Morning Commentary
September 24, 2021

CORN: LOWER

Yesterday morning a flash sale announcement of 138,403 tonnes of US corn for delivery to Guatemala gave some support to board prices by a couple of pennies. CZ21 settled 529.25 (up 3.75). Export sales were on the low end of estimates for week ending 9/16/21—14.7mbu. Traders were hoping to see more "normal" movement out of the Gulf but almost all of the loadings were Mexican rail. As harvest progresses here in the US, yield reports are improving and driving prices lower. Near perfect harvest weather throughout the belt this weekend but anyone east of the Mississippi River will be eyeballing temps with a small possibility of frost. Corn planting has begun in Argentina. USDA is estimating that they will produce 2.09bbu in 21/22, while the Buenos Aires Grains Exchange is estimating 2.17bbu. They are the world's third largest exporter of corn. All grains opened lower in the overnight and holding steady this morning. Check for a flash sale at 8am.

At the break, CZ21 was 2 ¾ lower.

SOYBEANS: LOWER

The night session couldn't hold the positive, but there isn't a lot of fear at the moment. The news of some power issues and "going green" shutdowns of crushers had some nervous going into the session. That said, I don't see any way that the govt. will allow the food being produced in their own country to falter. Either could be a way of controlling the industry more than a real move toward carbon neutrality. If they were serious about that new power sources rather than coal would be utilized and old coal plants phased out, IMO. Meanwhile, Evergrande did skip an interest payment and it does not appear it will make it late at the moment, which needs to happen in the next 30 days or bankruptcy is the next step supposedly. Current problems in Argy are still at work, govt. policies driving farmers to plant other crops than beans and wheat, low river levels and continually rising ocean freight working against them on processed goods by crushers. Argentina is going to need even more imported beans to crush and fewer exports if the current scenario continues and it really has not moved the needle in the last few months to make anyone think that they will. Beans should see both sides, but financial market worries and a weekend looming usually spell risk off and a lower finish. Beans: V-113,073/OI-668,880(+4,678) Meal: V-79,770/OI-368,675(+2,603) Oil: V-88,616/OI-368,675(+2,603) **At the break, SX21 was 2 ½ lower.**

WHEAT: LOWER

The whole ag market is taking a breather this morning, after gains the last two sessions were unable to be carried into the overnight session. The KC December flirted with the recent high yesterday and overnight, but could not push through, with traders looking for more news to support buying. Algeria closed a large durum tender yesterday, buying 300-500k MT from Mexico and Canada at $620-650/MT, as the global supply of durum is tight. U.S. cash markets are steady to firmer, but the spot rail pipeline is looking full for ords and low-11s, after seeing some movement over the last week. Weather maps for the next two weeks have rain in the western Plains areas, which would benefit the start of the crop. The USD turned back higher overnight, unable to extend losses, and crude oil is slightly lower. Look for wheat to start lower, with Paris wheat and oats lower this morning.

At the break, KWZ21 was 3 ½ lower.

CATTLE: STEADY-LOWER

Cattle markets turning in a mixed session yesterday, with good support seen across the forward curve, while Oct chopped to a slightly lower close. USDA reporting total cattle slaughter for week ending Sep 11 at 579K head, down from 620K the week prior and right in line with the same week last year at 580K head. Carcass weights seen seasonally increasing, averaging 830lbs on the week, up from 824 the prior week and compared to the 3 yr avg of 829lbs. USDA boxed beef cutout values continue to soften, choice reported at $305.60 yesterday, down $2.23 on the day, while select was reported at $274.99, down $0.51 on the day. USDA cattle on feed report out this afternoon, avg trade guess for on feed as of Sep 1 coming in at 98.1% of last year, placed in Aug guessed at 99.5% of last year, and marketed in Aug guessed at 99.8% of last year.

Fund Position	Accumulative	Yesterday
Corn	206,257	5,000
Soybeans	56,444	1,500
Soybean Meal	19,005	-1,500
Soybean Oil	47,878	1,000
Chicago Wheat	2,369	10,000
KC Wheat	36,909	0

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