

## SOYBEANS

**SOYBEANS:** US ending stocks for 2024/25 are estimated at 470 million bushels, compared to 467 million expected (range 430-500 million) and 470 in November. USDA opted to make no US balance sheet changes in beans and soymeal. Soybean oil ending stocks were adjusted down from 1.536 million pounds in November to 1.506 million this month. World ending stocks for 2024/25 were 131.87 million tonnes, versus 132.3 million expected (range 130.9-134.7 million) and 131.7 in November. Brazil production for 2024/25 came in at 169.0 million tonnes versus 169.4 million expected (range 166.2-171 million) and 169 in November. Argentina production for 2024/25 came in at 52.0 million tonnes versus 50.7 million expected (range 51-54 million) and 51 in November. Recent rains in Argentina improved the crop enough for USDA to bump up their number.

**PRICE OUTLOOK:** With no changes to the US balance sheet at all, USDA opted to wait until the January report to make any adjustments. Soybean oil's balance sheet was tightened slightly, as expected, after very large export sales recently prompted USDA to raise their export figure this month. Price action for beans has been sideways for the last 10 days, and today's report offers nothing to prompt a breakout in either direction. The current bearish themes of favorable weather in South America, a strong US dollar, and tariff fears will continue. March beans may have difficulty sustaining any bounce above 1017 resistance until new bullish fundamental inputs pop up. The contract low at 973 1/2 is vulnerable.

USDA SUPPLY/DEMAND				
US SOYBEANS	Dec	Dec	Nov	Dec
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (MAcres)				
<b>Planted</b>	<b>87.5</b>	<b>83.6</b>	<b>87.1</b>	<b>87.1</b>
Harvested	86.2	82.3	86.3	86.3
<b>Yield (Bu/Acre)</b>	<b>49.6</b>	<b>50.6</b>	<b>51.7</b>	<b>51.7</b>
Beginning Stocks (M Bu)	274	264	342	342
Production	4,270	4,162	4,461	4,461
Imports	25	21	15	15
<b>Supply, Total</b>	<b>4,569</b>	<b>4,447</b>	<b>4,818</b>	<b>4,818</b>
Crushings	2,212	2,287	2,410	2,410
Exports	1,980	1,695	1,825	1,825
Seed	75	78	78	78
Residual	39	45	35	35
Use, Total	4,305	4,105	4,348	4,348
<b>Ending Stocks</b>	<b>264</b>	<b>342</b>	<b>470</b>	<b>470</b>
<b>Stocks/Use Ratio</b>	<b>6.1%</b>	<b>8.3%</b>	<b>10.8%</b>	<b>10.8%</b>
USDA SUPPLY/DEMAND				
WORLD SOYBEANS	Dec	Dec	Nov	Dec
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
(Million Metric Tons)				
Supply				
Beginning Stocks	92.90	101.10	112.42	112.16
<b>Production</b>	<b>378.16</b>	<b>394.87</b>	<b>425.40</b>	<b>427.14</b>
Imports	167.89	177.66	177.91	178.18
Use				
Crush, Domestic	315.04	330.93	346.15	347.42
Total Domestic	366.09	383.99	402.28	403.64
Exports	171.75	177.47	181.71	181.97
<b>Ending Stocks</b>	<b>101.10</b>	<b>112.16</b>	<b>131.74</b>	<b>131.87</b>
<b>Stocks/Use Ratio</b>	<b>27.6%</b>	<b>29.2%</b>	<b>32.7%</b>	<b>32.7%</b>

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## CORN

**CORN:** US ending stocks for 2024/25 are estimated at 1.738 billion bushels, compared to 1.902 billion expected (range 1.863-1.995 billion) and 1.938 in November. USDA made two balance sheet changes including raising ethanol 50 million bushels, and exports 150 million bushels, which resulted in the more significant than expected drop in US ending stocks. World ending stocks for 2024/25 came in lower than expected at 296.4 million tonnes versus 303.7 million expected (range 302-305.5 million) and 304.1 in November. Ukraine corn was raised slightly, and Mexico's corn imports were lowered 800,000 tonnes. China's corn crop was lowered 2 million tonnes. Brazil's production for 2024/25 was 127 million tonnes, versus 127.1 million expected (range 125-128.3 million) and unchanged from November. Argentina's production for 2024/25 was 51 million tonnes, versus 50.7 million expected (range 49-51.5 million) and unchanged from November.

**PRICE OUTLOOK:** The report featured tighter than expected US ending stocks as demand categories were increased. The increased exports were expected, the increase in ethanol was up in the air but USDA decided not to wait until the January report. March Corn prices have moved higher heading into the report and are now testing the November highs of 447 3/4. The fall high made in early October is 452 1/4 and longer-term 200-day moving average resistance stands at 451 1/2. March is now up more than \$0.20 since the late November low. 50% retracement resistance from the summer highs to the August lows stands at 456 and prices may struggle to sustain any rally above that level as long as weather in South America remains favorable. However, today's friendly report will keep a bid under the market on reasonable pullbacks.

USDA SUPPLY/DEMAND				
US CORN	Dec	Dec	Nov	Dec
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (M Acres)				
<b>Planted</b>	<b>88.2</b>	<b>94.6</b>	<b>90.7</b>	<b>90.7</b>
Harvested	78.7	86.5	82.7	82.7
<b>Yield (Bu/Acre)</b>	<b>173.4</b>	<b>177.3</b>	<b>183.1</b>	<b>183.1</b>
Beginning Stocks (M Bu)	1,377	1,360	1,760	1,760
Production	13,651	15,341	15,143	15,143
Imports	39	28	25	25
<b>Supply, Total</b>	<b>15,066</b>	<b>16,729</b>	<b>16,928</b>	<b>16,928</b>
Feed & Residual	5,486	5,807	5,825	5,825
Food, Seed & Industry	6,558	6,869	6,840	6,890
Ethanol for Fuel	5,176	5,478	5,450	5,500
Domestic Total	12,044	12,676	12,665	12,715
Total Exports	1,662	2,292	2,325	2,475
Use, Total	13,706	14,969	14,990	15,190
<b>Ending Stocks</b>	<b>1,360</b>	<b>1,760</b>	<b>1,938</b>	<b>1,738</b>
<b>Stocks/Use Ratio</b>	<b>9.9%</b>	<b>11.8%</b>	<b>12.9%</b>	<b>11.4%</b>
USDA SUPPLY/DEMAND				
WORLD CORN	Dec	Dec	Nov	Dec
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
(Million Metric Tons)				
Supply				
Beginning Stocks	314.04	304.66	314.22	316.22
<b>Production</b>	<b>1,163.38</b>	<b>1,229.63</b>	<b>1,219.40</b>	<b>1,217.89</b>
Imports	173.40	197.13	183.41	183.92
Use				
Feed, Domestic	735.47	772.78	776.50	779.36
Total Domestic	1,172.76	1,218.07	1,229.48	1,237.66
Exports	180.34	193.03	189.83	193.04
<b>Ending Stocks</b>	<b>304.66</b>	<b>316.22</b>	<b>304.14</b>	<b>296.44</b>
<b>Stocks/Use Ratio</b>	<b>26.0%</b>	<b>26.0%</b>	<b>24.7%</b>	<b>24.0%</b>

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### WHEAT

**WHEAT:** U.S. 2024/25 U.S. ending stocks came in at 795 million bushels versus 815 million expected (range 787-837 million) and 815 in November. USDA made 2 balance sheet changes, a slight increase in wheat imports and a 25 million bushel increase in wheat exports from last month. This resulted in the 20-million-bushel decline in ending stocks from November. World ending stocks for 2024/25 came in at 257.9 million tonnes versus 257.5 million expected (range 255-260 million) and 257.6 in November. USDA lowered EU wheat 1.3 million tonnes and dropped EU and Russian wheat exports 1 million tonnes each, while increasing Ukraine's exports by 500,000 tonnes.

**PRICE OUTLOOK:** Although wheat ending stocks were lower than expected, the decline was not significant enough to spark a futures rally and prices are slightly higher on the day. March Chicago wheat hit a new contract low last week and has bounced and is now sitting on 20-day moving average resistance, which the market has not closed above since October 11th. If prices can muster a close above that level today, it would open the door for a further rally to more significant resistance at 584. With today's report numbers for corn bullish, wheat is likely to see some spillover support as well.

USDA SUPPLY/DEMAND				
US WHEAT	Dec			
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (M Acres)				
Planted	45.8	49.6	46.1	46.1
Harvested	35.5	37.1	38.5	38.5
<b>Yield (Bu/Acre)</b>	<b>46.5</b>	<b>48.7</b>	<b>51.2</b>	<b>51.2</b>
Beginning Stocks (M Bu)				
Production	1,650	1,804	1,971	1,971
Imports	122	138	120	125
<b>Total Supply</b>	<b>2,446</b>	<b>2,512</b>	<b>2,788</b>	<b>2,793</b>
Food				
Seed	68	62	62	62
Feed/Residual	74	85	120	120
Domestic Total	1,114	1,108	1,148	1,148
Total Exports	762	707	825	850
Use, Total	1,876	1,815	1,973	1,998
<b>Ending Stocks</b>	<b>570</b>	<b>696</b>	<b>815</b>	<b>795</b>
<b>Stocks/Use Ratio</b>	<b>30.4%</b>	<b>38.3%</b>	<b>41.3%</b>	<b>39.8%</b>
USDA SUPPLY/DEMAND				
WORLD WHEAT	Dec			
	USDA	USDA	USDA	USDA
(Million Metric Tons)	22-23	23-24	24-25	24-25
Supply				
Beginning Stocks	273.76	274.03	266.25	267.41
<b>Production</b>	<b>789.89</b>	<b>791.24</b>	<b>794.73</b>	<b>792.95</b>
Imports	213.25	221.89	210.01	209.55
Use				
Feed, Domestic	152.82	159.10	152.90	152.60
Total Domestic	789.63	797.86	803.41	802.47
Exports	221.74	221.39	214.67	213.65
<b>Ending Stocks</b>	<b>274.03</b>	<b>267.41</b>	<b>257.57</b>	<b>257.88</b>
<b>Stocks/Use Ratio</b>	<b>34.7%</b>	<b>33.5%</b>	<b>32.1%</b>	<b>32.1%</b>

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## COTTON

USDA SUPPLY/DEMAND				
COTTON	Dec	Dec	Nov	Dec
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (M Acres)				
<b>Planted</b>	<b>13.75</b>	<b>10.23</b>	<b>11.17</b>	<b>11.17</b>
Harvested	7.29	6.44	8.63	8.63
Yield (Lb/Acre)	953	899	789	792
Beginning Stocks (M Bales)	4.60	4.65	3.15	3.15
Production	14.47	12.07	14.19	14.26
Imports	0.00	0.00	0.01	0.01
<b>Supply, Total</b>	<b>19.07</b>	<b>16.72</b>	<b>17.35</b>	<b>17.41</b>
Domestic Use	2.05	1.85	1.80	1.80
Exports	12.45	11.75	11.30	11.30
Use, Total	14.50	13.60	13.10	13.10
Unaccounted	-0.08	-0.03	-0.05	-0.09
<b>Ending Stocks</b>	<b>4.65</b>	<b>3.15</b>	<b>4.30</b>	<b>4.40</b>
<b>Stocks/Use Ratio</b>	<b>32.1%</b>	<b>23.2%</b>	<b>32.8%</b>	<b>33.6%</b>

USDA SUPPLY/DEMAND	Dec	Dec	Nov	Dec
WORLD COTTON	USDA	USDA	USDA	USDA
(Million 480-lb Bales)	22-23	23-24	24-25	24-25
Supply				
Beginning Stocks	70.88	75.78	74.59	74.16
<b>Production</b>	<b>116.30</b>	<b>113.03</b>	<b>116.18</b>	<b>117.39</b>
Imports	37.74	44.01	42.15	42.25
Use				
Domestic	112.64	113.83	115.22	115.79
Exports	36.65	44.61	42.18	42.26
Loss	-0.27	-0.21	-0.23	-0.27
<b>Ending Stocks</b>	<b>75.90</b>	<b>74.59</b>	<b>75.75</b>	<b>76.02</b>
<b>Stocks/Use Ratio</b>	<b>67.4%</b>	<b>65.5%</b>	<b>65.7%</b>	<b>65.7%</b>

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