

December 19, 2024

What caught my eye:

Brazil's soybean vessel line-up declined 12 to 33 mbu in the latest report, 88 mbu lower than a year earlier. Corn eased just 1 to 106 mbu and is exactly one-half of the 2023 total. The current soybean figure implies December exports of 67 mbu, down sharply from the 140 mbu shipped last December. ANEC is at 60. The corn line-up suggests December exports of 150 mbu ; ANEC is 11 higher at 161. December 2023 shipments were 290 million.

TRENDS

CK, $-\$0.0125$; SH, $-\$0.0075$; SMH, $-\$0.0050$; BOH, $+\$0.0044$; WK, $-\$0.0850$;
 KWK, $-\$0.0600$

Dalian: CF, $-\$0.0100$; SF, $-\$0.1425$; SMF, $-\$6.47$; BOF $-\$0.0145$; POK $-\$0.0140$
 Bursa Malaysia March Palm Oil: KPOH -21 @ 4,508 ringgit

Macro

2 rate cuts in 2025? Futures only slightly higher after Wed's sell-off.



WALL STREET FUTURES - Firmer:
 Dow, +88; S&P, +26.25; NAS, +131

Asia - Weaker:
 Nikkei, -0.69%; Shanghai, +0.36%;
 Hang Seng, -0.56%

EUROPE - Mixed:
 DAX, +1.16%; FTSE, -1.34%; CAC +1.57%

Other Markets



February Gold: $\$-20.6$ @ 2,633

February CRUDE: $\$-0.18$ @ \$69.84

Mar U.S. Dollar Index: -0.104 @ 107.749

WEATHER



CORN

SOYBEANS



WHEAT



ENERGY / ETHANOL



LIVESTOCK

POULTRY



WEATHER



Total of 96% of Brazil beans to receive near/above normal rain next 14 days. Specifically, thunderstorms occur in varying areas in central and northern Brazil (~60% of Brazil soybeans); near- and above-normal rainfall of 4.00"-6.00" central (Goiás-Mato Grosso-Minas Gerais vs. ~3.75" normal), and 2.00"-4.00" north (MATOPIBA) vs. ~2.25"normal). Temps to be cooler than normal. Moderately-cool temps also occur in southern Brazil (~40% of Brazil soybeans), maintaining the likelihood for December to be the coolest in at least 40 years. Rain develops Thu.-Fri. (0.50"-1.50") with more over Sun.-Wed., but with lower coverage or amounts. in total, 1.00"-4.00" is forecast over the next 14 days

CORN / SORGHUM



- March corn futures closed at \$4.3725 on Wednesday, which is the lowest settlement price for the contract since Dec. 5
- *Export Sales* report at 7:30 am CST; corn, 31-63 mbu for 24/25 and 0-4 for 25/26
- Ethanol grind: 1,103,000 bpd for week ending Dec. 13, up 2.3% vs. last week and 3.0% compared to last year. Stocks were 22.636 mb, dn 0.012 mb from the prior week and considerably below the average trade estimate of a 0.226 increase
- Brazil attaché increases the estimate of the 2024/25 corn crop by 1.0 MMT to 128.0; March-Feb exports est. at 44.0 MMT compared to USDA at 41.5
- The Funds sold 15 K, bean weakness & China suspending reserve sales

SOYBEANS



- The collapse in the soybean complex on Wednesday was highlighted by:
 - contract low for January soybean futures and lowest price for a nearby contract since Aug. 22, 2024
 - contract low for January soybean meal futures and lowest price for a nearby contract since April 8, 2016
- Trade estimates for USDA *Export Sales* report (week ending Dec. 12)
 - Beans: 30-73 for 24/25 and 0-4 for 25/26
 - Meal: 150-350 for 24/25 and 0-50 for 25/26
 - Oil: 5-60 for 24/25 and 0-15 for 25/26
- Funds sold 12 K SB; 8 SM; 8 BO. Dec Board Crush, -\$0.04 @ \$0.98

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WHEAT



- *Export Sales* trade estimates; 8-20 mbu for 24/25 and 0-2 for 25/26
- Harvest is winding down in New South Wales (Australia), and progressing fast across Victoria with favorable weather
 - nationwide, 81% of wheat acreage is forecast to receive slightly below to sharply below normal rainfall over the next 14 days
 - low falling numbers have been noted in New South Wales, however, as a result of heavy rainfall two weeks ago
- France's Ag Ministry said they have planted 6.3M ha of winter grains, up 6.6% vs. last year. Of that total, 4.5M is soft wheat with area up 9%
- The Funds sold 3 K, low Nov imports makes PRC 11.0 total optimistic

ENERGY / ETHANOL



- Chicago ethanol was $-\$0.0050$ weaker @ $\$1.5975$ /gallon
- Ethanol basis - mostly weaker
- New York, $-\$0.0650$ @ $\$0.0925$; Gulf, $-\$0.0100$ @ $\$0.0900$; Dallas, unch; @ $\$0.0825$; Tampa, $-\$0.0050$ @ $\$0.1675$; L.A., $-\$0.0100$ @ $\$0.2825$
- RINS: -5.5 to -4.5 mostly weaker: 23's, 54-55; 24's, 54-57; 25's, 55.5-57.5
- The February RBOB/February ethanol spread is down .0009 @ $-\$0.2077$
- CLG, $-\$0.18$; EBG, unch; RBG, $-\$0.0021$; HOG, $+\$0.0260$; NGG, $+\$0.0660$

LIVESTOCK / POULTRY



- Choice boxed beef was $\$0.79$ lower on Wednesday at $\$314.84$, and is up $\$3.61$ compared to a week ago
- Trade estimates for USDA *Cattle on Feed* report to be released on Friday: 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 $\$0.18$ to $\$84.16$. February lean hog futures was up $\$0.5$ on Wednesday to $\$83.7$, and are $-\$0.32$ below the index
- USDA mandatory pork carcass cutout value was $\$1.79$ higher on Wednesday at $\$95.96$ and is $\$3.79$ higher versus the previous week
- The pork carcass cutout value has increased $\$7.36$ (8.3%) since Nov. 27 and is at the highest level since Nov. 18

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