

# Filtering Out the Noise: 2021 Crop Market Outlook

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## Key Crop Market Factors

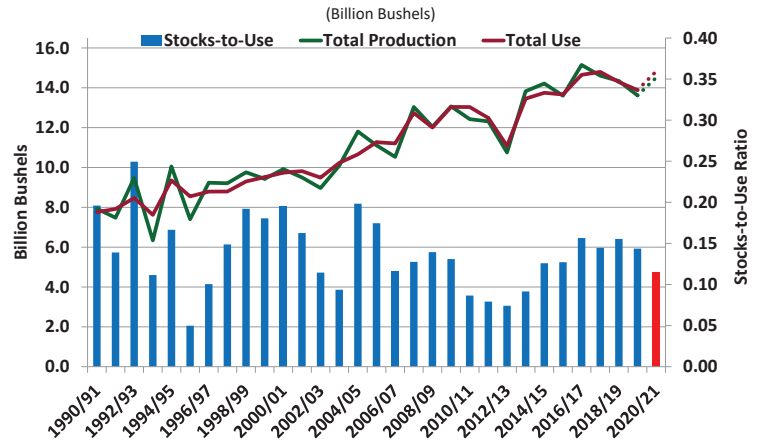
- Chinese purchases of U.S. ag products.
  - Feed demand is growing
  - Phase one trade agreement is helping reduce hurdles to trade, but it is unlikely purchasing targets will be met.
- South American weather and growing conditions.
- Managed hedge fund trading positions.
- Final U.S. crop yields and total production.

## U.S. Corn Supply & Demand Table

U.S. Corn	2018/2019	2019/2020 (Est.)	2020/2021 (Dec.)
Planted A.	88.9 Mill. A.	89.7 Mill. A.	91.0 Mill. A.
Harvested A.	81.3 Mill. A.	81.3 Mill. A.	82.5 Mill. A.
Yield/Harvest A.	176.4 bu.	167.5 bu.	175.8 bu.
Beginning Stocks	2,140 Mill. Bu.	2,221 Mill. Bu.	1,995 Mill. Bu.
Production	14,340 Mill. Bu.	13,620 Mill. Bu.	14,507 Mill. Bu.
Imports	28 Mill. Bu.	42 Mill. Bu.	25 Mill. Bu.
<b>Total Supply</b>	<b>16,509 Mill. Bu.</b>	<b>15,883 Mill. Bu.</b>	<b>16,527 Mill. Bu.</b>
Feed & Residual	5,429 Mill. Bu.	5,827 Mill. Bu.	5,700 Mill. Bu.
Food, Seed, Ind.	6,793 Mill. Bu.	6,282 Mill. Bu.	6,475 Mill. Bu.
Ethanol	5,378 Mill. Bu.	4,852 Mill. Bu.	5,050 Mill. Bu.
Exports	2,066 Mill. Bu.	1,778 Mill. Bu.	2,650 Mill. Bu.
<b>Total Use</b>	<b>14,288 Mill. Bu.</b>	<b>13,887 Mill. Bu.</b>	<b>14,825 Mill. Bu.</b>
Ending Stocks	2,221 Mill. Bu.	1,995 Mill. Bu.	1,702 Mill. Bu.

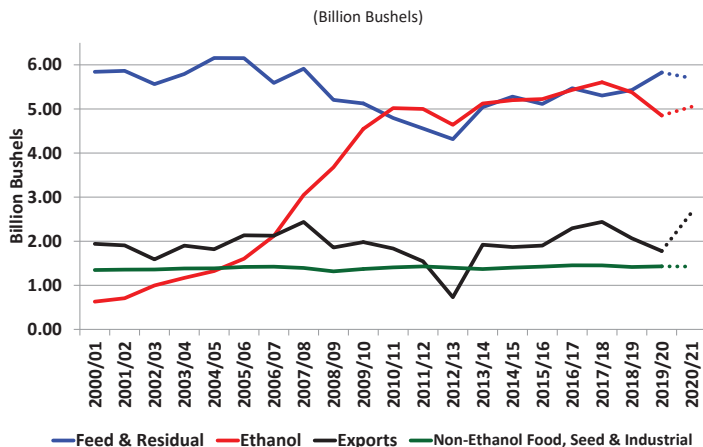
USDA WASDE – December 10, 2020

## U.S. Corn – Total Production & Use



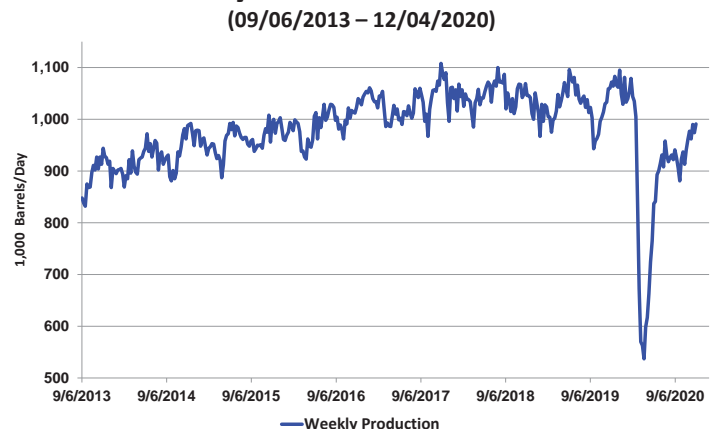
Dec. 10, 2020 WASDE Report & USDA – Feed Grains Data Base Table 4

## U.S. Corn - Total Use



Dec. 10, 2020 WASDE Report & USDA – Feed Grains Data Base Table 4

## Weekly Ethanol Production

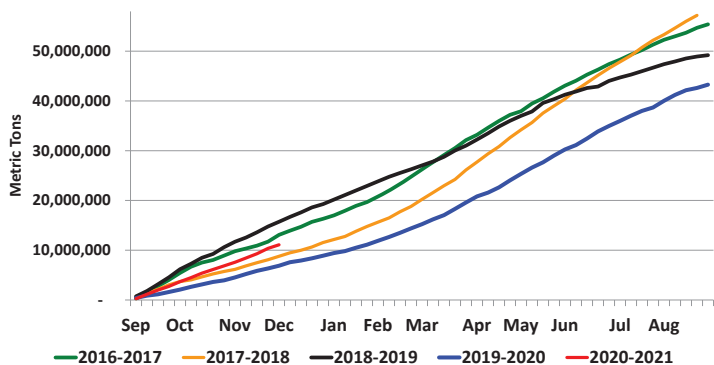


EIA Short Term Energy Outlook & EIA Custom Query

## Weekly U.S. Corn Export Shipments

(09/03/2015 – 12/03/2020)

Accumulated Shipments



USDA-FAS Weekly Export Sales Report

## U.S. Corn Export Destinations

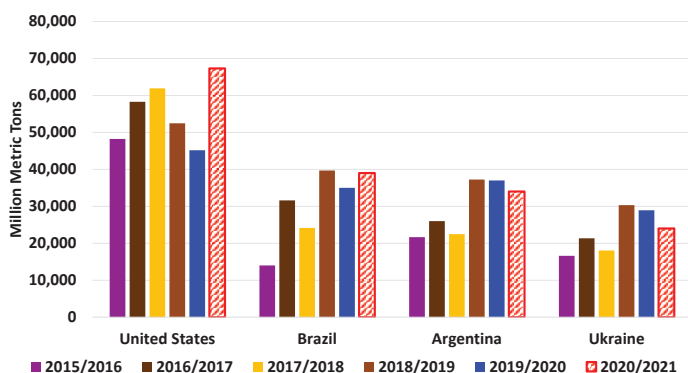
(1,000 Metric Ton)

Country	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*
Mexico	12,558.6	13,539.7	14,974.7	15,461.1	14,172.0	8,942.1
Japan	10,506.6	11,983.4	11,249.8	12,631.8	9,780.7	4,969.1
Colombia	4,629.5	4,438.9	4,965.0	4,672.7	4,851.2	1,904.6
South Korea	3,021.6	5,588.5	5,651.0	3,691.3	2,690.8	993.8
China	184.8	717.9	357.5	259.6	2,110.0	11,320.4
Guatemala	897.1	1,008.9	903.8	1,210.8	1,159.0	715.9
ROW	14,885.9	18,117.5	19,371.9	11,274.8	8,510.1	10,809.4
<b>Total</b>	<b>46,684.1</b>	<b>55,394.8</b>	<b>57,473.7</b>	<b>49,202.1</b>	<b>43,273.8</b>	<b>39,655.3</b>

\* Total export commitments as of 12/03/2020

USDA – FAS Export Sales Custom Query

## Major World Corn Exporters

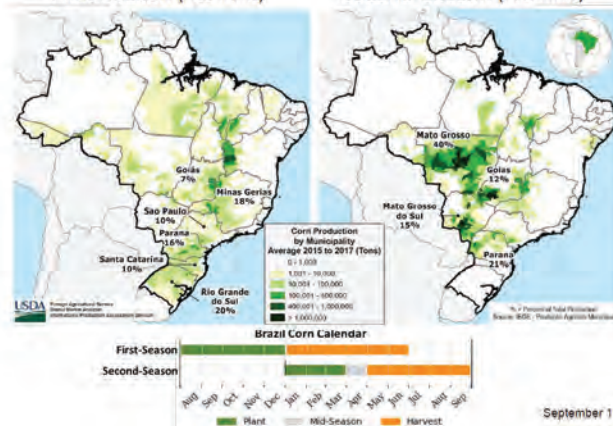


USDA – PSD Online Custom Query

## Brazilian corn production

First-Season (~25 mmt)

Second-Season (~75 mmt)



September 11, 2020

USDA Secretary WASDE Briefing – 09-11-20

## U.S. Soybean Supply & Demand Table

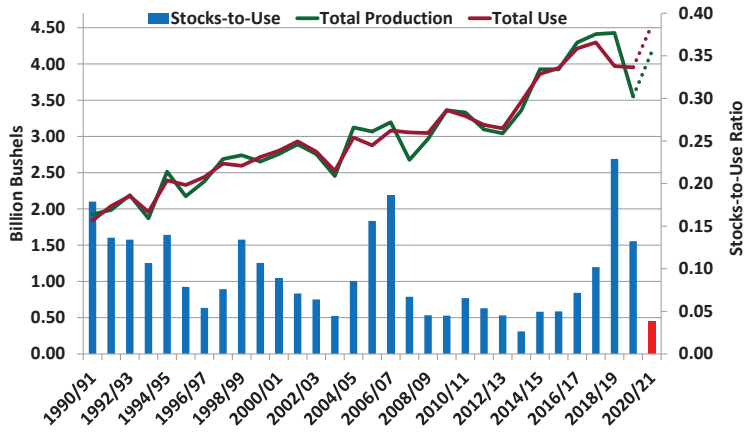
U.S. Soybean	2018/2019	2019/2020 (Est.)	2020/2021 (Dec.)
Planted A.	89.2 Mill. A.	76.1 Mill. A.	83.1 Mill. A.
Harvested A.	87.6 Mill. A.	74.9 Mill. A.	82.3 Mill. A.
Yield/Harvest A.	50.6 bu.	47.4 bu.	50.7 bu.
Beginning Stocks	438 Mill. Bu.	909 Mill. Bu.	523 Mill. Bu.
Production	4,428 Mill. Bu.	3,552 Mill. Bu.	4,170 Mill. Bu.
Imports	14 Mill. Bu.	15 Mill. Bu.	15 Mill. Bu.
<b>Total Supply</b>	<b>4,880 Mill. Bu.</b>	<b>4,476 Mill. Bu.</b>	<b>4,709 Mill. Bu.</b>
Crushings	2,092 Mill. Bu.	2,165 Mill. Bu.	2,195 Mill. Bu.
Exports	1,752 Mill. Bu.	1,676 Mill. Bu.	2,200 Mill. Bu.
Seed	88 Mill. Bu.	96 Mill. Bu.	103 Mill. Bu.
Residual	39 Mill. Bu.	16 Mill. Bu.	35 Mill. Bu.
<b>Total Use</b>	<b>3,971 Mill. Bu.</b>	<b>3,953 Mill. Bu.</b>	<b>4,534 Mill. Bu.</b>
Ending Stocks	909 Mill. Bu.	523 Mill. Bu.	175 Mill. Bu.

USDA WASDE – December 10, 2020

Questions?

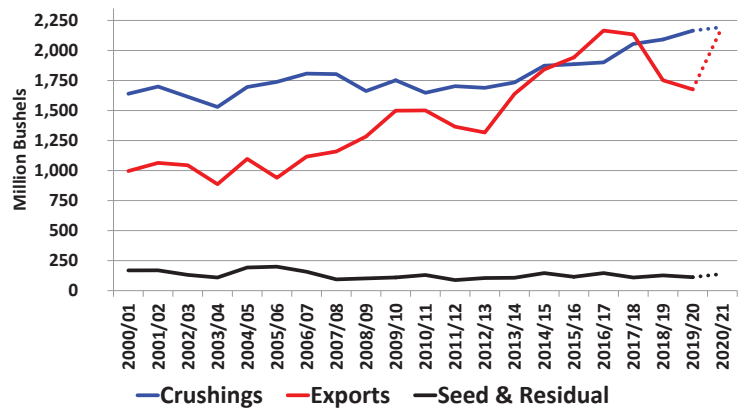
## U.S. Soybean – Total Prod. & Use

(Billion Bushels)



Dec. 10, 2020 WASDE Report & Oil Yearbook Table 3

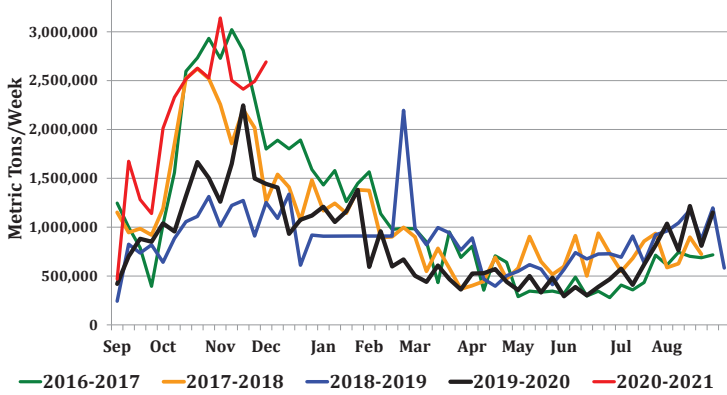
## U.S. Soybean Use



Dec. 10, 2020 WASDE Report & Oil Yearbook Table 3

## Weekly U.S. SB Export Shipments

(09/01/2013 – 12/03/2020)



USDA-FAS Weekly Export Sales Report

## U.S. Soybean Export Destinations

(1,000 Metric Ton)

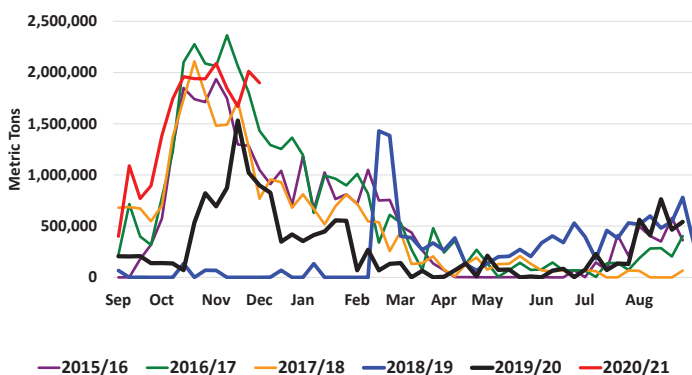
Country	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*
China	29,855.0	36,148.3	27,681.8	13,369.9	16,266.2	30,354.2
EU-27	5,804.9	4,759.6	5,701.1	7,898.1	5,389.4	2,105.6
Mexico	3,252.6	3,665.0	4,231.1	4,918.1	4,622.4	3,158.3
Egypt	295.4	807.2	2,436.5	2,704.7	3,798.2	1,660.7
Japan	2,145.6	2,137.2	2,153.5	2,437.1	2,272.7	992.9
Indonesia	2,028.6	2,296.9	2,424.8	2,435.7	2,219.8	922.8
Taiwan	1,232.9	1,292.7	1,812.0	1,572.0	1,748.6	1,143.2
ROW	6,224.2	7,010.8	9,909.2	11,434.1	8,617.2	12,568.9
<b>Total</b>	<b>50,839.2</b>	<b>58,117.7</b>	<b>56,350.0</b>	<b>46,770.3</b>	<b>44,934.5</b>	<b>52,906.6</b>

\* Total export commitments as of 12/03/2020

USDA – FAS Export Sales Custom Query

## Weekly U.S. SB Shipments to China

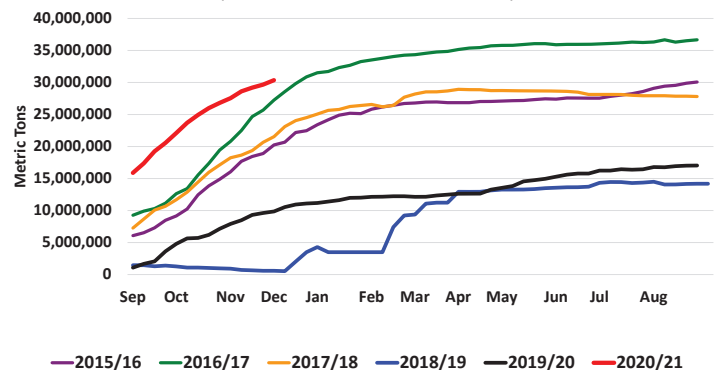
(09/01/2014 – 12/03/2020)



USDA-FAS Weekly Export Sales Report

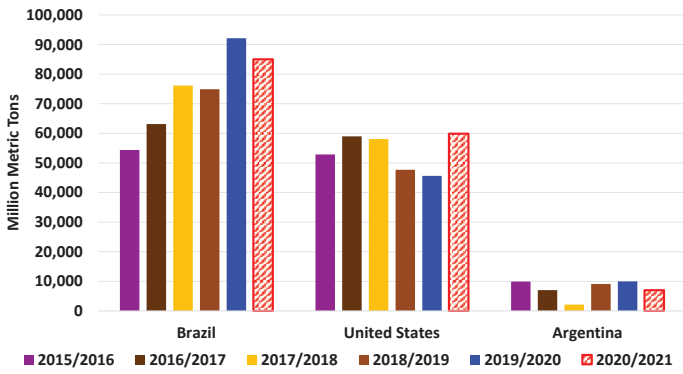
## Weekly U.S. Soybean Total Commitments by China

(09/01/2014 – 12/03/2020)



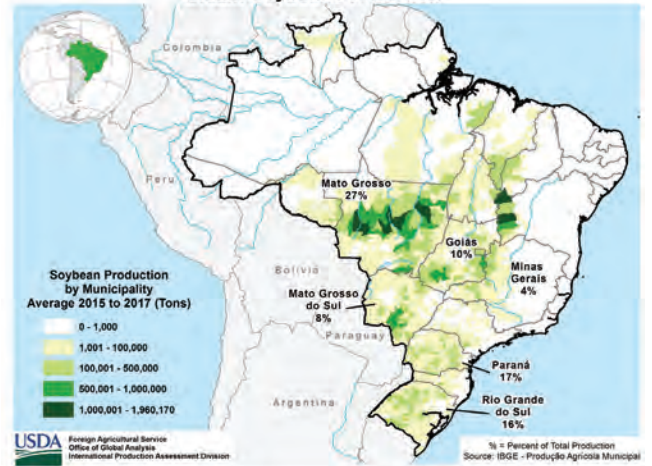
USDA-FAS Weekly Export Sales Report

# Major World Soybean Exporters



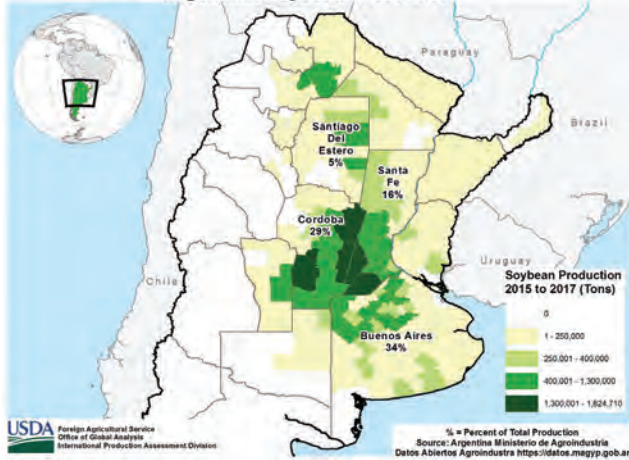
USDA – PSD Online Custom Query

## Brazil: Soybean Production



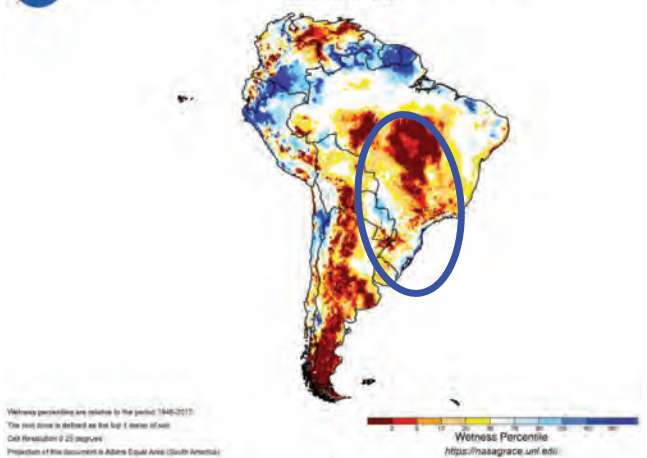
USDA Crop Explorer

## Argentina: Soybean Production



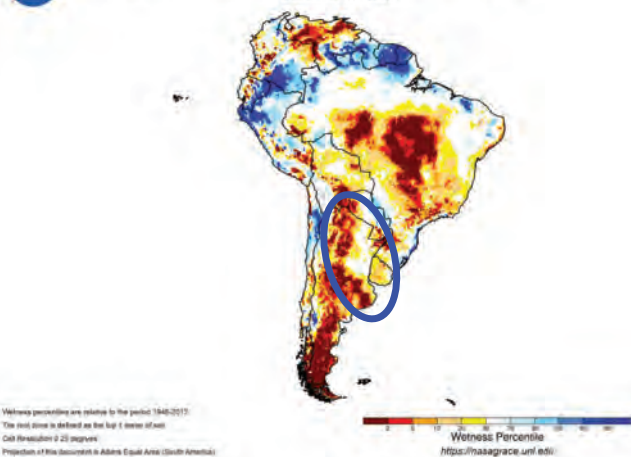
USDA Crop Explorer

## GRACE-Based Root Zone Soil Moisture Drought Indicator



NASA Gravity Recovery and Climate Experiment (GRACE) Satellites

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NASA Gravity Recovery and Climate Experiment (GRACE) Satellites

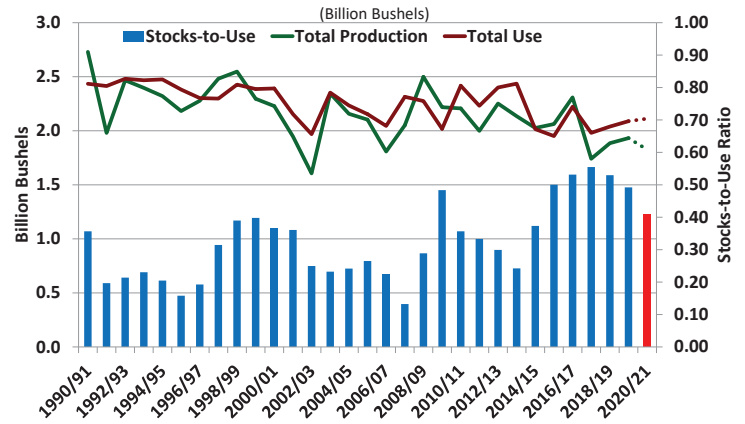
**Questions?**

## U.S. All Wheat Supply & Demand Table

U.S. All Wheat	2018/2019	2019/2020 (Est.)	2020/2021 (Dec.)
Planted A.	47.8 Mill. A.	45.5 Mill. A.	44.3 Mill. A.
Harvested A.	39.6 Mill. A.	37.4 Mill. A.	36.7 Mill. A.
Yield/Harvest A.	47.6 bu.	51.7 bu.	49.7 bu.
Begin Stocks	1,099 Mill. Bu.	1,080 Mill. Bu.	1,028 Mill. Bu.
Production	1,885 Mill. Bu.	1,932 Mill. Bu.	1,826 Mill. Bu.
Imports	135 Mill. Bu.	105 Mill. Bu.	120 Mill. Bu.
<b>Total Supply</b>	<b>3,119 Mill. Bu.</b>	<b>3,117 Mill. Bu.</b>	<b>2,974 Mill. Bu.</b>
Food	955 Mill. Bu.	962 Mill. Bu.	965 Mill. Bu.
Seed	59 Mill. Bu.	60 Mill. Bu.	62 Mill. Bu.
Feed & Residual	88 Mill. Bu.	101 Mill. Bu.	100 Mill. Bu.
Exports	1,102 Mill. Bu.	965 Mill. Bu.	985 Mill. Bu.
<b>Total Use</b>	<b>2,039 Mill. Bu.</b>	<b>2,089 Mill. Bu.</b>	<b>2,112 Mill. Bu.</b>
Ending Stocks	1,080 Mill. Bu.	1,028 Mill. Bu.	862 Mill. Bu.

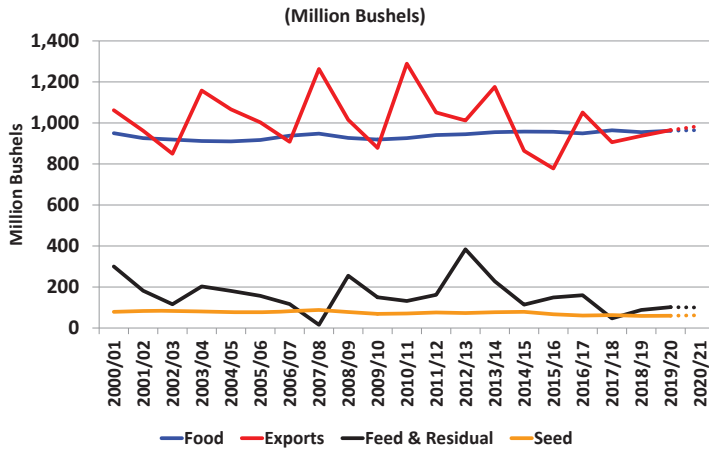
USDA WASDE – December 10, 2020

## U.S. All Wheat – Total Prod. & Use



Dec. 10, 2020 WASDE Report & Wheat Yearbook Table 6

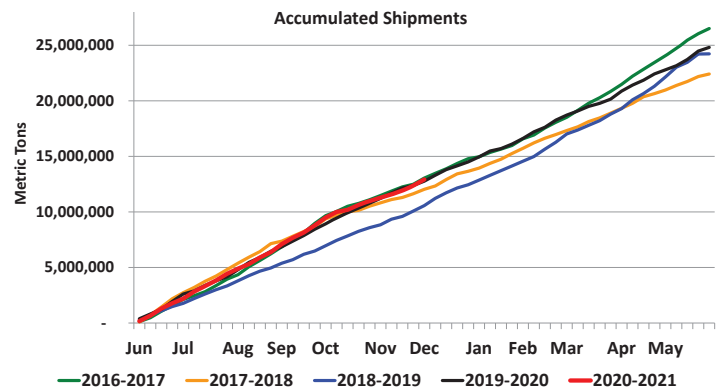
## U.S. All Wheat Use



USDA WASDE – Dec. 10, 2020 & USDA Wheat Yearbook -Table 5

## Weekly U.S. All Wheat Export Shipments

(06/04/2015 – 12/03/2020)



USDA-FSA Weekly Export Sales Report

## U.S. All Wheat Export Destinations

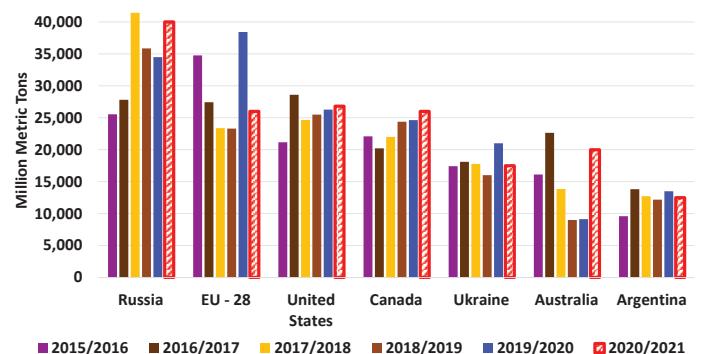
(1,000 Metric Ton)

Country	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*
Mexico	2,318.1	3,089.7	2,935.0	3,033.6	3,670.0	2,493.4
Philippines	2,118.4	2,729.2	2,474.2	3,046.7	3,141.9	2,448.6
Japan	2,434.0	2,819.7	2,692.7	2,695.4	2,575.4	1,794.5
Nigeria	1,401.2	1,540.4	1,170.7	1,563.9	1,564.4	856.9
South Korea	1,073.7	1,275.5	1,420.4	1,355.3	1,340.8	1,274.6
Taiwan	1,033.7	1,049.1	1,114.4	1,163.9	1,246.4	855.9
Indonesia	607.8	1,083.5	1,141.0	1,381.7	1,061.9	699.6
China	763.5	1,562.7	902.4	42.0	549.5	2,127.0
ROW	7,722.7	11,363.0	8,568.4	9,949.1	9,661.9	6,558.0
<b>Total</b>	<b>19,473.1</b>	<b>26,512.8</b>	<b>22,419.2</b>	<b>24,231.6</b>	<b>24,812.2</b>	<b>19,108.5</b>

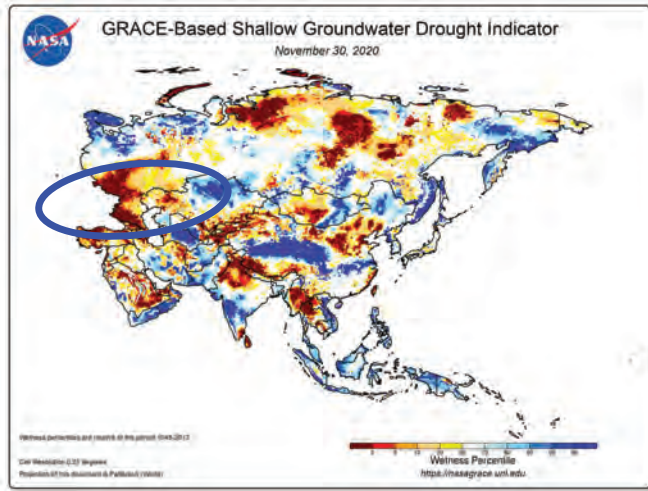
\* Total export commitments as of 12/03/2020

USDA – FAS Export Sales Custom Query

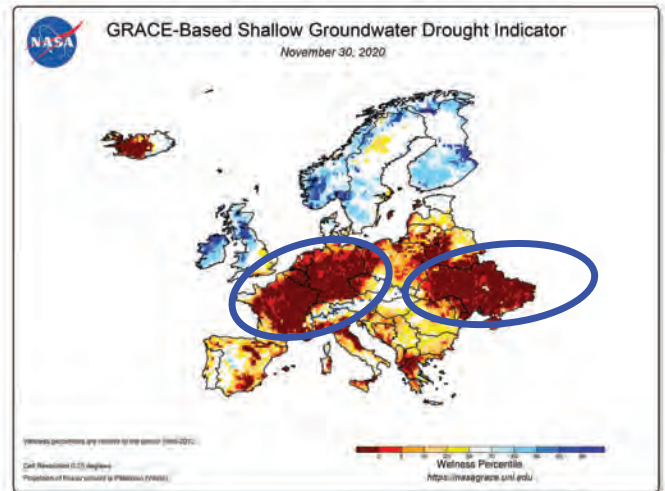
## Major World Wheat Exporters



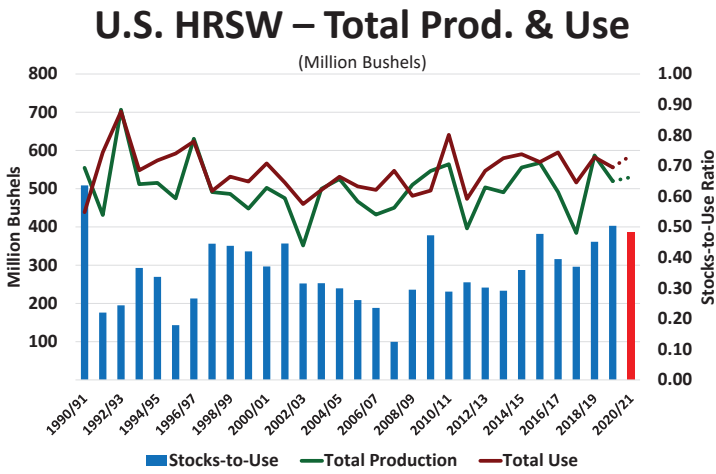
USDA – PSD Online Custom Query



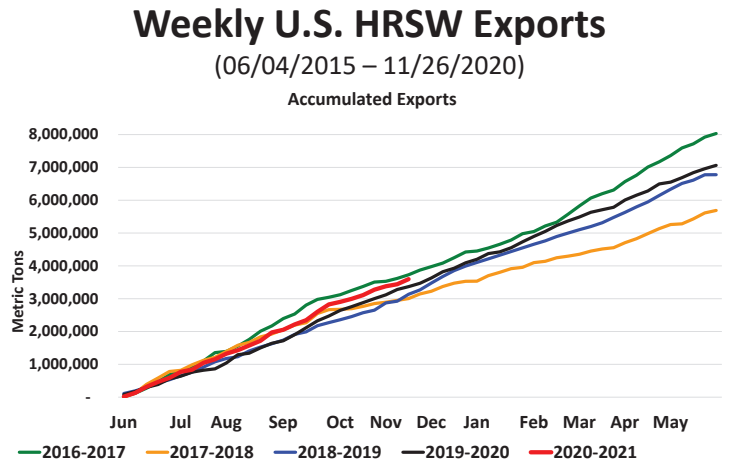
NASA Gravity Recovery and Climate Experiment (GRACE) Satellites



NASA Gravity Recovery and Climate Experiment (GRACE) Satellites



Dec. 10, 2020 WASDE Report & Wheat Yearbook Table 8



USDA-FSA Weekly Export Sales Report

## U.S. Hard Red Spring Wheat Export Destinations

(1,000 Metric Ton)

Country	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*
Philippines	1,138.5	1,657.3	1,247.6	1,760.4	1,732.1	1,363.0
Japan	850.6	1,048.3	995.9	863.7	987.8	663.7
Taiwan	593.0	568.0	626.0	624.5	658.2	484.3
South Korea	353.0	393.6	399.7	450.2	446.3	340.4
Bangladesh	0.0	110.5	0.0	391.7	380.6	0.0
Thailand	261.1	331.7	256.8	360.8	347.1	303.6
China	629.6	1,042.6	542.9	33.6	116.3	383.8
ROW	2,605.8	2,880.5	1,619.7	2,293.5	2,393.9	1,670.3
<b>Total</b>	<b>6,431.6</b>	<b>8,032.5</b>	<b>5,688.6</b>	<b>6,778.4</b>	<b>7,062.3</b>	<b>5,243.1</b>

Questions?

\* Total export commitments as of 12/03/2020

# 2021 Acreage

## My Assessment

- “Soybean/Corn Ratio”
  - 2.50 ≈ Neutral
  - 2.6 or higher ≈ Favors soybean
  - 2.4 or lower ≈ Favors corn
  - Currently ≈ 2.55
- Wheat acres:
  - HRWW ≈ same as 2020
  - SRWW slight increase from 2020
  - HRSW ≈ same or slightly lower than 2020

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