



USDA November WASDE Report 11/8/19:

Corn:

- Lowered 19/20 ending stocks 19 million bushels from 1.929 billion bushels to 1.910 billion bushels.
- Lowered 19/20 yield 1.4 bushels per acre to 167.0 bushels per acre.
- Lowered 19/20 total supply 119 million bushels to 15.825 billion bushels (-119 production).
- Lowered 19/20 total usage 100 million bushels to 13.915 billion bushels (-50 exports, -25 feed, -25 ethanol).
- Lowered World 18/19 ending stocks from 324.0 million metric tons to 320.1 million metric tons.
- Lowered World 19/20 ending stocks from 302.6 million metric tons to 296.0 million metric tons.

SUMMARY: A slightly bullish report as the USDA reduced corn yield 1.4 bushels per acre from 168.4 last month to 167 this month (trade average at 167.5). Unchanged harvest acres plus yield reduction result in 13.661-billion-bushel production, down 118 million bushels from October. The bulk of the 118-million-bushel production drop was 86 million bushels in Minnesota (-3 bpa), Nebraska (-4), North Dakota (-4), and South Dakota (-3). The market will now focus on South American weather, politics, and the potentially large carry out in 2020/2021 if the US plants 94 to 95 million acres. Global ending stocks are 6.6 million metric tons lower at 296 million metric tons. Market results due to the report were: Pre-report down 2; at release up 5; and at the close up 2.

Soybeans:

- Raised 19/20 ending stocks 15 million bushels from 460 million bushels to 475 million bushels.
- Lowered 19/20 total usage 15 million bushels to 4.008 billion bushels (-15 crush)
- Lowered World 18/19 ending stocks from 109.9 million metric tons to 109.7 million metric tons.
- Raised World 19/20 ending stocks from 95.2 million metric tons to 95.4 million metric tons.

SUMMARY: A slightly bearish report as the market was expecting a 0.3-bushel reduction in yield and 200K harvested acre reduction which would equal a 30 million bushel carry out decline. Instead the USDA reported no change in acreage or yield but a 15 million bushel decrease in crush, so carry out increased to 475 million bushels (460 last month). Market will now focus on politics and weather. Market results due to the report were: Pre-report down 4; at release down 5; and at the close down 5.

Wheat:

- Lowered 19/20 ending stocks 29 million bushels from 1.043 billion bushels to 1.014 billion bushels.
- Raised 19/20 yield 0.1 bushels per acre to 51.7 bushels per acre.
- Lowered 19/20 harvested acres 0.9 million acres to 37.2 million acres.
- Lowered 19/20 total supply 41 million bushels to 3.120 billion bushels (-41 production).
- Lowered 19/20 total usage 12 million bushels to 2.106 billion bushels (-5 food, -7 seed).
- Raised World 18/19 ending stocks from 277.7 million metric tons to 277.9 million metric tons.
- Raised World 19/20 ending stocks from 287.8 million metric tons to 288.3 million metric tons.

SUMMARY: The USDA kept surprises to a minimum as US ending stocks were trimmed a bit from its October estimate and versus the last couple of years, but remains a very comfortable stockpile of 1.014 billion bushels. Spring wheat re-survey drove most of the decline in supply with production estimates in North Dakota and Montana of note with the largest drop. World wheat production was mostly steady from last month as world stocks increased only slightly to 288.3 million metric tons. Market results due to the report were: Pre-report down 1; at release up 2; and at the close down 2.