



USDA March WASDE Report 3/8/19:

Corn:

- Raised 18/19 ending stocks 100 million bushels from 1.735 billion bushels to 1.835 billion bushels.
- Lowered 18/19 total usage 100 million bushels to 14.765 billion bushels (-75 exports, -25 ethanol).
- Raised World 17/18 ending stocks from 340.8 million metric tons to 341.2 million metric tons.
- Lowered World 18/19 ending stocks from 309.8 million metric tons to 308.5 million metric tons.

SUMMARY: Slightly negative with USDA trimming US corn ethanol by 25 million and exports by 75 million. The 100 million bushels increase to stocks puts carry-out at 1.835 billion, or 84 million bushels above the average trade guess and matching the high end of the range. Chinese demand in corn, DDGs, and ethanol are needed to lift prices. Market keys now would be cold/wet spring, planting delays, acreage shifts, and China. Market results due to the report were: Pre-report down 1; at release down 2; and at the close down 1.

Soybeans:

- Lowered 18/19 ending stocks 10 million bushels from 910 million bushels to 900 million bushels.
- Raised 18/19 total usage 10 million bushels to 4.102 billion bushels (+10 crush)
- Raised World 17/18 ending stocks from 98.1 million metric tons to 98.6 million metric tons.
- Raised World 18/19 ending stocks from 106.7 million metric tons to 107.2 million metric tons.

SUMMARY: The carry-out of 900 million bushels was very close the average trade guess of 904. USDA was content to leave exports unchanged at 1.875 billion bushels while raising crush 10 million. The higher crush did not increase meal output but the USDA met higher domestic meal use (up 100k) with a like increase in imports. No change in the Argentine crop and .5 million metric ton reduction to Brazil was not as great as expected. No change in China imports as it is still forecasted at 88 million, 6 million less than last year. Market will key on weather forecasts, the acreage report, and China. Market results due to the report were: Pre-report down 6; at release down 6; and at the close down 7.

Wheat:

- Raised 18/19 ending stocks 45 million bushels from 1.010 billion bushels to 1.055 billion bushels.
- Lowered 18/19 total usage 45 million bushels to 2.073 billion bushels (-5 food, -35 exports).
- Lowered World 17/18 ending stocks from 280.0 million metric tons to 279.6 million metric tons.
- Raised World 18/19 ending stocks from 267.5 million metric tons to 270.5 million metric tons.

SUMMARY: Slightly negative with a reduction in US exports and larger world ending stocks. US exports were lowered 35 million bushels, imports up 5 million bushels, and food use down 5. Result was an increase in ending stocks to 1.055 billion bushels, which was well above the average trade estimate of 1.019 billion bushels. World carry-out for 18/19 was also increased 3.0 million metric tons from last month. Key now will be northern hemisphere weather. At the moment, there are no major concerns among the US or major competitors. Market results due to the report were: Pre-report up 3; at release up 4; and at the close up 1.