

February 1, 2019

Grain futures closed higher today but well off of session highs. Trade opened higher last night and moved even higher into mid morning as clarification was made to POTUS' news conference yesterday citing China purchasing 5 mil mt/day of soybeans. It became clear the correct translation was an additional Chinese soybean purchase of 5 mil MT. CFTC has started releasing weekly COT "catch up" data. See page 5 for the estimated fund positions as of today Friday Feb 8, USDA will release the WASDE report including FINAL 18 crop numbers.

You can review charts on the KG web site.

Do you follow my tweets on Twitter?

<http://twitter.com/MikeSilverSr>

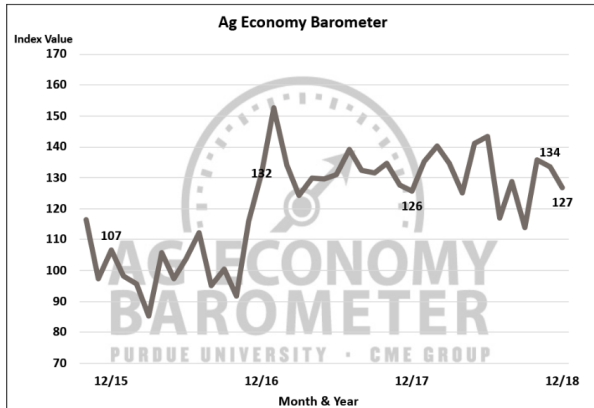


Figure 1. Purdue/CME Group Ag Economy Barometer, October 2015-December 2018.

<https://ag.purdue.edu/commercialag/>

**Each Thursday I do market analysis for
Hoosier AgToday (HAT)
Click this link to listen:**

[http://www.hoosieragtoday.com/
podcastplayer2.html](http://www.hoosieragtoday.com/podcastplayer2.html)

Futures Closes

2/01/2019

Commodity	Symbol	Close	Change
Mar 19 Corn	CH19	378.25	1.75
Dec 19 Corn	CZ19	402.25	2.25
Mar 19 Beans	SH19	917.75	2.50
Nov 19 Beans	SX19	957.25	1.75
SOYBEAN/CORN '19	SX19/CZ19	2.38	-0.01
Mar 19 Wheat	WH19	524.25	7.75
July 19 Wheat	WN19	532.00	5.00
US Dollar Index	DX	95.30	0.00
Crude Oil WTI	CLG19	55.35	1.56
Ethanol	AC	1.32	0.01
Today vs Last Friday Close	Today	Last Friday	Change
Mar 19 Corn	378.25	380.25	2.00
Dec 19 Corn	402.25	403.25	1.00
Mar 19 Beans	917.75	925.25	7.50
Nov 19 Beans	957.25	964.25	7.00
Mar 19 Wheat	524.25	520	4.25
July 19 Wheat	532.00	533	1.00

2018-19 USDA U.S. Grain Carryout (bln bu)

	USDA Dec 2018-19	Average Trade Est.	Range of Trade Est.	USDA Nov 2018-19
Corn	1.781	1.738	1.700-1.790	1.736
Soybeans	0.955	0.945	0.875-0.975	0.955
Wheat	0.974	0.956	0.924-0.984	0.949

2018-19 USDA World Grain Carryout (million tons)

	USDA Dec 2018-19	Average Trade Est.	Range of Trade Est.	USDA Nov 2018-19
Corn	308.80	307.59	304.19-310.00	307.51
Soybeans	115.33	112.79	110.80-114.00	112.08
Wheat	268.10	266.79	264.32-270.00	266.71

2018-19 USDA South American Production (million tons)

	USDA Dec 2018-19	Average Trade Est.	Range of Trade Est.	USDA Nov 2018-19
ARG Corn	42.50	42.43	41.00-43.00	42.50
ARG Soy	55.50	55.72	55.50-57.00	55.50
BRZ Corn	94.50	94.41	90.00-96.00	94.50
BRZ Soy	122.00	120.88	119.00-122.00	120.50

The next USDA Crop and WASDE reports will be released Friday February 8, 2019
The reports will include the final numbers for harvest '18.

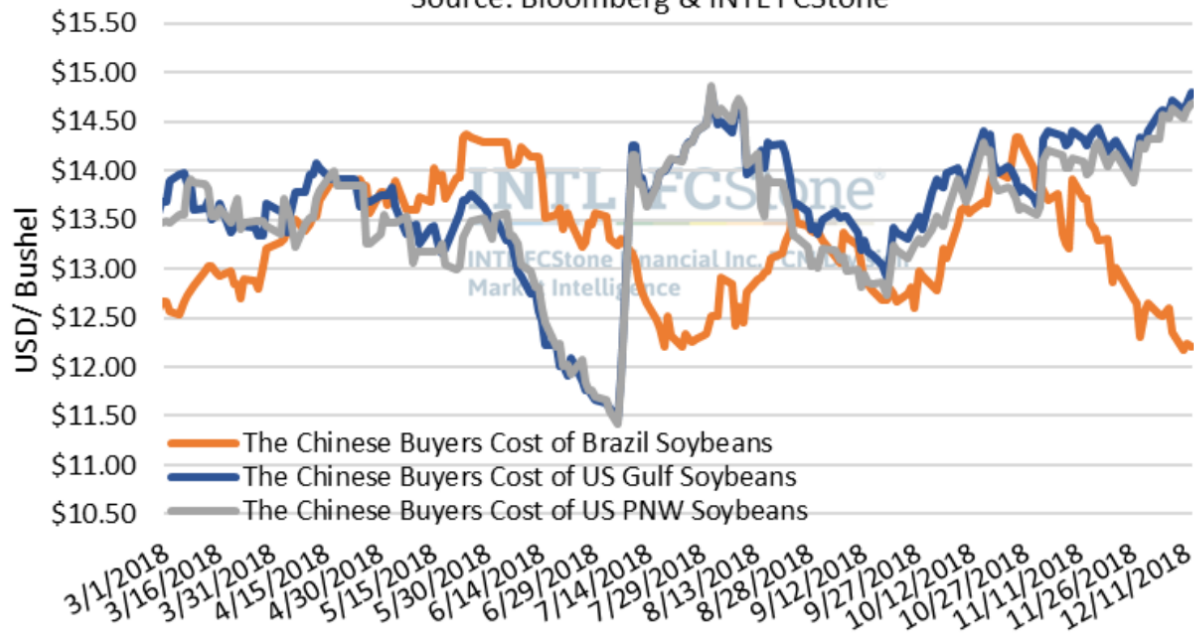
Click [the](#) following links for:

[USDA December Crop Report Briefing to Secretary Perdue](#)

[USDA December WASDE Report Briefing to Secretary Perdue](#)

US vs Brazil Soybean Price for Delivery to China

Source: Bloomberg & INTL FCStone



Comments from Arlan Suderman—FCStone

I figured there would be questions about what this is. So here you go.

I took the price from the Brazilian port in Santos and the US port in New Orleans. Then converted them both to USD per Bushel.

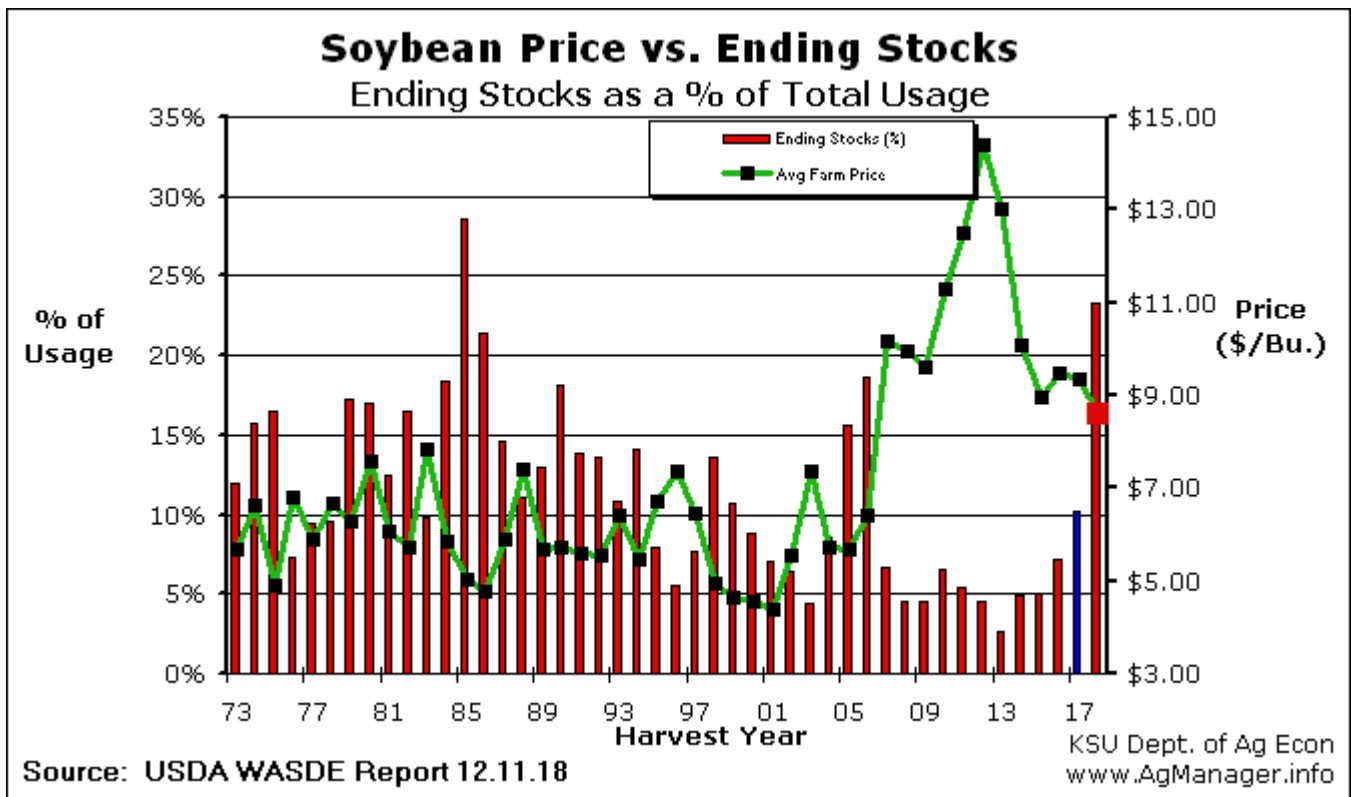
I then pulled the DAILY freight cost of both of these locations to North China. I converted this to USD per Bushel as well.

I then summed the Freight and the FOB Prices together to give me the cost delivered into North China.

Then I applied a 3% tariff and a 10% value added tax to all of the Brazil numbers and US numbers prior to July 6th, 2018.

For all United States numbers after July 6th, 2018. A 28% tariff and a 10% value added tax was added to the FOB value.

US Soybean Ending Stocks



The views and opinions expressed in this article are those of the author and do not necessarily reflect the official policy or position of Kokomo Grain



CFTC Funds Net (# cnts) Futures Only (COT REPORT)

Date	Corn	Soybeans	Wheat
12/12/2017	-198,920	12,455	-165,412
12/19/2017	-223,405	-52,487	-164,098
12/26/2017	-198,493	-71,377	-152,060
1/2/2018	-189,536	-87,843	-135,523
1/9/2018	-216,832	-85,708	-135,516
1/16/2018	-225,063	-105,705	-148,969
1/23/2018	-217,057	-81,218	-149,777
1/30/2018	-129,054	-23,142	-91,532
2/6/2018	-84,872	-84,872	-78,256
2/13/2018	-5,216	36,866	-46,973
2/20/2018	18,674	99,111	-60,157
2/27/2018	58,445	139,846	-54,560
3/6/2018	163,614	177,831	-21,600
3/13/2018	237,643	200,774	-27,366
3/20/2018	213,231	195,522	-56,107
3/27/2018	108,839	173,011	-78,107
4/3/2018	138,245	172,429	-71,963
4/10/2018	169,785	169,539	-44,861
4/17/2018	126,389	188,163	-46,960
4/24/2018	114,118	169,915	-50,507
5/1/2018	186,276	178,282	-18,940
5/8/2018	206,147	122,465	12,585
5/15/2018	184,773	101,072	-1,569
5/22/2018	190,935	94,796	8,819
5/29/2018	180,790	103,590	25,826
6/5/2018	78,696	65,177	23,058
6/12/2018	-12,238	105	25,135
6/19/2018	-57,451	-27,037	-4,861
6/26/2018	-90,764	-52,656	-12,068

Date	Corn	Soybeans	Wheat
7/3/2018	-107,396	-64,162	-1,251
7/10/2018	-140,994	-63,543	-1,266
7/17/2018	-165,965	-72,000	566
7/24/2018	-164,923	-73,359	22,603
7/31/2018	-95,613	-66,559	51,277
8/7/2018	-68,025	-63,066	66,351
8/15/2018	-60,139	-62,234	65,226
8/21/2018	-49,896	-42,027	57,447
8/28/2018	-79,305	-61,249	46,098
9/5/2018	-80,539	-69,799	35,997
9/11/2018	-83,882	-78,895	11,575
9/18/2018	-158,424	-82,217	-8,251
9/25/2018	-124,855	-60,126	227
10/2/2018	-67,387	-42,878	-11,708
10/9/2018	-39,399	-38,691	-18,098
10/16/2018	21,258	-31,112	-16,252
10/23/2018	27,903	-39,279	-30,023
10/30/2018	11,570	-69,915	-47,928
11/6/2018	14,562	-38,886	-41,965
11/13/2018	15,833	-49,485	-28,525
11/20/2018	-9,862	-53,179	-39,642
11/27/2018	-31,054	-59,303	-38,744
12/4/2018	39,910	-12,576	-27,025
12/11/2018	89,734	-683	-22,455
12/18/2018	124,427	13,166	-3,612
Wkly Change	34,693	13,849	18,843
Record +	409,444	240,937	73,662
Record -	-242,884	-93,790	-171,269
Est Today	79,880	5,761	-13,325
Change	4,000	8,000	6,000

12/18/2018	Corn	Soybeans	Wheat
COT Actual	124,427	13,166	-3,612
Est on date	99,427	-3,834	-10,612
Difference	(14,000)	(5,000)	(2,000)

You can do a deep dive analysis into CFTC COT data on the CME website at:

<http://www.cmegroup.com/tools-information/quikstrike/commitment-of-traders-fx.html>

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