

# USDA Crop Report Recap

## Quarterly Stocks and Prospective Plantings

### March 29, 2019



USDA Quarterly Stocks and Acres Report  
3/29/2019

	3/1 Quarterly		Prospective	
	Stocks	Estimate	Plantings	Estimate
Corn	8.605	8.335	92.792	91.332
Soybeans	2.716	2.683	84.617	86.169
Wheat	1.591	1.555	45.754	46.915

Quarterly stocks - billion bushels  
Plantings - million acres

Whatever one thinks of the corn acreage (likely outdated and overstated) the uniformly bearish stocks numbers are giving record shorts renewed confidence to push May corn to record lows and therefore well under all the key moving averages. The 20 day currently sits near \$3.71 ¼.

The most bullish thing in this report is the soybean acreage estimate, 1.5 million under the average trade guess. Of course, the soybean S&D remains by far the most bearish and easiest for the trade to ignore in terms of bullish inputs. The 20-day moving average is near \$9.01 ½ currently.

Wheat is trying to fight off the bearish corn S&D as US is currently the cheapest origin in the world for HRW. Without a more prominent weather issue developing in the Black Sea or US, expect wheat to follow and underperform corn action. KC May's 20 day moving average is at \$4.40.

The risk is to the upside in commodities, especially in corn in our view, after today's break due to:

- Record short positions in corn and KC wheat.
- A trade deal with the PRC still possible.
- A suboptimal start to field work and planting season with more rain in the near-term forecasts.



