

ADM Investor Services
Market View

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Soybeans closed higher and near session highs. Soymeal gained on soyoil. Corn closed lower. Wheat closed unchanged. US dollar was mixed to higher. Crude was lower. Metals, softs and meats were higher.

Soybeans traded higher. Talk of lower Argentina supply and increase speculative buying offset talk of increase Brazil crop, lower China Ag futures and increase in Brazil and Argentina farmer selling. There was also talk that China may soon slow new buying of soybeans. Talk of better US economy may have helped the US Dollar and triggered some commodity buying due to fears of inflation. USDA report Jan 12. Ave trade est for US Dec 1 soybean stocks is near 2,953 vs 2,715 ly. Ave trade est for US 2016/17 soybean carryout is near 473 mil bu vs USDA Dec est of 480. Technically speaking, SH may be near critical price and time. New lows could drop SH 50 cents while holding support could rally prices 50 cents. US 2 week weather outlook calls for normal to above temps and normal to above precip. N Argentina has seen too much rain and NE Brazil has been too dry. Showers are in the forecast for N Brazil later this week.

	USDA Jan.	Average of	Range of	USDA Nov.
	2016-17	analysts'	analysts'	2016-17
	estimate	estimates	estimates	estimate
Soy production	_____	4.374	4.262-4.440	4.361
Soy yield	_____	52.7	51.6-53.5	52.5
Harvested area	_____	83.013	82.500-83.400	83.047
	USDA Jan.	Average of	Range of	USDA Dec.
	2016-17	analysts'	analysts'	2016-17
	end-stocks	estimates	estimates	end-stocks
Soybeans	_____	0.468	0.407-0.510	0.480



Market View

Corn closed lower in a narrow ranges. CH is near 3.58. There was talk that US farmer had increase 2016 cash sales near 3.60. He has a lot of corn to sell. Ave trade est for US Dec 1 corn stocks is near 12,323 mil bu vs 11,238 ly. There is some talk that US farmers may Have a record supply from the 2016 crop yet to sell. CZ is near 3.86. There continues to be talk that US farmer may switch some corn acres to soybean in 2017. Still record supply could limit the support from lower acres unless 2017 US summer weather is below average. Ave guess for US 2016/17 corn carryout is near 2,378 mil bu vs USDA Dec est of 2,403. There was some reports that China may reduce feed grain imports and could offer corn by products for export. Weekly US ethanol production is expected to remain above last year. Margins remain positive. Ethanol export demand continues to increase but There is concern about slower DDG exports.

	USDA Dec. 1	Average of	Range of	USDA	USDA
	estimate	analysts'	analysts'	Sept. 1,	Dec. 1,
		estimates	estimates	2016	2015
Corn	_____	12.300	11.600-12.700	1.738	11.238

	USDA Jan.	Average of	Range of	USDA Dec.
	2016-17	analysts'	analysts'	2016-17
	end-stocks	estimates	estimates	end-stocks
	estimates			estimates
Corn	_____	2.385	2.206-2.800	2.403

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Wheat futures continues to attract new interest. Chicago and KC closed unchanged. Mls was slightly higher. Open Interest continues to inch higher since early Dec. Some link this to concern about cold weather across parts of US. EU and Russia winter wheat areas. Lack of US south plains moisture and talk of lower US 2017 winter Wheat acres may have also offered support. There is some rains forecasted for the US south plains. This could help crops there. Ave guess for US 2017 winter wheat acres is near 34.4 mil acres vs 36.1 ly. There was some talk that US spring wheat farmers may have increase 2016 cash sales near 5.60 or 5.15 cash to farmers. Ave guess for US Dec 1 wheat stocks is near 2,056 mil bu vs 1,746 ly. WH has rallied almost 35 cents from contract lows. US acreage report could be supportive. Large World supplies offers resistance.

	USDA Jan. estimate	Average of analyst estimates	Range of analyst estimates	USDA 2016 wheat plantings
All winter	_____	34.139	31.700-36.381	36.137
Hard red winter	_____	24.954	22.600-26.664	26.586
Soft red winter	_____	5.662	4.800-6.600	6.020
White winter	_____	3.473	3.200-4.300	3.531

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