



USDA March Quarterly Stocks & Acreage Report 3/29/19:

Corn:

- US grain stocks as of March 1st came in at 8.605 billion bushels, 288 million above the trade average.
- Acreage report came in at 92.8 million acres, 1.5 million acres above the average trade estimate.

SUMMARY: This report was not friendly as both stocks and acreage report were well off the average trade guesses. March 1st stock number of 8.6 billion bushels was 300 million bushels over the average trade estimate. Using new crop planted acres of 92.8 (1.5 million acres above average and over the highest guess of 92.7) and harvested of 85.3, implies March 1st stocks just found around 3.5 bushels per acre. Old crop carry-out should be heading towards the 2.2-billion-bushel mark and new crop could hit 2.3 with trend line yields. Market results due to the report were: Pre-report down 4; at release down 6; and at the close down 17.

Soybeans:

- US grain stocks as of March 1st came in at 2.716 billion bushels, 12 million below the trade average.
- Acreage report came in at 84.6 million acres, 1.6 million acres lower than the average trade estimate.

SUMMARY: Soybeans sat on the side lines following the report and watched corn get pummeled. The 2.716-billion-bushel March 1st stocks number was 12 million less than the average trade but well within what analysts were projecting. Prospective plantings of 84.6 million acres were 1.6 million below average trade estimates and towards the lower end of the 84.3 – 88.0 trade range. Total crop acres estimated to be down 4.6 million, seems like too big of drop and could mean more bean acres coming in future reports. Market results due to the report were: Pre-report down 2; at release up 1; and at the close down 5.

Wheat:

- US grain stocks as of March 1st came in at 1.591 billion bushels, 40 million above the trade average.
- Acreage report came in at 45.8 million acres, 1.1 million acres lower than the average trade estimate.

SUMMARY: Wheat reports were a mixed bag. March 1st stocks number of 1.591 billion bushels were bearish, however reflecting an upward revision in December 1st stocks and December through February feed/residual use that was slightly below expectations. Prospecting planting estimate of 45.8 million acres was well below the average trade guess of 46.9. The planting report for HRS is supportive but the generally favorable winter wheat conditions in the northern hemisphere is bearish, weakness in corn could continue to weigh on rally attempts. Market results due to the report were: Pre-report down 6; at release down 8; and at the close down 7.