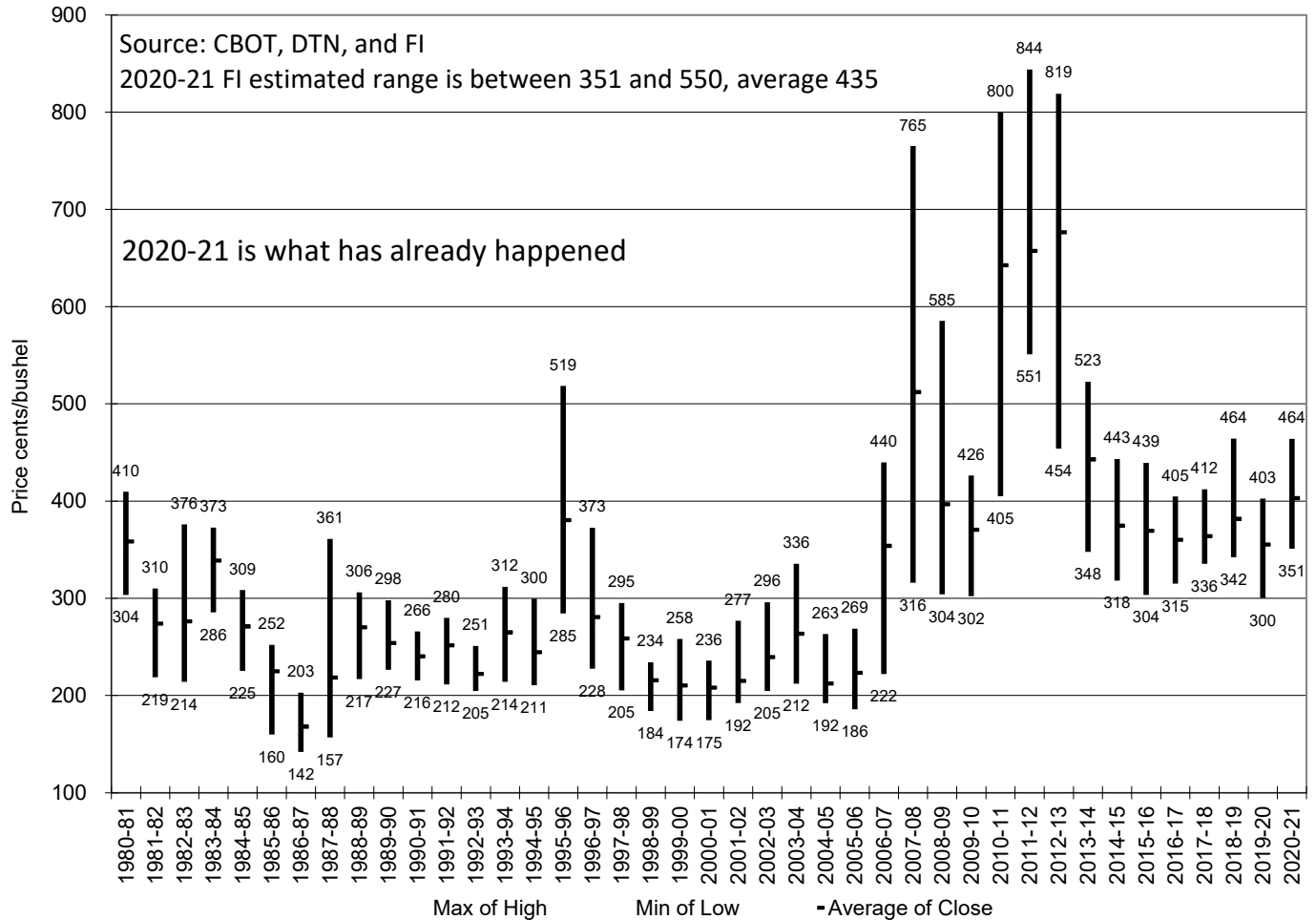
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Below is what the 2020-21 nearby corn crop futures price range looks like through **December 29 (March corn hit \$4.76 today)**. Note the crop-year average is up in the air and depends on swings in soybean futures and possible additional Chinese buying of US corn and other feedgrains.

CORN YEARLY HIGH, LOW, AVERAGE FOR NEARBY FUTURES PRICES



IFES 2020: 2021 Market Outlook for Corn and Soybeans

Irwin, S. and J. Janzen. "IFES 2020: 2021 Market Outlook for Corn and Soybeans." Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, December 29, 2020.

https://farmdocdaily.illinois.edu/2020/12/ifes-2020-2021-market-outlook-for-corn-and-soybeans.html?utm_source=farmdoc+daily+and+Farm+Policy+News+Updates&utm_campaign=a18a22eb79-FDD_RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_2caf2f9764-a18a22eb79-173649469

Corn Export Developments

- Qatar seeks 100,000 tons of bulk barley on January 12.
- Qatar seeks 640,000 cartons of corn oil on January 12.

EIA Monthly US Ethanol Production

	Oct-19	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	FI Oct-20
Ethanol mil barrels	30.941	29.406	16.945	21.098	25.958	28.707	28.419	27.778	
FI Estimate	30.659	29.258	17.507	21.648	26.013	28.502	28.407	27.098	29.107

Source: EIA Monthly Petroleum & Other Liquids Report, & FI

USDA NASS Monthly US Corn for Ethanol Use (sorghum FI est.)

	Nov-19	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Trade Nov-20
Corn use (mil bu)	457	245	300	379	424	411	402	433	-
FI Estimate	444	248	309	372	404	412	396	402	427
Bloomberg Estimate	442	253	306	359	408	424	393	423	434
Sorghum use (mil bu)	7.2	4.9	3.7	2.3	1.7	1.8	1.8	1.8	-
DDGS Output (000 short tons)	1,880	1,014	1,234	1,664	1,865	1,805	1,736	1,801	-

Source: USDA Monthly Grain Crushings and Co-Products Production Report, & FI

Corn		Change	Oats		Change	Ethanol	Settle	
MAR1	474.00	8.00	MAR1	349.75	10.75	JAN1	1.43	Spot DDGS IL
MAY1	474.00	8.00	MAY1	344.25	8.25	FEB1	1.44	Cash & CBOT
JUL1	470.75	6.75	JUL1	337.25	7.75	MAR1	1.46	Corn + Ethanol
SEP1	441.50	4.00	SEP1	313.00	3.25	APR1	1.52	Crush
DEC1	431.50	1.25	DEC1	309.75	3.50	MAY1	1.52	1.00
MAR2	437.25	0.75	MAR2	317.00	3.50	JUN1	1.51	
Soybean/Corn		Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change
MAR1	MAR1	2.74	823.00	(7.00)	MAR1	1.35	165.50	13.00
MAY1	MAY1	2.73	820.25	(8.25)	MAY1	1.34	163.25	10.00
JUL1	JUL1	2.73	815.50	(8.50)	JUL1	1.33	155.25	7.50
SEP1	SEP1	2.61	710.50	(3.25)	SEP1	1.42	186.50	9.75
NOV1	DEC1	2.55	668.50	0.50	DEC1	1.47	203.50	12.00
MAR2	MAR2	2.47	644.50	1.25	MAR2	1.47	204.25	12.50

US Corn Basis & Barge Freight

Gulf Corn	BRAZIL Corn Basis	Chicago	+14 z unch
DEC +78 / 83 h dn1/dn2	JLY +50 / 100 n unch	Toledo	mch price unch
JAN +77 / 81 h dn1/dn1	AUG +87 / 90 u up17/unch	Decatur	+25 h dn3
FEB +77 / 82 h dn1/unch	SEP +85 / 90 u up15/unch	Dayton	+10 z unch
MCH +73 / 77 h up1/unch	0-Jan	Cedar Rapi	+9 h up2
APR +72 / 75 k unch		Burns Harb	mch price unch
USD/ton: Ukraine Odessa \$	221.00	Memphis-Cairo Barge Freight (offer)	
US Gulf 3YC Fob Gulf Seller (RTRS)	239.8 233.9 228.0 226.0 220.9 220.1	BrgF MTCT DEC	285 unchanged
China 2YC Maize Cif Dalian (DCE)	408.3 411.8 414.5 416.8 418.5 420.0	BrgF MTCT JAN	280 unchanged
Argentina Yellow Maize Fob UpRiver	- 238.0 239.6 227.0 - -	BrgF MTCT FEB	275 unchanged

Source: FI, DJ, Reuters & various trade sources

Updated 12/29/20

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March corn is seen trading in a \$4.35 and \$5.00 range. (Up 10 & 25, respectively)

Soybean complex.

- January soybeans traded above \$13.00/bu for the first time since August 2014.
- Soybeans and soybean meal appreciated despite news of the end of the Argentina strike. Traders reverted back to the unfavorable weather across Argentina and parts of Brazil. For the strike, the agreement includes a two-part 25% increase in pay from January to August. Increases for the rest of the year are to be determined by the inflation rate. The main strike started December 9th. An estimated 162 grain/oilseed ships have been delayed according to the Rosario Grains Exchange. The exchange estimated \$1.458 billion in exports have been held up.
- Traders have already shifted their focus back to South American weather, especially Argentina where they badly need rain. But renewed concerns over Argentina's economic health emerged after the government suspended corn export registrations.
- Today was position day for CBOT January deliveries. Soybean meal registrations declined 25 to 175. SBO registrations stand at 1,313 and soybeans at 100. We see light deliveries, if any, on Thursday. Full carry % is at zero for the products. Expect zero to up to 50 soybeans, zero to +200 for soybean oil and zero for soybean meal.
- The Trump Administration plans to block palm imports from Sime Darby Plantation over labor abuse. We see minimal impact on US palm oil imports and/or US domestic use.

EIA Monthly US Feedstock Use for Biodiesel Production

							FI
	Oct-19	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
Soybean Oil							
mil pounds	558	778	747	775	745	737	
FI Estimate	724	683	746	758	769	740	703
All Feedstock							
mil pounds	1,096	1,109	1,136	1,238	1,239	1,201	
FI Estimate	1,338	1,221	1,070	1,111	1,194	1,200	1,247
SoyOil % of TL	50.9%	70.2%	65.8%	62.6%	60.1%	61.4%	

Source: EIA Monthly Biodiesel Production Report, & FI

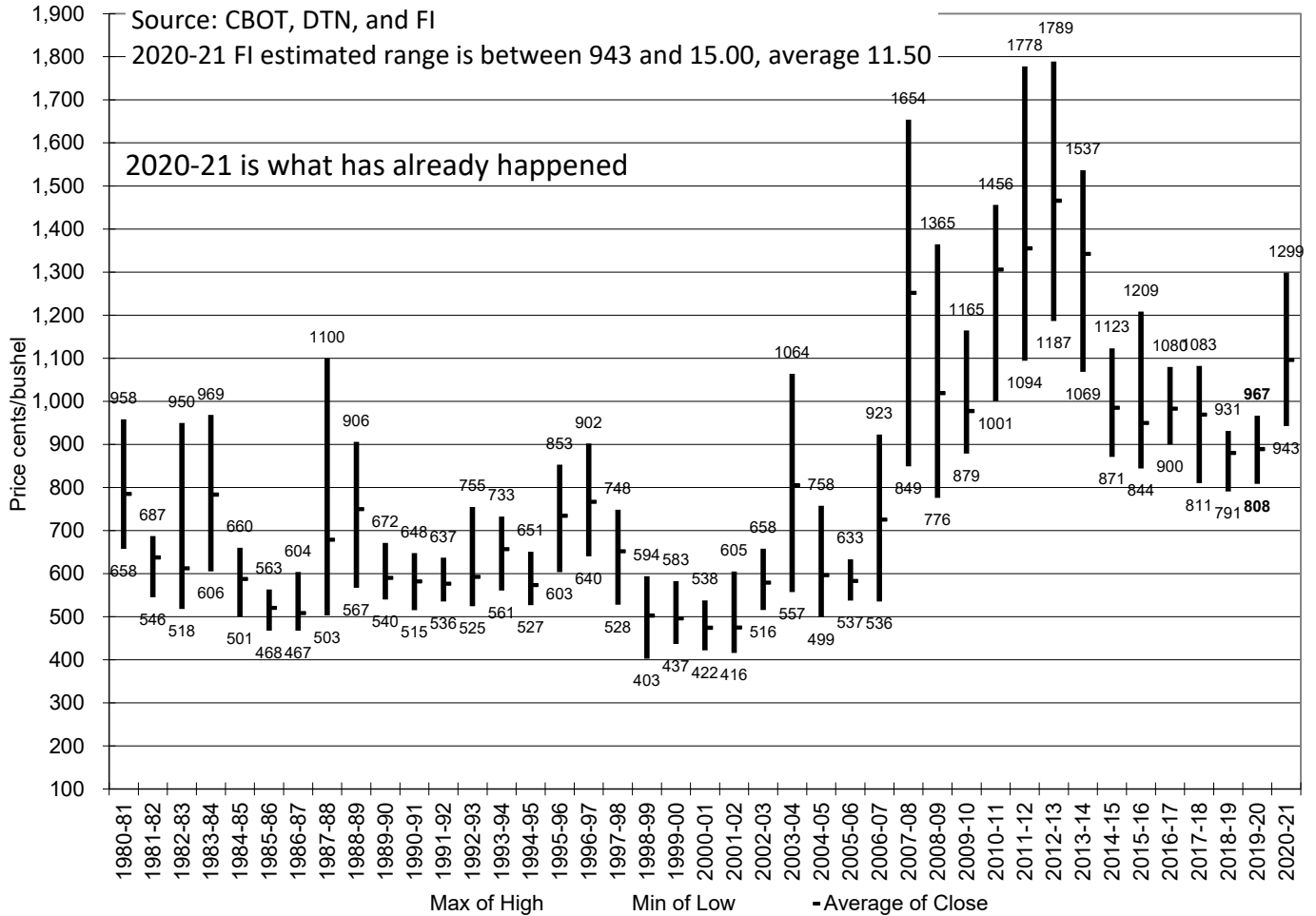
USDA Monthly Soybean Crush and Soybean Oil Stocks

	Nov-19	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Trade Nov-20	Actual less trade Oct-20 Nov-20
Soybeans crushed									
mil bushels	174.6	179.5	177.3	184.5	174.7	171.0	196.5	-	
mil bushels per day	5.8	5.8	5.9	6.0	5.6	5.7	6.3		
Ave. Trade Estimate	176.0	180.4	177.9	183.0	175.6	171.3	196.6	192.2	(0.1)
FI Estimate	175.7	180.5	177.4	183.7	175.7	170.9	196.7	192.2	
Soybean oil Production million pounds	2,000	2,058	2,035	2,123	2,013	1,968	2,282	-	
Soybean oil stocks									
mil pounds	1,880	2,447	2,271	2,123	1,942	1,849	1,964	-	
Ave. Trade Estimate	1,853	2,399	2,343	2,131	2,003	1,833	1,911	2,012	53
FI Estimate	1,845	2,450	2,330	2,139	1,985	1,790	1,905	1,926	
Soybean oil yield pounds per bushel	11.45	11.46	11.48	11.51	11.52	11.50	11.61	-	
Soybean meal production 000 short tons	4,112	4,241	4,167	4,361	4,112	4,009	4,616	-	
Soybean meal stocks 000 short tons	467	498	462	451	421	341	374	-	
Soybean meal yield pounds per bushel	47.09	47.24	47.02	47.28	47.08	46.88	46.97	-	

Source: USDA NASS Fats and Oils, Bloomberg, & FI (Bloomberg range 191.9-193.0, 1,926-2,065; Reuters ave. 192.1, 2.023)

Below is what the 2020-21 nearby soybean crop futures price range looks like through **December 29 (Jan soybeans hit \$13.0825 today)**. Note the crop-year average is up in the air. Average will depend on SA production, but sticking with 100-105 Chinese soybean import demand for 2021.

SOYBEAN YEARLY HIGH, LOW, AVERAGE FOR NEARBY FUTURES PRICES



Oilseeds Export Developments

- The USDA/CCC seeks 2,000 tons of vegetable oil, packaged in 4 liter cans, for export to Kenya on January 5 for February 1-28 shipment (Feb 16 to Mar 15 for plants located at ports).

Soybeans		Change	Soybean Meal		Change	Soybean Oil		Change
JAN1	1301.00	5.50	JAN1	431.00	4.00	JAN1	42.66	0.18
MAR1	1297.00	1.00	MAR1	426.50	2.20	MAR1	41.80	0.05
MAY1	1294.25	(0.25)	MAY1	420.80	(0.20)	MAY1	40.94	(0.04)
JUL1	1286.25	(1.75)	JUL1	418.30	(0.70)	JUL1	40.54	(0.01)
AUG1	1248.00	(2.50)	AUG1	406.20	(0.80)	AUG1	39.90	0.04
SEP1	1152.00	0.75	SEP1	385.50	1.10	SEP1	39.29	0.24
NOV1	1100.00	1.75	OCT1	363.80	1.20	OCT1	38.61	0.29
Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Jan/Mar	-4.00	(4.50)	Jan/Mar	-4.50	(1.80)	Jan/Mar	-0.86	(0.13)
Electronic Beans Crush			Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin		of Oil&Meal	Con. Value	Value	Value		
JAN1	116.46		JAN1 33.11%	\$ 17,504	948.20	469.26		
MAR1	101.10		MAR1 32.89%	\$ 17,570	938.30	459.80	EUR/USD	1.2285
MAY1	81.85		MAY1 32.73%	\$ 17,516	925.76	450.34	Brazil Real	5.1841
JUL1	79.95		JUL1 32.64%	\$ 17,506	920.26	445.94	Malaysia Bid	4.0350
AUG1	84.54		AUG1 32.94%	\$ 16,680	893.64	438.90	China RMB	6.5208
SEP1	128.29		SEP1 33.76%	\$ 14,976	848.10	432.19	AUD	0.7675
NOV1/DEC1	121.00		OCT1 34.67%	\$ 13,214	800.36	424.71	CME Bitcoin	28771
JAN2	112.20		DEC1 34.63%	\$ 13,216	798.16	422.84	3M Libor	0.2375
MAR2	111.09		JAN2 34.57%	\$ 13,190	793.10	419.10	Prime rate	3.2500
MAY2	104.22		MAR2 34.66%	\$ 12,882	779.46	413.38		
US Soybean Complex Basis								
DEC	+82 / 88 f up2/up1					DECATUR	+9 f dn1	
JAN	+80 / 86 f up2/up3		IL SBM		F-7 12/15/2020	SIDNEY	jan price unch	
FEB	+76 / 83 h unch/up1		CIF Meal		F+28 12/15/2020	CHICAGO	-10 f unch	
MCH	+76 / +83 h unch/up1		Oil FOB NOLA		750 12/25/2020	TOLEDO	jan price unch	
APR	+73 / 78 k unch		Decatur Oil		150 12/25/2020	BRNS HRBR	jan price unch	
						C. RAPIDS	-50 f unch	
Brazil Soybeans Paranagua fob			Brazil Meal Paranagua			Brazil Oil Paranagua		
FEB	+64 / +75 f dn1/unch		JAN	+23 / +30 f	dn3/dn3	JAN	+550 / +700 f unch/dn40	
MCH	+48 / +53 h dn2/dn5		FEB	+24 / +27 h	up1/up2	FEB	+550 / +750 h up10/dn50	
APR	+47 / +56 k dn3/dn1		MCH	+11 / +18 h	dn1/up3	MCH	+350 / +400 h unch/dn20	
MAY	+52 / +59 k dn3/dn3		APR	+1 / +6 k	up3/up4	APR	+180 / +260 k unch	
JUNE	+70 / +77 n dn2/dn3		MAY	-2 / +5 k	unch/up2	MAY	+180 / +260 k unch	
	Argentina meal		426	-0.2	Argentina oil	Spot fob	47.3 5.46	

Source: FI, DJ, Reuters & various trade sources

Updated 12/29/20

Note January trading ranges are for the remainder of this week.

January soybeans are seen in a \$12.75-\$13.10 range (up 0.50 & 0.10). March \$12.00 and \$14.00 range (unchanged & up \$0.75).

January soybean meal is seen trading in a \$415 and \$435 range (up \$15 & down \$5). March \$400 and \$470 range (unchanged & up \$15).

January soybean oil is seen in a 41.50-43.00 cent range (up 150 & 50 points). March is expected to trade in a 40.50 and 43.50 cent range (unchanged & up 50 points).

Terry Reilly Grain Research

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Wheat

- Chicago wheat may an incredible stride higher. March futures reached a contract high and nearby rolling wheat is at its highest level since December 2014. Rolling KC is at a January 2015 high. Rolling MN prices are at an October 2018 high.
- Soybeans and corn had their day on Tuesday and today it was wheat's turn.
- High protein futures spreads have been week against Chicago so far this crop-year. The same goes for the cash market. Several analysts have lowered their US spring wheat and durum area estimates because of poor wheat returns, higher corn & soybean prices, and slow US exports.
- Algeria is in for wheat. Taiwan bought 82,325 tons of US wheat this week. Bangladesh saw offers for 50,000 tons of rice.
- USDA export sales will be out on Thursday and trade estimates for wheat to end up in 200,000 to 600,000 ton range.
- EU March milling wheat was up 1.00 at 213.00 euros.

Export Developments.

- Taiwan bought 82,325 tons of US wheat for LH Feb through March shipment.
- Jordan will be back in for animal feed barley (120k) on January 5. Possible shipment combinations are in 2021 for June 1-15, June 16-30, July 1-15 and July 16-31.
- Algeria's OAIC seeks 50,000 tons of wheat on December 30 for Feb shipment (Jan is from SA).
- Bangladesh floated an imported tender for 50,000 tons of wheat, set to close Jan 4.

Rice/Other

- Bangladesh received offers for another 50,000 tons of rice and lowest offer was \$408.28/ton (\$405.60/ton lowest yesterday).

Chicago Wheat			Change	KC Wheat		Change	MN Wheat	Settle	Change
MAR1	639.50	21.00	MAR1	600.50	15.50	MAR1	596.25	15.75	
MAY1	637.25	18.00	MAY1	604.00	16.00	MAY1	604.25	15.00	
JUL1	626.00	14.25	JUL1	605.00	15.25	JUL1	608.75	13.25	
SEP1	628.00	13.75	SEP1	609.25	15.00	SEP1	613.25	11.25	
DEC1	635.00	13.25	DEC1	616.50	15.25	DEC1	621.00	10.75	
MAR2	641.50	13.25	MAR2	620.25	15.25	MAR2	625.25	10.25	
MAY2	635.00	12.75	MAY2	604.75	8.75	MAY2	623.25	9.50	
Chicago Rice		Change							
JAN1	12.21	0.000	MAR1	12.46	(0.005)	MAY1	12.66	0.025	
US Wheat Basis									
Gulf SRW Wheat			Gulf HRW Wheat			Chicago mill		mch price	unch
DEC	+92 / 102 h unch		DEC	152 / h unch		Toledo	mch price		unch
JAN	+95 / 104 h unch		JAN	160 / h unch		PNW US Soft White 10.5% protein			
FEB	+97 / 105 h unch		FEB	160 / h unch		PNW Jan	645	unchanged	
MCH	+95 / 105 h unch		MCH	160 / h unch		PNW Feb	650	unchanged	
0-Jan			APR	160 / k unch		PNW Mar	655	unchanged	
						PNW Apr	650	unchanged	
Paris Wheat		Change	OI	OI Change	World Prices \$/ton			Change	
MAR1	212.75	0.75	229,881	(1,942)	US SRW FOB		\$275.00	\$1.60	
MAY1	209.75	0.50	96,664	235	US HRW FOB		\$279.20	\$2.90	
SEP1	193.50	1.50	64,946	342	Rouen FOB 11%		\$261.08	\$1.75	
DEC1	194.50	1.25	63,104	245	Russia FOB 12%		\$261.00	\$2.00	
EUR	1.2286				Ukr. FOB feed (Odessa)		\$218.50	\$0.00	
					Arg. Bread FOB 12%		\$254.26	\$0.00	

Source: FI, DJ, Reuters & various trade sources

Updated 12/11/20

March Chicago wheat is seen in a \$5.80-\$6.40 range

March KC wheat is seen in a \$5.50-\$6.00 range

March MN wheat is seen in a \$5.55-\$6.00 range

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
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
10/30/2020	961	20	4.1%	-5.2%	19,675	74	0.0%	-10.1%	20.4
11/6/2020	977	16	4.3%	-5.1%	20,159	484	0.8%	-3.9%	20.1
11/13/2020	962	(15)	5.4%	-6.9%	20,203	44	2.4%	-1.5%	21.0
11/20/2020	990	28	5.2%	-6.5%	20,866	663	6.5%	2.9%	20.4
11/27/2020	974	(16)	1.4%	-8.1%	21,240	374	8.0%	2.9%	21.4
12/4/2020	991	17	1.4%	-7.6%	22,083	843	9.5%	1.2%	21.4
12/11/2020	957	(34)	-0.5%	-10.1%	22,950	867	13.6%	5.3%	23.1
12/18/2020	976	19	-1.4%	-9.9%	23,169	219	11.0%	7.9%	23.5
12/25/2020	934	(42)	-4.1%	-12.4%	23,504	335	10.7%	11.7%	24.8

4-week average change:

-10

4-week average change:

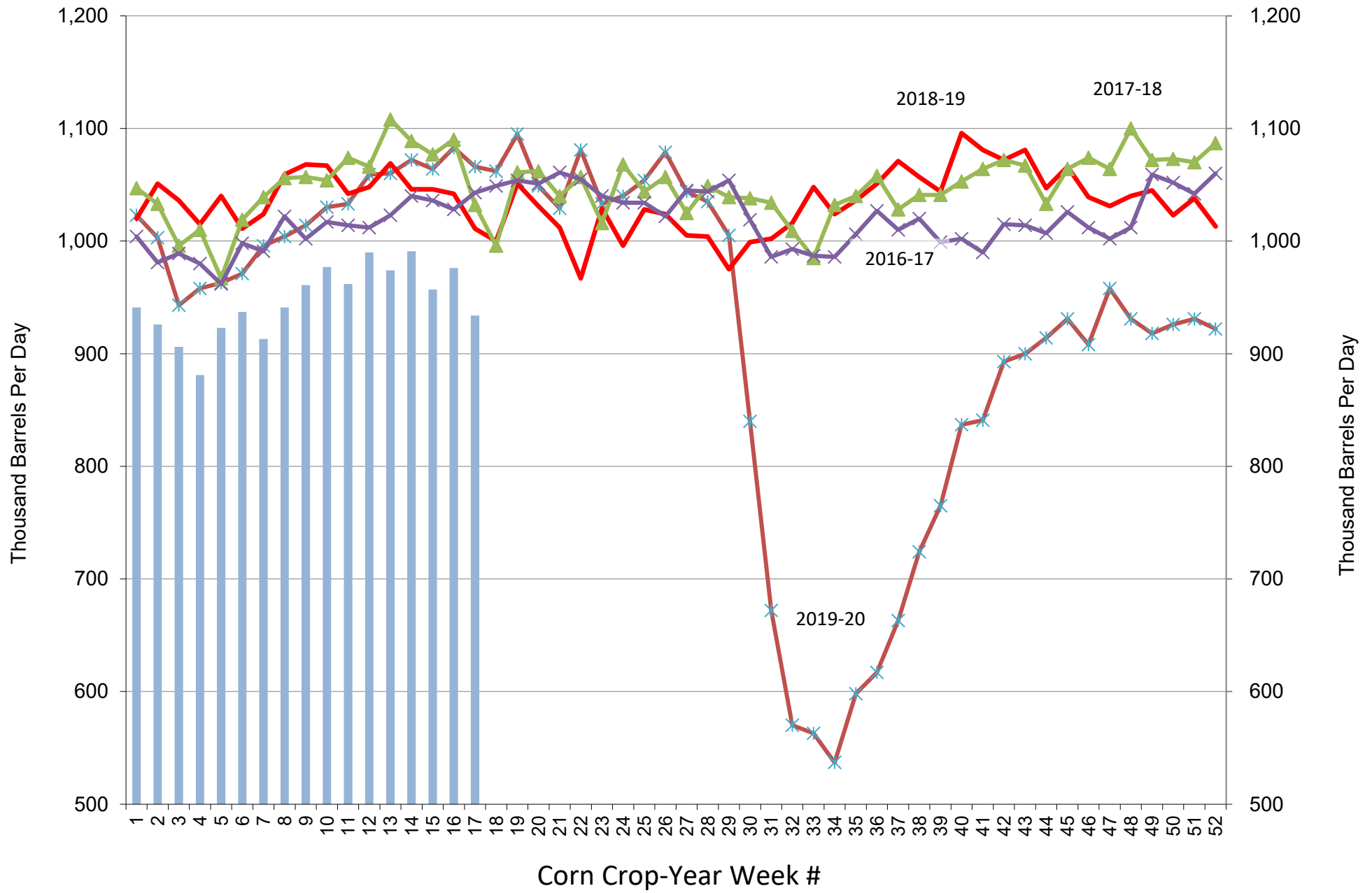
566

CY to Date: 929 2019-20 season average
CY to Date: 947 2020-21 season average

YOY Δ
-10.3%
1.9%

Source: Reuters, EIA, FI

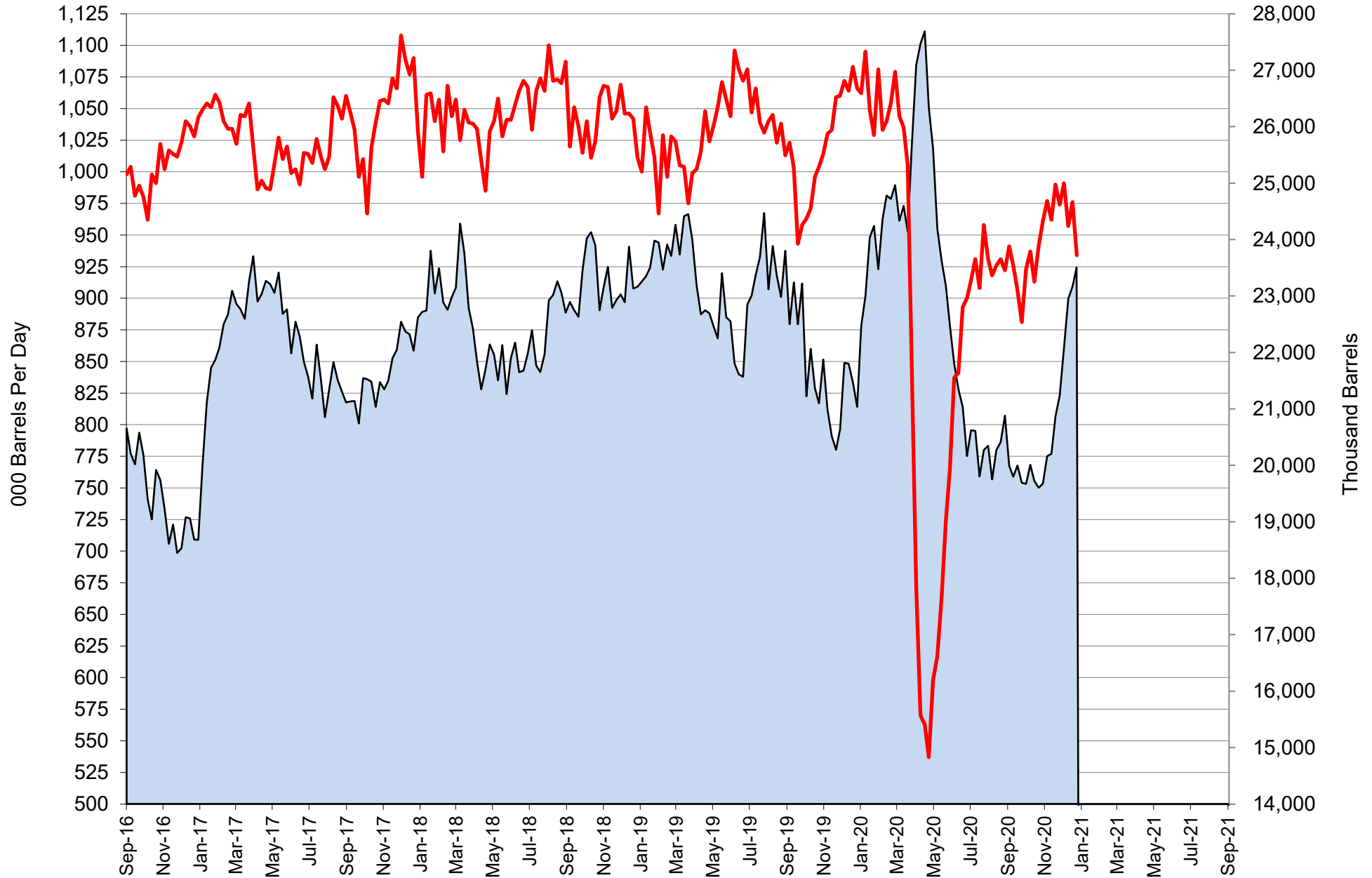
US Weekly Ethanol Production



Source: EIA & FI

2020-21 2019-20 2018-19 2017-18 2016-17

US Weekly Ethanol Production and Stocks

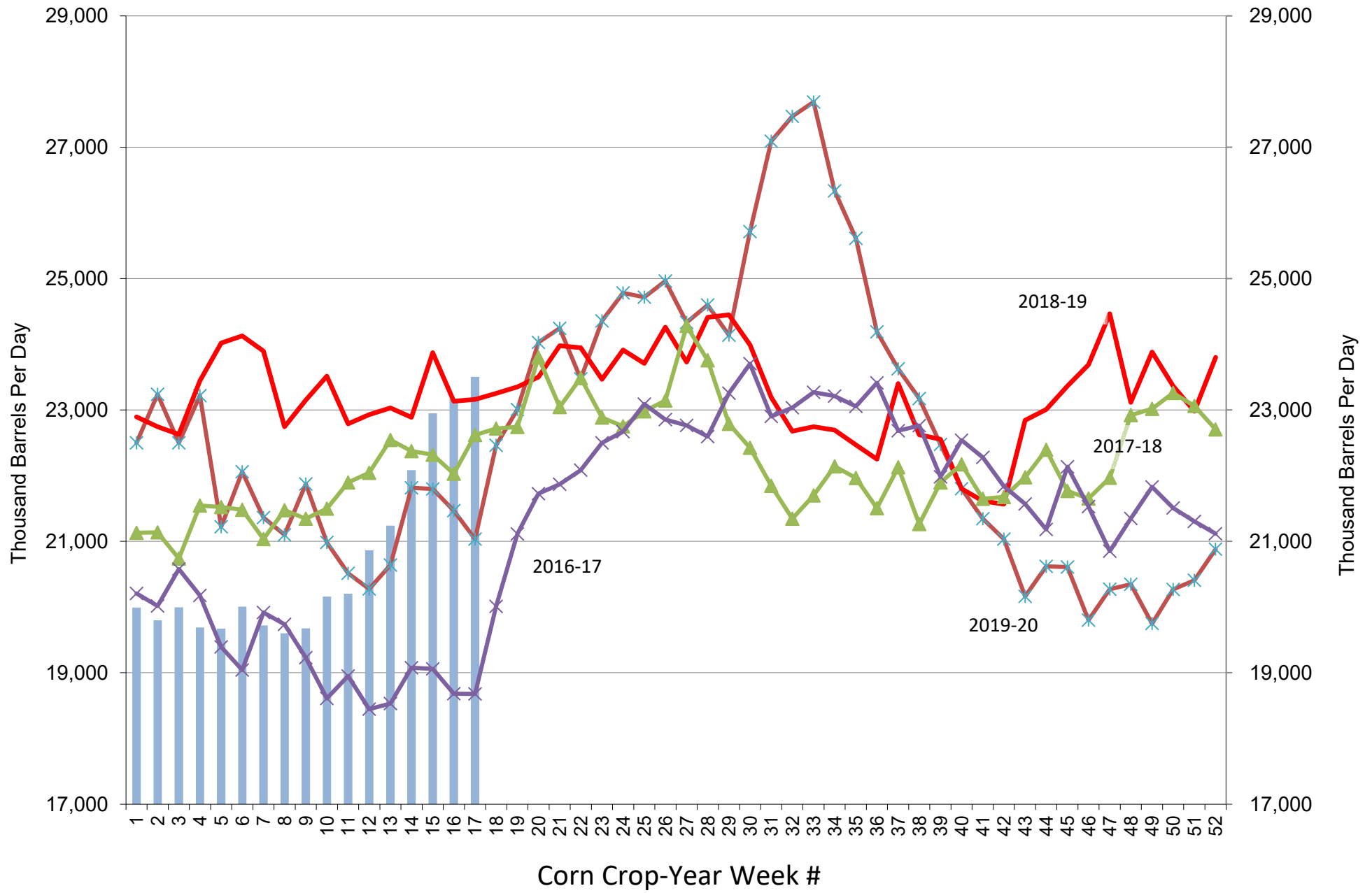


Source: EIA & FI

Stocks (1000bd)

Production (1000bd)

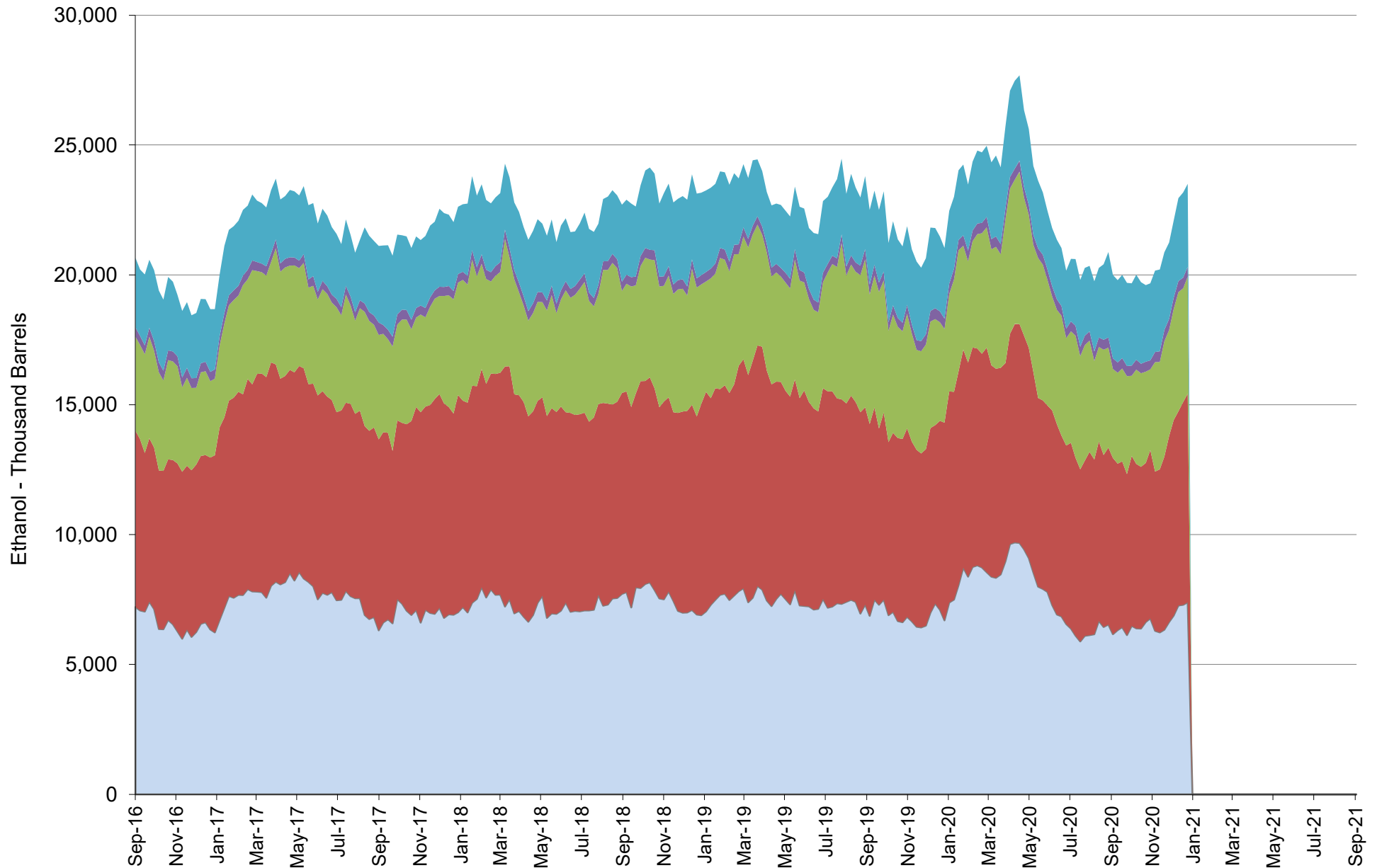
US Weekly Ethanol Stocks (corn crop year)



Source: EIA & FI

12/30/2020

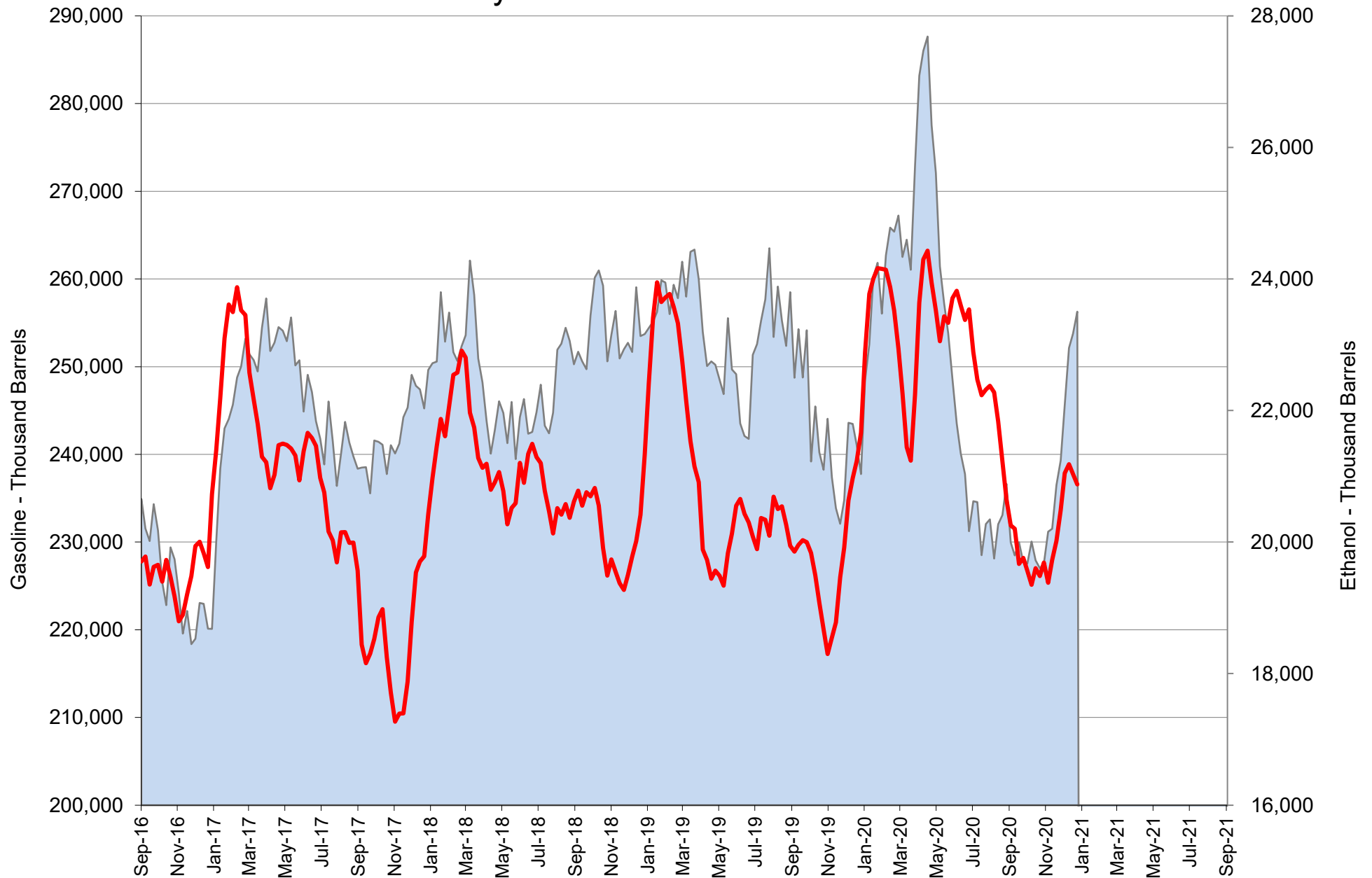
US Weekly Ethanol Stocks by PADD



Source: EIA & FI

PADD1 PADD2 PADD3 PADD4 PADD5

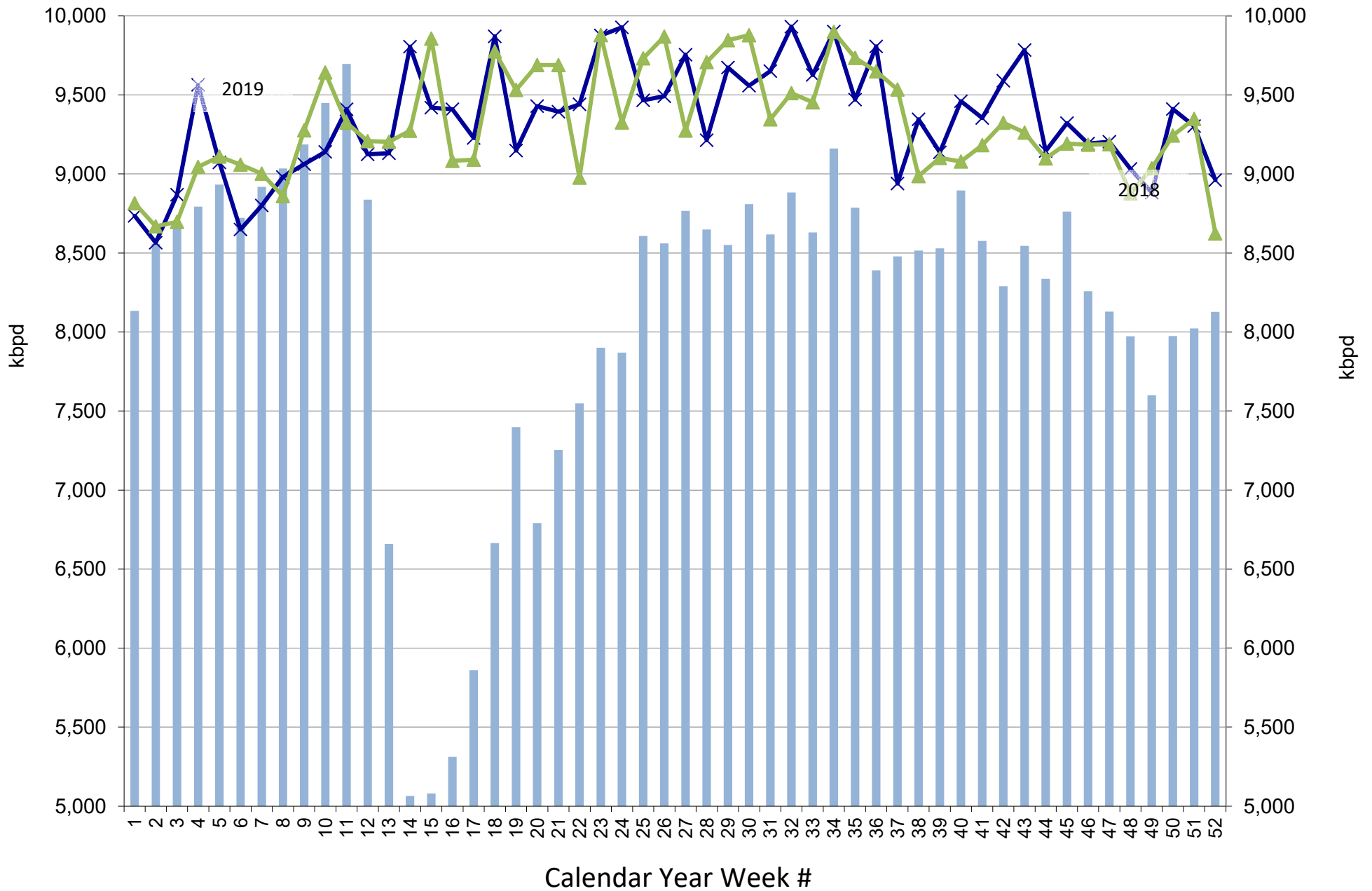
US Weekly Gasoline and Ethanol Stocks



Source: EIA & FI

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

US Weekly Gasoline Product Supplied



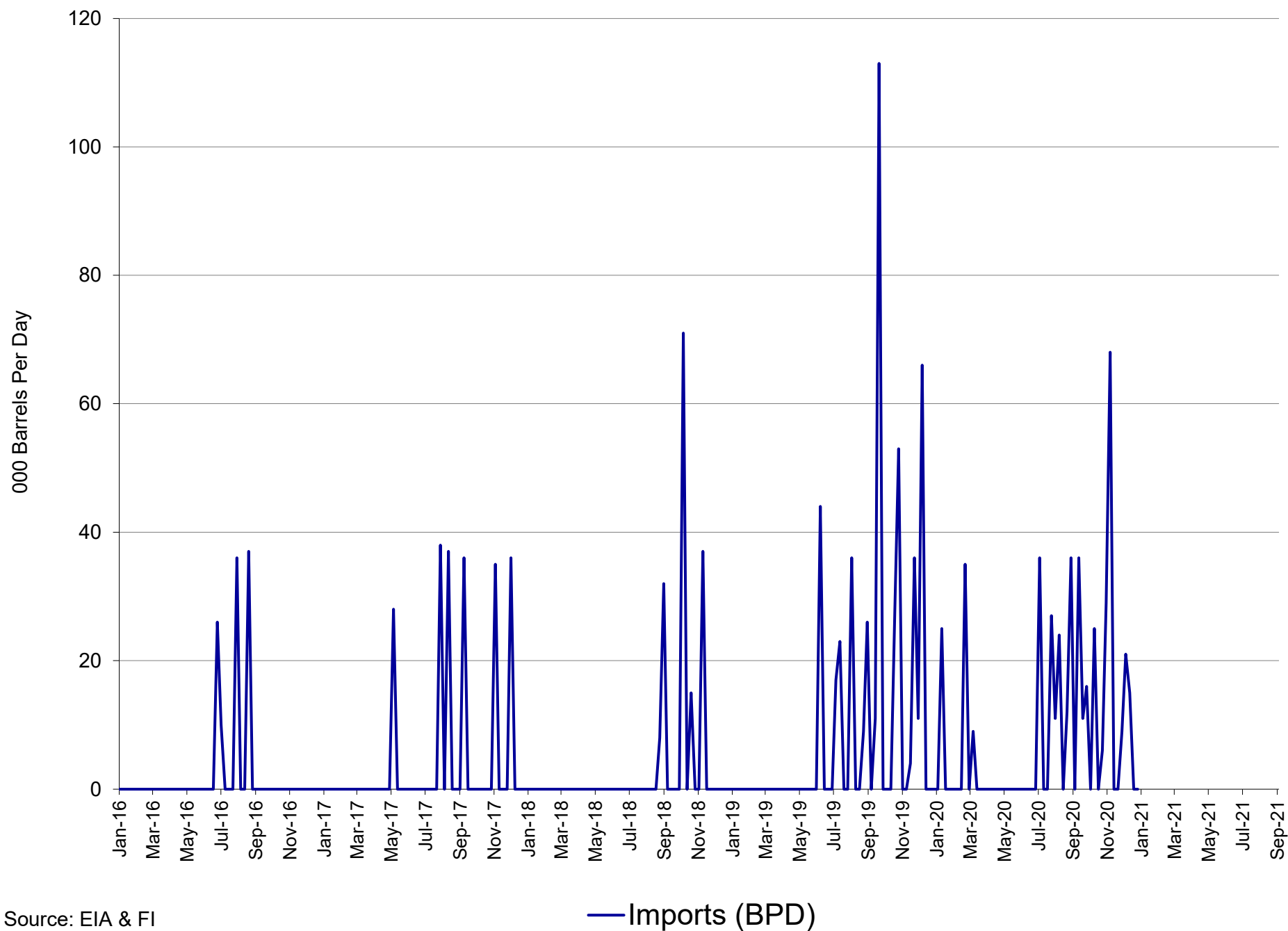
Source: EIA & FI

Gasoline Product Supplied (kbpd)

2019

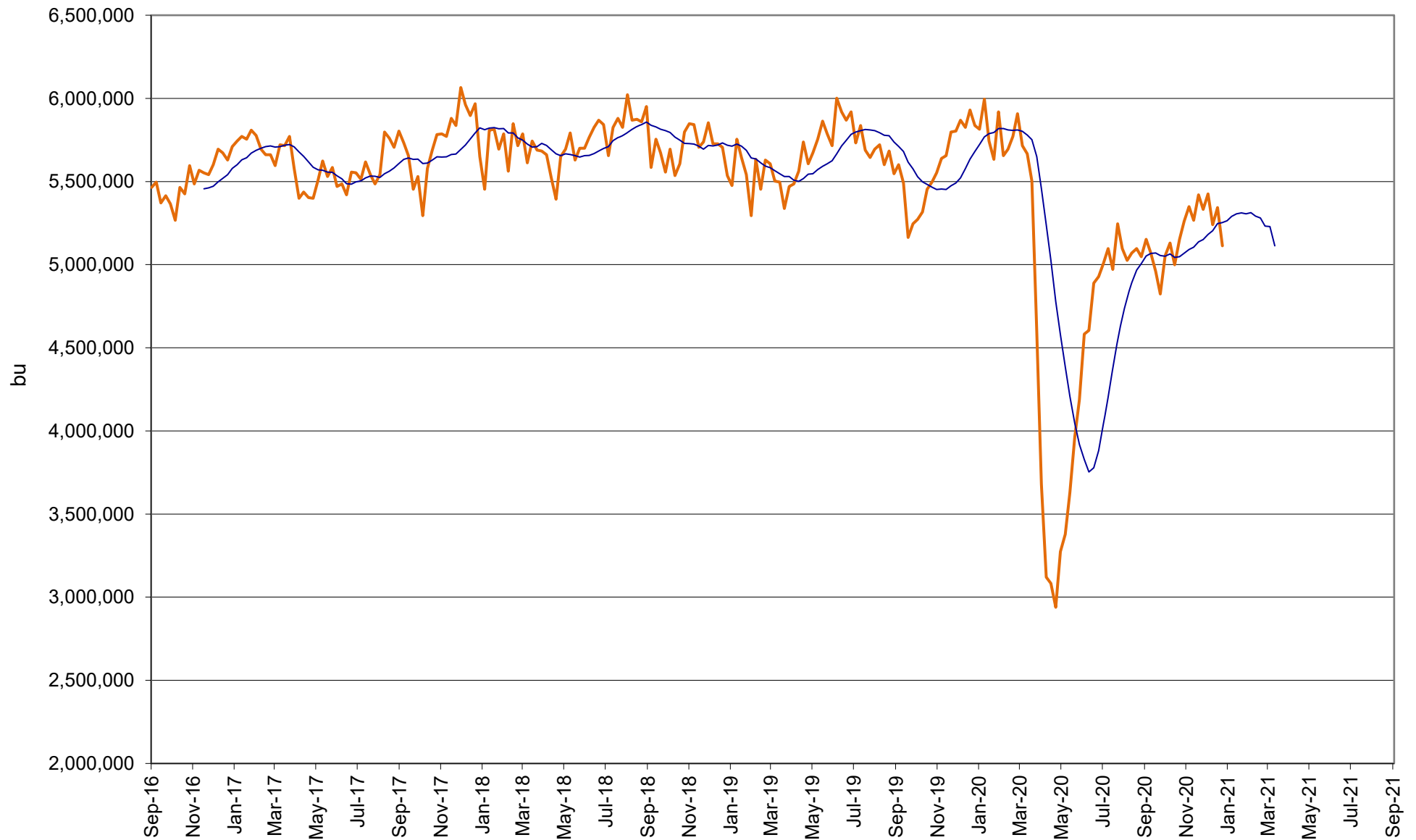
2018

US Weekly Ethanol Imports



Source: EIA & FI

US Annualized Implied Corn Use

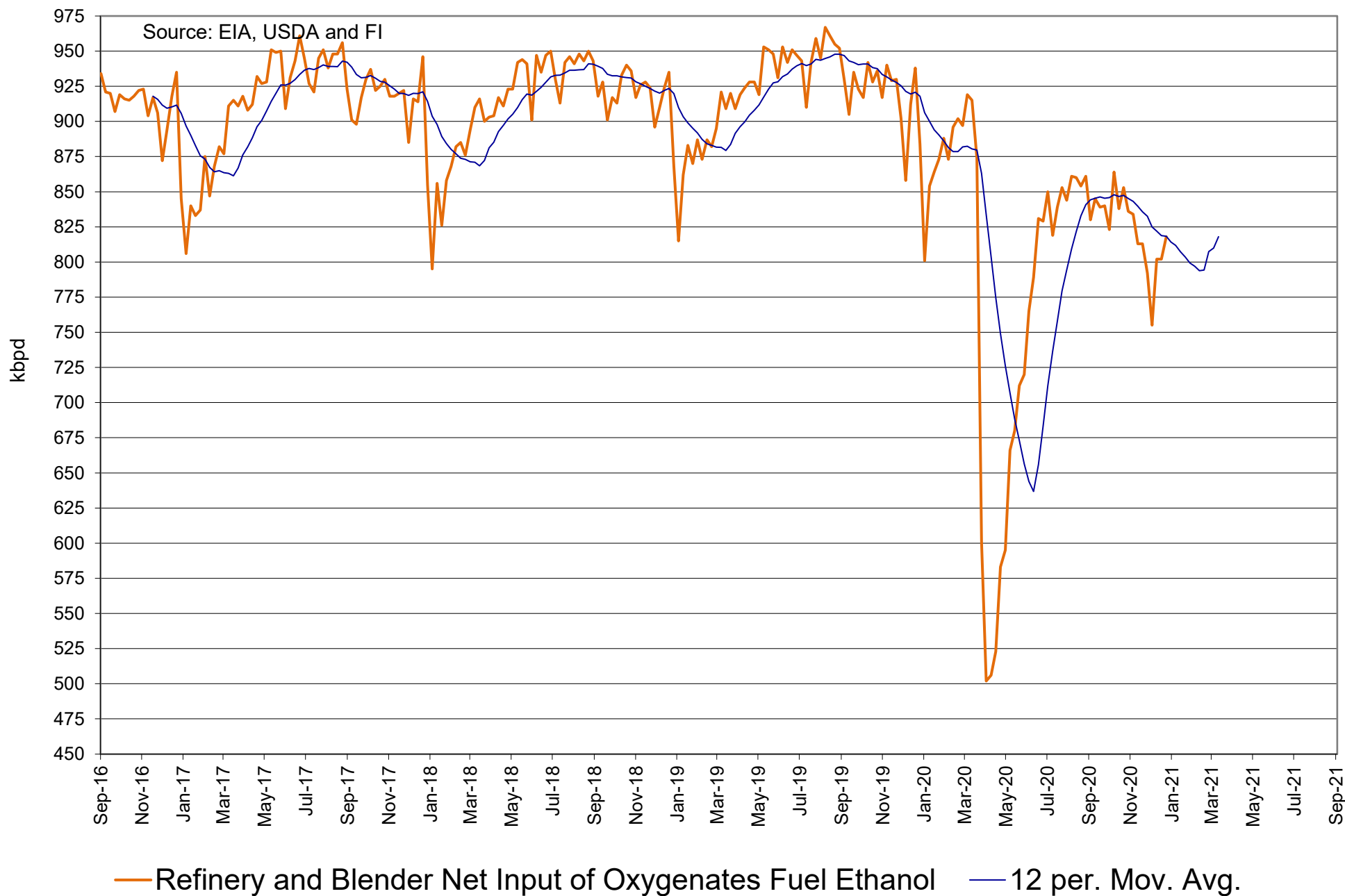


Source: EIA, USDA and FI

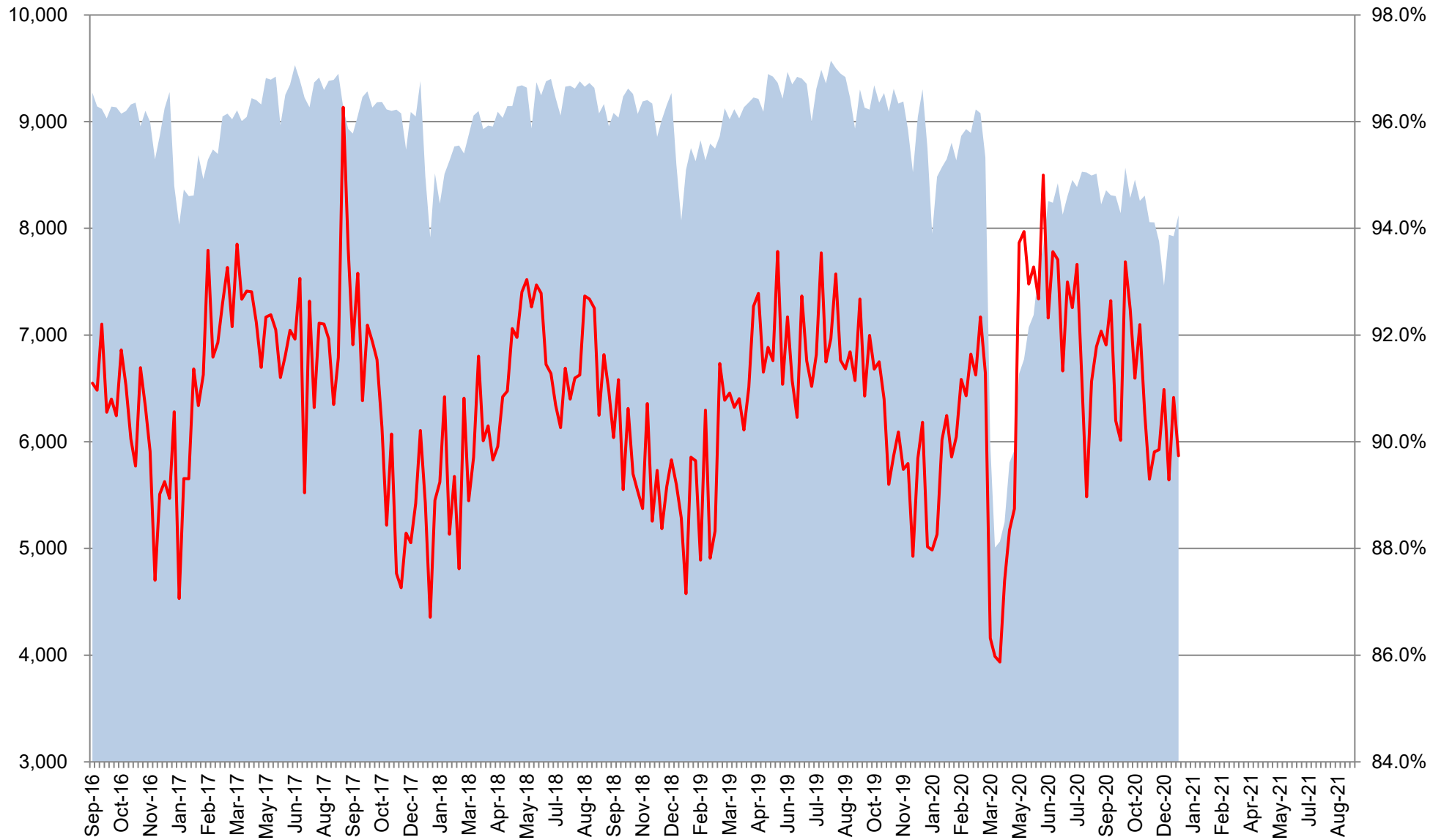
— US

— 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

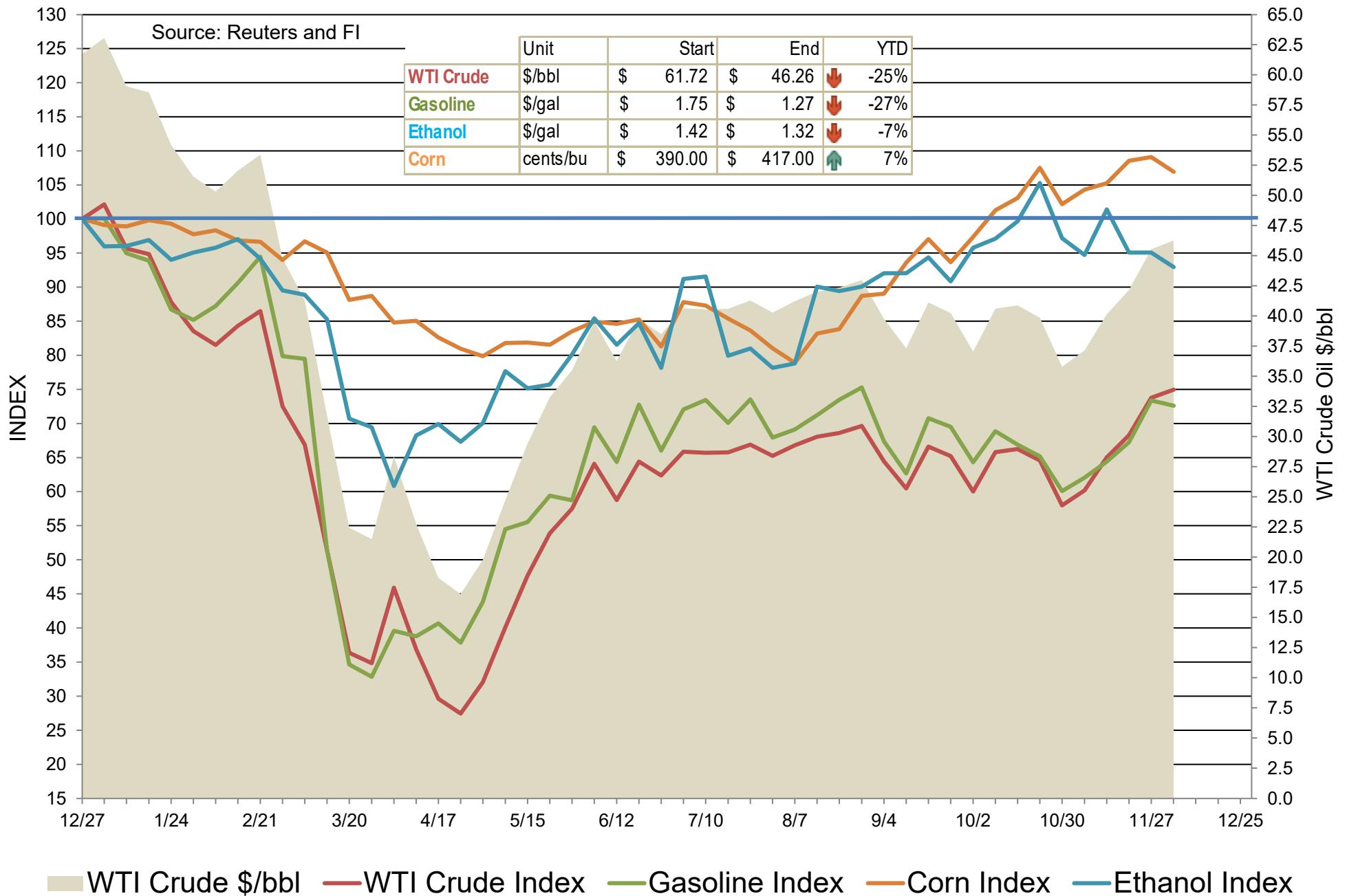


Source: EIA, USDA and FI

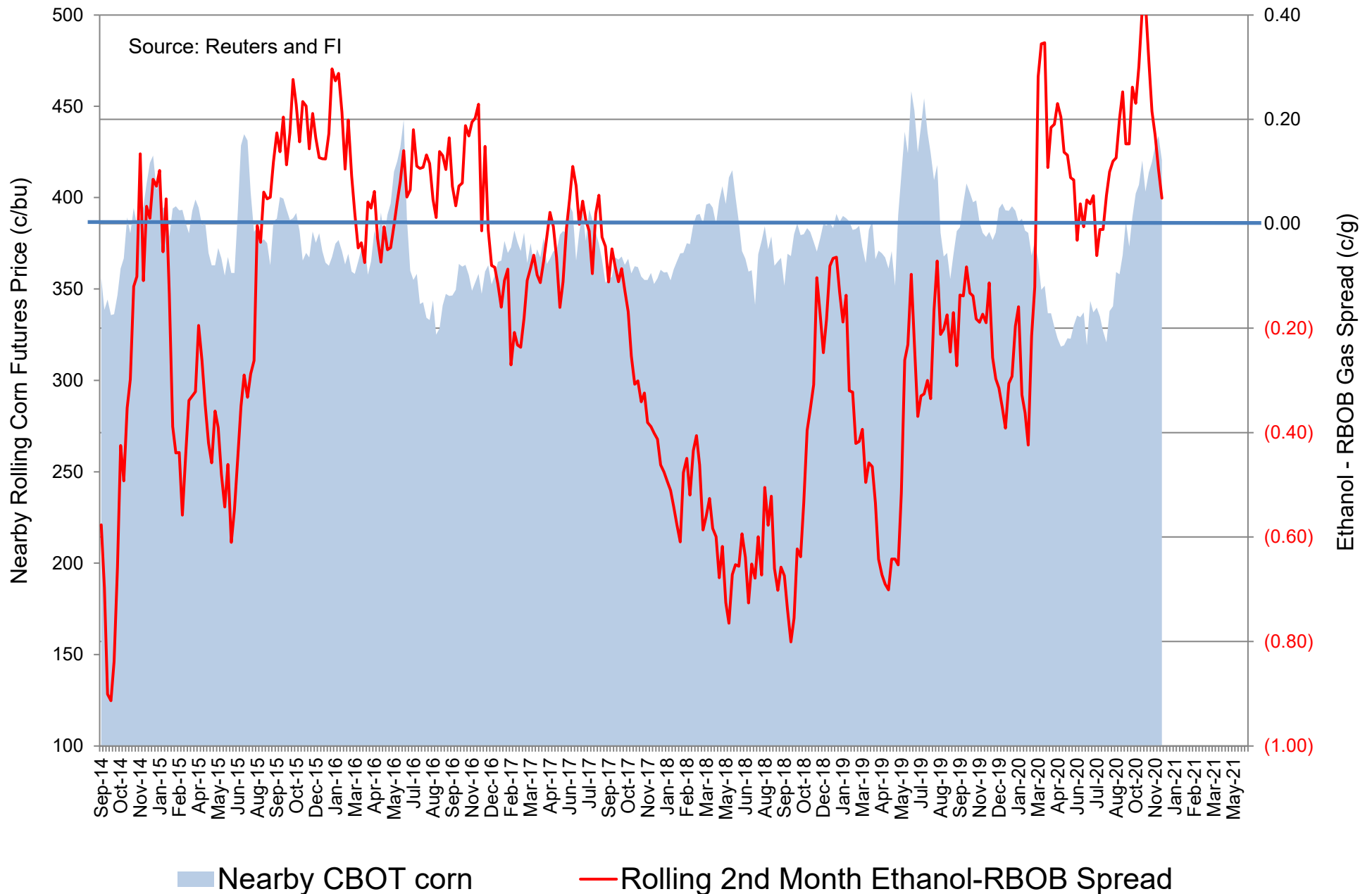
■ Total Blend Etoh

— Etoh Blend %

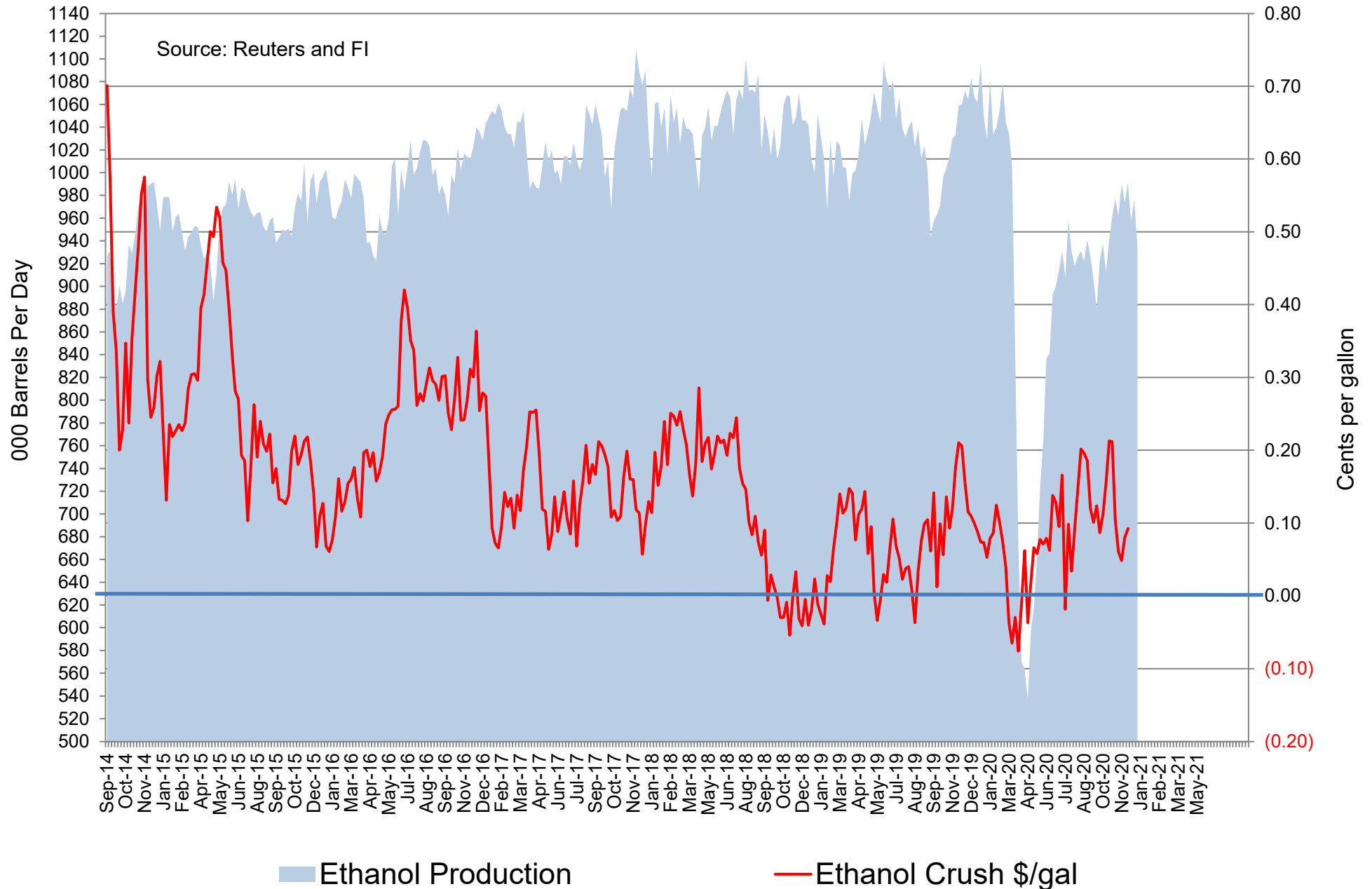
Indexed Commodity Prices Starting January 2020 versus WTI Crude Nearby Futures



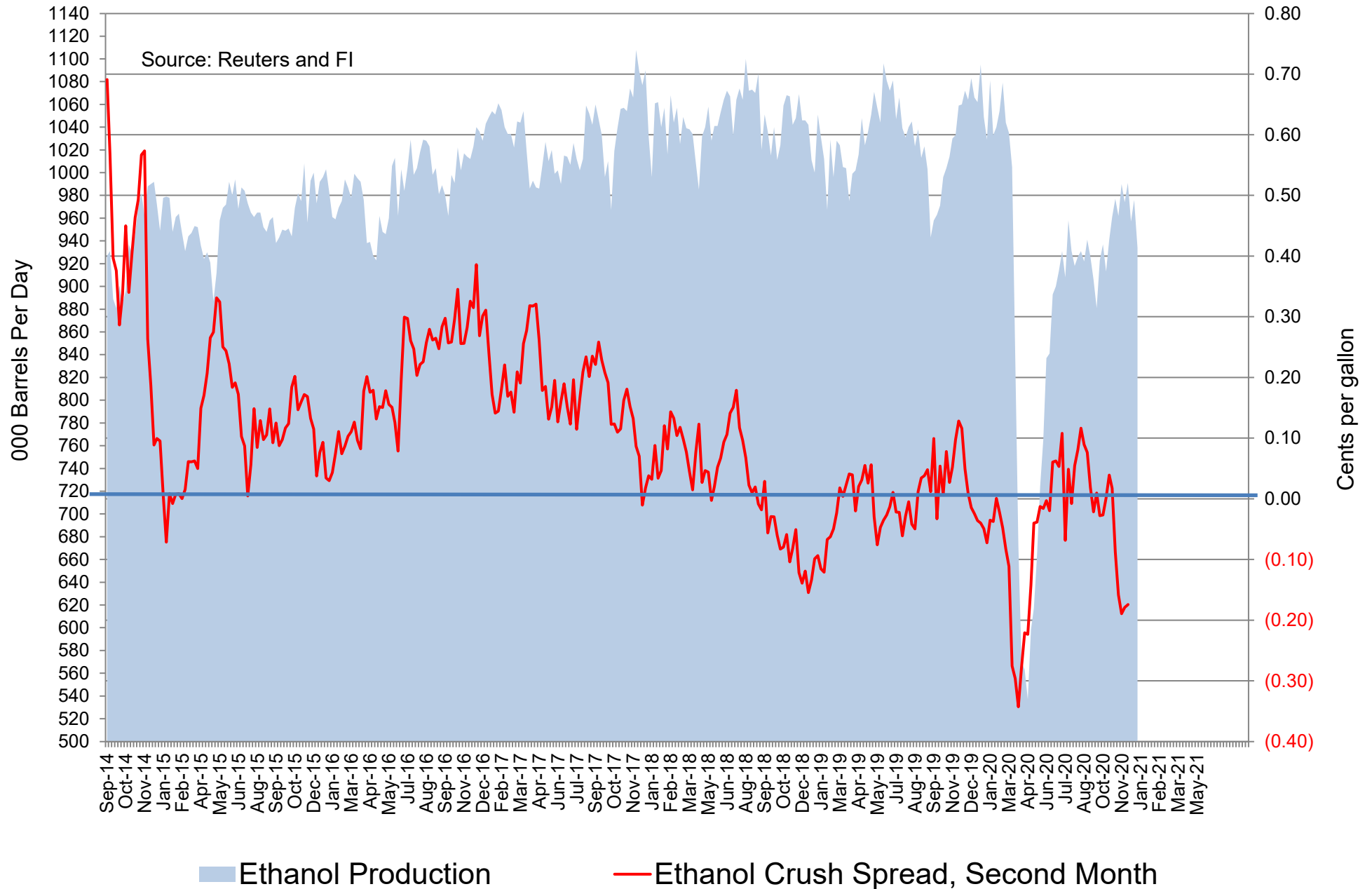
CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



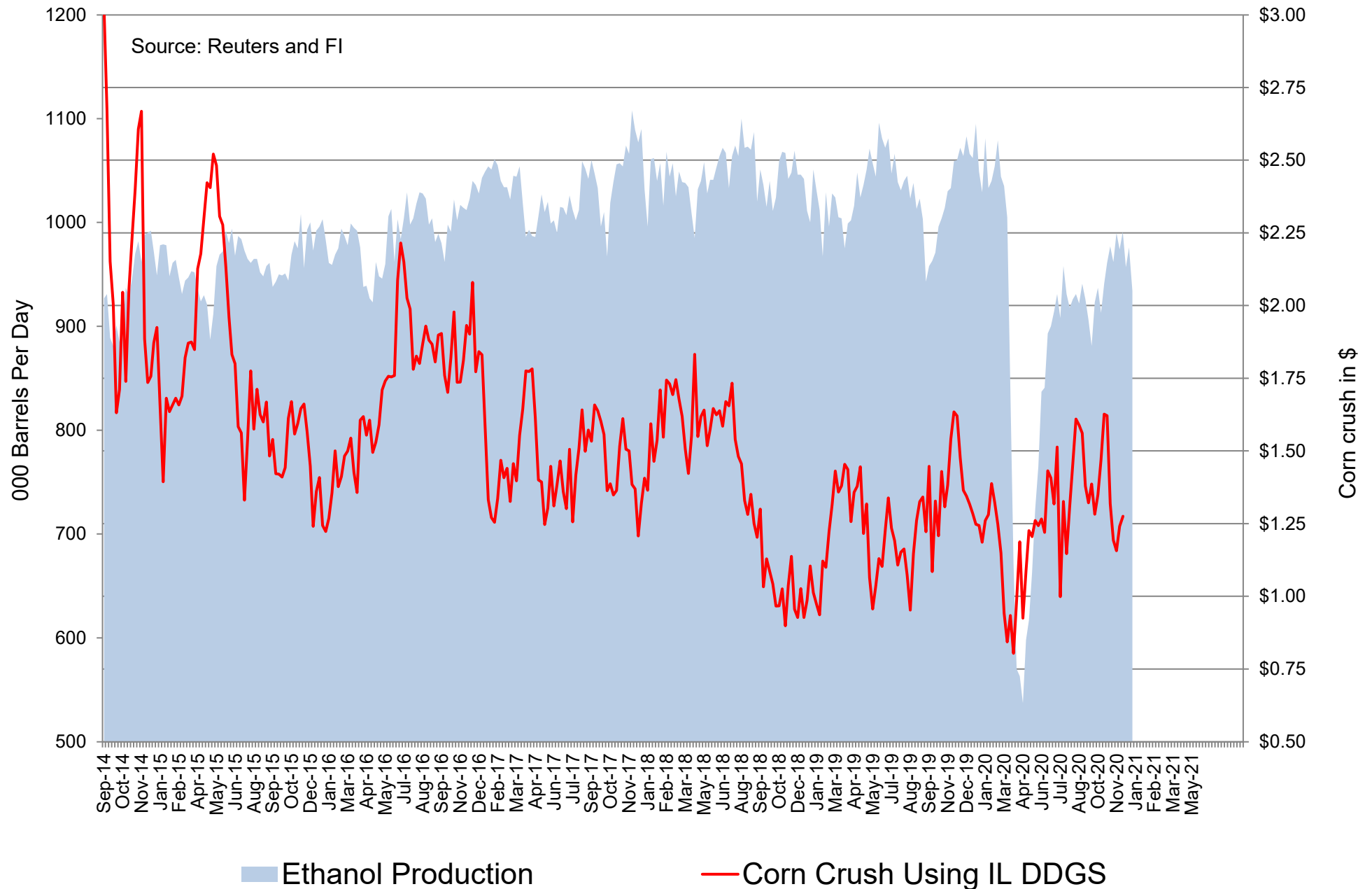
CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production (uses Chicago ethanol and IL DDGS w/ implied costs)



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)



USDA Export Sales Estimates/Results in 000 tons

	ESTIMATED 12/24/2020			12/17/2020 Last Week			12/26/2019 Year Ago		
Beans	20/21	400-500		20/21	352.8		19/20	330.3	
	21/22	0.0		21/22	165.0		n/c	1.7	
					Sales to China	526.4		Sales to China	160.2
Meal		Shipped			Shipped			Shipped	
	20/21	200-350	200-300	20/21	223.7	314.1	19/20	94.7	201.1
	21/22	0.0							
Oil		Shipped			Shipped			Shipped	
	20/21	5-15	10-20	20/21	20.9	23.6	19/20	(1.9)	29.9
	21/22	0.0							
Corn					Sales to China	0.0		Sales to China	0.0
	20/21	600-800		20/21	651.1		19/20	531.4	
	21/22	0.0		21/22	0.0		n/c	8.6	
Wheat					Sales to China	11.8		Sales to China	0.0
	20/21	300-450		20/21	393.7		19/20	312.9	
	21/22	0-25		21/22	24.0		n/c	20.4	

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

Source: Futures International and USDA

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