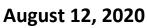
USDA Crop Report Recap





US Carryout 2020-2021

				Average
	8/12/2020	7/10/2020	Change	Trade Guess
Corn	2.756	2.648	0.108	2.814
Soybeans	0.610	0.425	0.185	0.517
Wheat	0.925	0.942	-0.017	0.943

In billion bushels

Row Crop Production Estimates

	Yield	Yield ATG	Production
Corn	181.8	180.4	15.278
Soybeans	53.3	51.3	4.425

Production in billion bushels

Items of note:

The bearish surprise were confined to the soybean market. USDA yield exceeded the ATG by 2 bpa, production was nearly 100 million more. Production did come in less than the well-followed StoneX production estimate by 70 million bushels. Market seems to be breathing a sigh of relief that USDA wasn't higher.

The bullish surprise was wheat. The all wheat carryout dropped by nearly 20 million bushels. Exports were raised 25 million bushels. HRW carryout dropped over 30 million bushels. Can the fund short in KC wheat be willing to defend its position given this inventory reduction?

Corn carryout was 100 million bushels below expectations. The S&D looks a little different today than some of the earlier projections around a 3.5 billion bushel carryout.

China has aggressive export programs lined up on US soybeans and milo, to a lesser extent corn. Markets are likely to grind higher to facilitate these exports.

20 day Moving Averages:

- Corn CU20 3.19 (3.14 last 11:36am)
- Soybeans SX20 8.87 ¾ (8.80 last)
- KC Wheat KWU20 4.34 (4.16 last)