



ADM Investor Services, Inc.

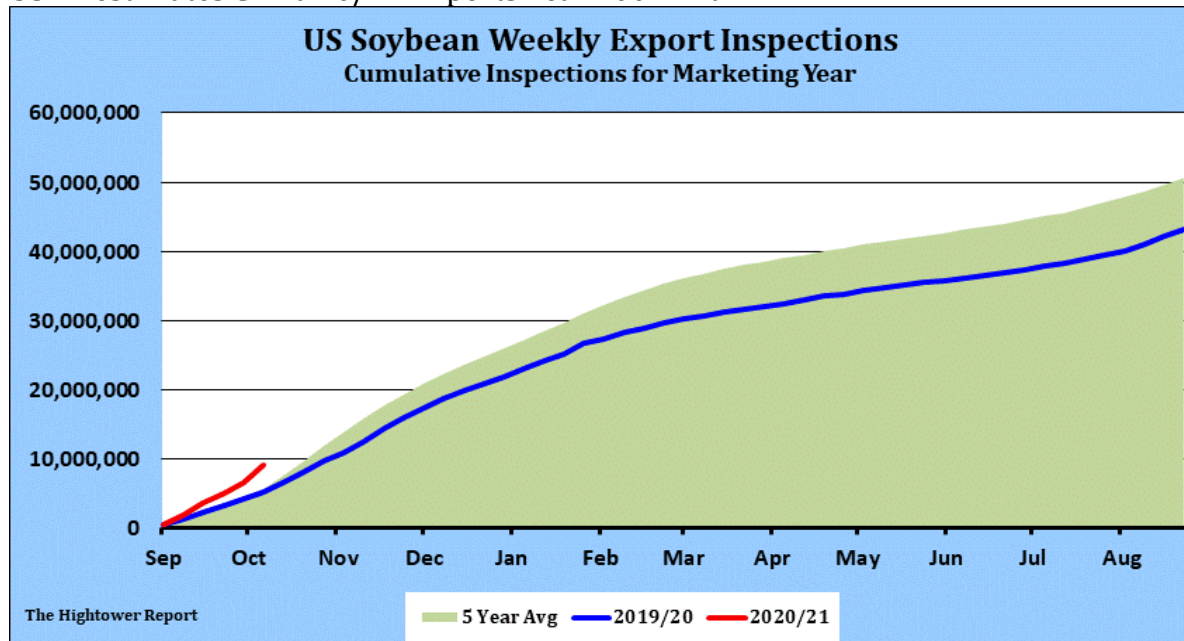
ADM Investor Services Market View

October 13, 2020 by Steve Freed

Soybeans, soymeal, soyoil and corn traded higher. Wheat trade was mixed. US stocks were lower. US Dollar was higher. Crude was higher. Gold was lower.

SOYBEANS

Soybeans traded higher. USDA did not announce new US soybean sales especially to China. Still there were rumors that China was in today buying a few US soybean cargoes. Managed funds are net buyers of 5,000 soybeans, 3,000 soymeal and 3,000 soyoil. We estimate Managed funds are net long 233,000 soybeans, 79,000 soymeal and 84,000 soyoil. US soybean harvest is estimated near 59 pct versus 38 last week. Crop should still be rated 64 pct good/e versus 64 last week. Weekly US soybean exports were near 79 mil bu versus 74 last week and 35 last year. Season to date exports are near 334.2 mil bu versus 189.7 last year. USDA goal is 2,200 mil bu versus 1,676 last year. Some feel final exports could be closer to 2,350. Malaysian Oct-Sep palmoil production was near 19.25 mmt versus 20.8 last year. Exports were near 17.2 mmt versus 18.3 last year. Sep end stocks are near 1,725 mmt versus 2,44 last year. US Sep NOPA soybean crush is estimated near a record 160.7 mil bu versus 152.5 last year. China Sep soybean imports were near 9.8 mmt versus 8.2 last year. China Oct-Sep soybean imports were near 98.5 mmt versus USDA 97.4 and 82.6 last year. USDA estimates China 20/21 imports near 100 mmt.



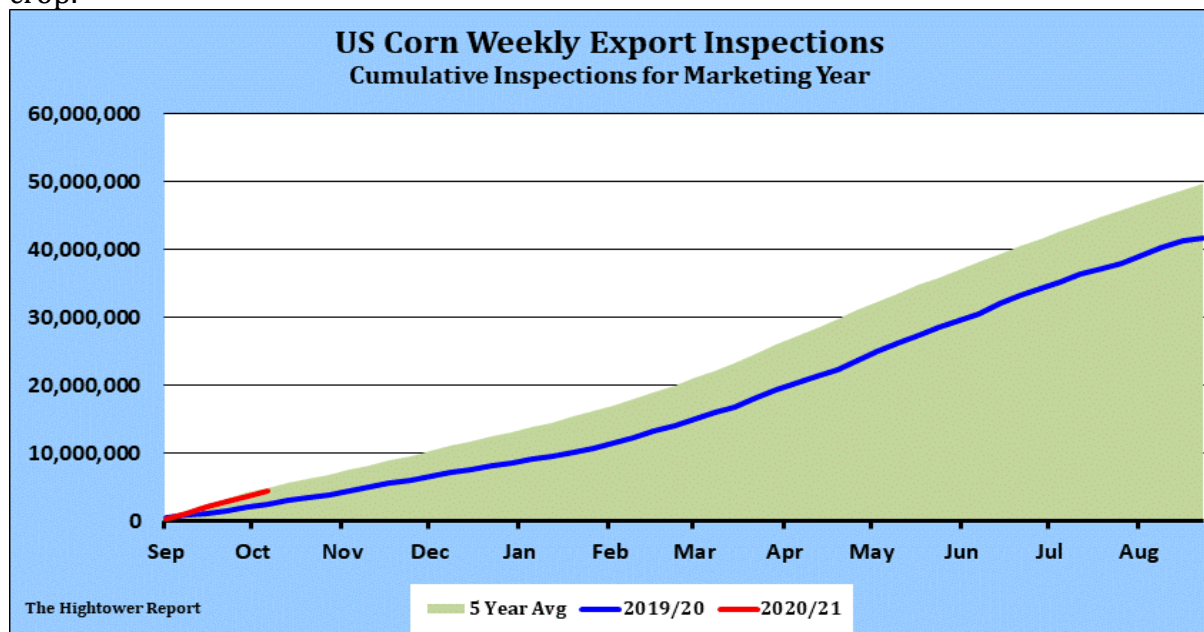
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CORN

Corn futures traded higher. Strong US domestic cash basis and lack of US farmer selling helped support prices. There also continues to be rumors that China is looking to buy US corn. China domestic corn prices are record high. Post Covid China economy appears to be growing. This could increase their demand for imported feed grains. USDA continues to estimate China corn imports at only 7 mmt. Some feel final total imports could be between 20 and 27 mmt. Managed funds are net buyers of 3,000 corn. We estimate Managed funds are net long 160,000 corn contracts. US corn harvest is estimated near 39 pct done versus 25 last week. The crop is expected to remain rated 62 pct good/ex. Weekly US corn exports were near 25 mil bu versus 35 last week and 19 last year. Season to date exports are near 170.0 mil bu versus 98.6 last year. USDA goal is 2,325 mil bu versus 1,778 last year. Some feel final exports could be closer to 2,550. USDA announced 110 mt US corn to Mexico but no new sales to China. Noon US weather maps for both US plains and Midwest and Brazil were drier than earlier maps. Most estimate the Brazil corn crop near 110 mmt versus USDA 110 and 102 last year. Cash corn prices to Brazil farmer is near \$7.28-\$8.40 per bushel. It remain dry in Argentina with 21 pct of the corn crop planted versus 24 last year. Rains are forecasted for parts of Argentina over the next 6-10 days. CZ continues to dance around 4.00. Need either increase demand or lower supplies to push prices higher. Some feel US farmer will need an additional 30-40 cents higher to begin to sell more of the 2020 crop.



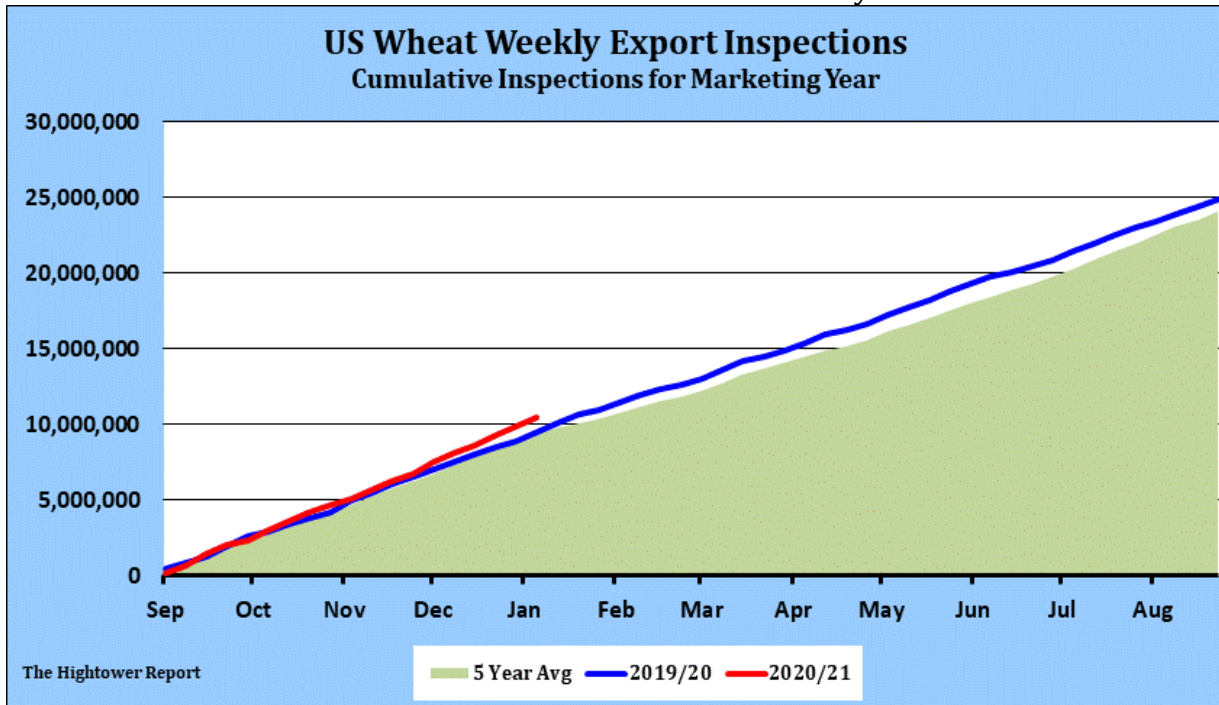


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WHEAT

Wheat futures closed mixed. WZ was near 5.94 with a range 5.90-6.04. Nearby Chicago wheat continues to dance around 6.00. This historically has been an important price. Need either increase demand or lower supply to push higher. Lack of bullish news could send futures lower. Russian domestic flour prices are record high. China domestic wheat prices in near \$11.00 per bushel. Russia export prices is near \$247, US is near \$268 and French wheat is near \$244. Higher US prices limits new export demand. Weekly US wheat exports were near 19 mil bu versus 25 last week and 18 last year. Season to date exports are near 383.5 mil bu versus 349.0 last year. USDA goal is 975 mil bu versus 965 last year. Managed funds are net buyers of 1,000 wheat. We estimate Managed funds are net long 30,000 wheat. US winter wheat is estimated to be near 67 pct planted versus 52 last week. USDA estimates World 2020/21 domestic wheat use near 751.0 mmt versus 749.1 last year. End stocks are estimated near record 321.4 mmt versus 299.4 last year.



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