




November 11th Weekly Newsletter

11.8 WASDE Report

				
USDA Crop Production 24/25				
	Nov USDA	Avg Trade Estimate	Range of Estimates	Oct USDA
Corn Production	15.143	15.189	15.075-15.300	15.203
Corn Yield	183.1	183.7	182.5-185.0	183.8
Soybean Production	4.461	4.557	4.495-4.640	4.582
Soybean Yield	51.7	52.8	52.1-53.8	53.1
USDA US Ending Stocks (MM bu) 24/25				
	Nov USDA	Avg Trade Estimate	Range of Estimates	Oct USDA
Corn	1.938	1.946	1.828-2.071	1.999
Soybeans	470	532.000	475.000-585.00	550.000
USDA World Ending Stocks (MMT)				
	Nov USDA	Avg Trade Estimate	Range of Estimates	Oct USDA
Corn	304.14	305.70	304.00-308.52	306.52
Soybeans	131.74	134.06	132.88-135.01	134.65
Wheat	257.57	256.79	255.00-258.50	257.72

Corn: Corn yield decreased to 183.1 bpa vs 183.8 last month. The biggest MoM increases were seen in ND, SD, IN, and OH, while nearly all other states saw decreases – the biggest being IL and NE from a weighted acres standpoint. They continued to cut SE yields as well and the strong rail bids to the SE as of late have been hinting they are very deficit corn. Most surprising, however is the fact that there was no change to exports which is hard to grasp given the robust sales as of late. They did reduce China corn imports by 120MM bushels, and raised Mexico corn imports by 60MM bushels to 945MM bushels...just an unbelievably massive import number and would represent approximately 50% of total US exports on a “normal” year.

- If you’re a corn bull, probably the most “bullish” print today came by way of the soybean balance sheet getting less bearish (discussion on that below) – from a price perspective I think this has been a big overhang on the corn market. FWIW – our inflation-adjusted regression model projects fair value for corn at \$4.70/bu here.

Soybeans: Soybean yield came in at 51.7 bpa, down 1.4 bpa vs last month. The resulting 121MM bu drop in production was slightly offset by decreases in crush and exports of 15 and 25MM bu, respectively. Overall, carryout was reduced by 80MM bu and now sits at 470MM bushels. Nothing bullish about this, but certainly less burdensome. Our inflation-adjusted regression model projects \$10.89/bu as fair value for Soybean futures (obviously several headwinds to these values with tariffs becoming an issue again).



Exports: Weekly export sales this morning came in at a massive 108MM bushels which was well above even the highest analyst estimate. Mexico and "Unknown" are the featured buyers once again - with the unknown likely being a mix of EU and more Mexico business. Chart below shows accumulated exports to this point...we've recently moved our estimate higher to 2.5B bushels

- We have finally received official export and ethanol crush numbers for the month of September where both saw their highest totals since the 2018/19 crop year. Exports came in at 168MM bushels, which was 34% higher than last year's September. Over 91MM of the total were bushels shipped to Mexico, which is the second highest month ever with August the only one higher at 93MM. As for ethanol, crush for September came in at 440MM bushels, which is 10MM higher than last year and the third highest September on record.

CBOT Funds: Friday's COT report showed the managed money position actually switching to a net long for the first time since August of 2023, ending the streak for the longest consecutive net short position on record. The commercial(producer) net short also the largest since that timeframe as well.

