

USDA Crop Report Recap

June 11, 2020



US Carryout 2019-2020

	6/11/2020	5/12/2020	Change	Average Trade Guess
Corn	2.103	2.098	0.005	2.150
Soybeans	0.585	0.580	0.005	0.577
Wheat	0.983	0.978	0.005	0.979

In billion bushels

US Carryout 2020-2021

	6/11/20	Average Trade Guess
Corn	3.323	3.360
Soybeans	0.395	0.426
Wheat	0.925	0.897

In billion bushels

Items of note:

The bearish surprise was the upward revision of KS wheat production to 318.5 million bushels, just 20 million bushels below a year ago. This is offsetting any bullish input from declining private Russian production estimates. USDA elected to leave RUS production unchanged at 77.0 million metric tons (~ 2.83 billion bushels).

The bullish surprise was the new crop soybean carryout under 400 million bushels, nearly 50 million below the ATG.

The rest of the report was ho-hum. Old crop corn, soybeans and wheat carryout were raised 5 million bushels each. 2019 corn yield was lowered 0.4 bpa, proving yet again there is no statute of limitations on a USDA revision.

20 day Moving Averages:

- Corn CN0 3.23 ¼ (3.27 ½ last 11:35am)
- Soybeans SN0 8.50 ¼ (8.64 ½ last)
- KC Wheat KWN0 4.55 ¼ (4.46 ½ last)

Disappointing for price action to see KS production growing and July falling below the 20 day MA, still there is bullish hope due to Russian production and an overreaching fund short.