

December 20, 2024

What caught my eye:

A couple of private forecasters have U.S. SB exports from 45-80 mbu BELOW the December WASDE's 1.825 estimate. O/S sales of 863 mbu are 25 less than LY which is encouraging but, new sales need to virtually match LY's BOY total of around 400 (with a 600 mbu larger Brazil crop?). We expect China to take 100 mbu less beans from the U.S over the remainder of the year (O/S sales are down over 40% at 118 mbu), the other key market will be Other Asia with virtually the same book as LY.

TRENDS

CK, +\$.0325; SH, +\$.0725; SMH, +\$.0470; BOH, -\$0.0012; WK, +\$.0150;
 KWK, +\$.0300

Dalian: CF, -\$0.0200; SF, +\$0.0600; SMF, +\$3.03; BOF -\$0.0009; POK -\$0.0061
 Bursa Malaysia March Palm Oil: KPOH -75 @ 4,433 ringgit

Macro

**Government shut-down likely?
 Markt awaits personal
 consumption price index.**



WALL STREET FUTURES - Weaker:
 Dow, -282; S&P, -51.75; NAS, -306

Asia - Weaker:
 Nikkei, -0.29%; Shanghai, +0.06%;
 Hang Seng, -0.16%

EUROPE - Mixed:
 DAX, +1.24%; FTSE, -0.65%; CAC +1.02%

Other Markets



February Gold: +\$7.6 @2,616

February CRUDE: \$-0.84 @\$68.54

Mar U.S. Dollar Index: -0.197 @108.152

WEATHER



CORN

SOYBEANS



WHEAT



ENERGY / ETHANOL



LIVESTOCK

POULTRY



WEATHER



Total of 97% of Brazil beans to receive near/above normal rain next 14 days. Specifically, thunderstorms occur in varying areas each day over the next two weeks in central and northern Brazil (~60% of soybeans); near- and above-normal rainfall of 4.00"-8.00" central (~3.75" is normal), and 2.25"-4.50" north (MATOPIBA) where ~2.25" is normal. Temps will be near to cooler than normal. Moderately-cool temps are forecast over the next 14 days in southern Brazil (~40% of soybeans), maintaining the likelihood for December to be the coolest in at least 40 years. The likely result for rainfall is 1.00"-4.00" over the next two weeks, with highest totals north of Paraná and lowest totals south

CORN / SORGHUM



- *ATI Research: U.S. corn export sales notes*
 - 46 mbu, which was near the midpoint of trade range (31-63) and well above the 27.5 needed to reach the annual USDA est.
 - unshipped sales: 893 as of Dec. 12 vs. 699 last year (+28%)
 - book to unknown destinations: 291 mbu vs. 121 (+140%)
- Brazil's corn export lineup was little changed week-to-week, down only 1 mbu to 106 and is current half of the year-ago total
 - numbers imply December exports of 150 mbu—140 less than last yr
- BAGE estimates Argentina corn production at 47.0 MMT; planting at 65.8%
 - excellent/good crop ratings: 46% vs. 52% last week & 37% last year
- The Funds bot 4 K, mostly due to a somewhat drier outlook for Argentina

SOYBEANS



- *ATI Research: U.S. soybean and soybean product export sales notes:*
 - bean sales of 52 mbu were almost 5X the 10.3 per week needed to reach the USDA est. and near the midpoint of trade range of 30-73
 - outstanding sales of 497 mbu are 41 mbu (8%) below last year
 - unshipped sales to China: 118 mbu vs. 201 last year (-41%)
 - soymeal sales of 262,000 MT near midpoint of trade range (150-350)
- BAGE est. Argentina soybean production at 50.8 MMT; planting at 76.6%
 - double-crop planting at 53%
 - excellent/good crop ratings: 66% vs. 65% last week & 37% last year
- Funds bot 5 K SB, 5 SM; 4 BO. Dec Board Crush, +\$.04 @ \$1.02

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WHEAT



- Chicago SRW March futures made a contract low on Thu. of \$5.305, and closed \$0.0825 lower at \$5.33
- U.S. export sales: all wheat sales of 16.8 mbu were up 58% from the previous week and 16% from the prior 4-week average
- Unshipped export sales of all wheat dn 7% compared to the 5-year avg.
 - HRW: unshipped sales dn 30% versus the 5-year avg.
 - SRW: unshipped sales dn 11% versus the 5-year avg.
 - HRS: unshipped sales up 18% versus the 5-year avg.
- BAGE pegs Argentina harvest at 76.1%; production est. unch at 18.6 MMT
- The Funds sold 7 K, with Paris futures posting a double digit loss

ENERGY / ETHANOL



- Chicago ethanol was +\$.0098 higher @ \$1.60725/gallon
- Ethanol basis - firmer
- New York, +\$.0200 @ \$.1028; Gulf, +\$.0100 @ \$.0902; Dallas, +\$.0100; @ \$.0827; Tampa, +\$.0100 @ \$.1678; L.A., +\$.0100 @ \$.2828
- RINS: 3.00 firmer: 23's, 56.5-58.5; 24's, 56.5-60.5; 25's, 57-62
- The February RBOB/February ethanol spread is down .0214 @ -\$0.2291
- CLH, -\$0.79; EBG, unch; RBG, -\$0.0174; HOG, -\$0.0168; NGG, +\$0.0740

LIVESTOCK / POULTRY



- Choice boxed beef was \$5.85 higher on Thursday at \$320.69, and is up \$5.45 compared to a week ago
- Trade estimates for USDA *Cattle on Feed* report to be released at 2:00 pm CST: On Feed Dec. 1, 99.9% (range: 99.4%-100.3%); Placed in November, 95.9% (92.6%-98.9%); Marketed in November, 98.2% (97.7%-98.7%)
- The CME Lean Hog Index Increased \$0.05 to \$84.212. February lean hog futures fell \$0.075 on Thursday to \$83.625, and are \$0.12 above the index
- USDA mandatory pork carcass cutout value was \$0.49 higher on Thursday at \$96.45 and is \$4.65 higher versus the previous week
- The pork carcass cutout value has increased \$7.85 (8.9%) since Nov. 27 and is at the highest level since Nov. 18



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