

SOYBEANS

SOYBEANS: U.S. 2024/25 soybean yield remained unchanged at 53.2 bushels/acre versus the average estimate of 53.5 and August's 53.2. The range of expectations was 52 to 54.9. The average yield change over the past few years from August to September reports has been 1 BPA. USDA yields in September came in above the average guess in 2013–2021, but below the average guess the last two years. The final yield in January has been lower than the August yield in 6 of the previous 7 years. Harvested acres were unchanged from August at 86.3 million. The average estimate was 86.3 million acres, and the range was 86 to 86.3. Harvested area was raised an unexpected 1 million acres in the August report but left unchanged today. Production is estimated at 4.586 billion bushels versus 4.596 billion expected (range 4.477–4.74 billion) and 4.589 in the August report. U.S. ending stocks for 2024/25 are estimated at 550 million bushels, compared to 568 million expected (range 433–670 million) and 560 in August. Old crop stocks were lowered by 5 million bushels, and there was a slight reduction in residual, but other than that, the balance sheet was left unchanged. 2023/24 soybean ending stocks came in at 340 million bushels versus 343 million expected (range 330–371 million) and 345 million in the August report. The balance sheet had only a minor 5 million bushel increase in crush, but the rest was unchanged. World ending stocks for 2024/25 came in at 134.6 million tonnes versus 134 million expected (range 132.4–136 million) and 134.3 in August.

PRICE OUTLOOK: Today's report had very few changes to the balance sheet and most importantly, yield was left unchanged. This reduces worries that the Pro Farmer tour results meant the crop yield could be significantly raised in this report. With those fears gone, prices are holding slightly higher post-report. November beans rallied \$0.76 from the August low to the early September highs, and this report does little to provide further price direction. U.S. harvest is on the doorstep, and rallies will be opportunities for hedgers to sell bushels. Today's new crop ending stocks are still burdensome, well above last year's, and harvest hedge pressure will limit the extent of rallies until the bulk of the harvest is over. Look for strong resistance if prices test the 1030 level on November beans. Pullback support stands at 984.

USDA SUPPLY/DEMAND				
US SOYBEANS	Sep	Sep	Aug	Sep
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (MAcres)				
Planted	87.5	83.6	87.1	87.1
Harvested	86.2	82.4	86.3	86.3
Yield (Bu/Acre)	49.6	50.6	53.2	53.2
Beginning Stocks (M Bu)	274	264	345	340
Production	4,270	4,165	4,589	4,586
Imports	25	20	15	15
Supply, Total	4,569	4,449	4,949	4,941
Crushings	2,212	2,295	2,425	2,425
Exports	1,980	1,700	1,850	1,850
Seed	75	78	78	78
Residual	39	36	36	38
Use, Total	4,305	4,109	4,389	4,391
Ending Stocks	264	340	560	550
Stocks/Use Ratio	6.1%	8.3%	12.8%	12.5%
USDA SUPPLY/DEMAND				
WORLD SOYBEANS	Sep	Sep	Aug	Sep
(Million Metric Tons)	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Supply				
Beginning Stocks	92.57	100.86	112.36	112.25
Production	378.70	394.75	428.73	429.20
Imports	167.82	177.86	177.28	177.74
Use				
Crush, Domestic	315.41	330.11	346.58	346.67
Total Domestic	366.47	383.28	402.84	402.98
Exports	171.76	177.95	181.22	181.63
Ending Stocks	100.86	112.25	134.30	134.58
Stocks/Use Ratio	27.5%	29.3%	33.3%	33.4%

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CORN

CORN: U.S. 2024/25 corn yield came in at 183.6 bushels/acre versus the average estimate of 182.7 and 183.1 in August. The range of expectations was 180.5 to 184. This is a bit of a surprise as most were looking for a yield cut after the dry finish to the growing season. The average change from August yield to September over the last three years has been 2 BPA, and September yield has been above guesses every year since 2015 and 21 out of the last 26 years, and this report adds another year to that list. Harvested acres were unchanged from August at 82.7 million. The average estimate was 82.7 million acres, and the range was 82.2 to 82.7. Harvested acres were lowered in the August report. Corn production came in at 15.186 billion bushels, versus 15.105 billion expected (range 14.932-15.215 billion) and 15.147 billion in the August report. U.S. ending stocks for 2024/25 came in at 2.057 billion bushels, versus the expected 2.033 billion (range 1.819-2.161 billion) and 2.073 billion in August. Beginning stocks were lowered by 55 million bushels, and the higher yield increased production by 39 million. No other changes were made to the balance sheet, resulting in the 16 million bushel decrease in ending stocks from last month. 2023/24 ending stocks came in below the range of expectations at 1.812 billion bushels. The average estimate was 1.859 billion, and the range was 1.817-1.927 billion. This was also lower than the August estimate of 1.867 billion. The old crop balance sheet featured increases in ethanol and exports, resulting in a drop of 55 million bushels in ending stocks from August. World corn ending stocks for 2024/25 were 308.4 million tonnes, versus 309.4 million expected (range 307-312 million) and 310.2 million in August.

PRICE OUTLOOK: True to history, USDA yields came out well above the average guess, but increases in old crop demand kept ending stocks down from last month. Prices have pulled back slightly on December corn post-report but not dramatically. If the market can climb back toward unchanged or even higher at the close today, that would be additional evidence that prices made an important low in August. Today's low so far at 397 is right on the 618% retracement of the recent 31 cent rally. The weekly chart reversal from 2 weeks ago was bullish remains in control of the technical picture. A move above 410 would point to a run to resistance at 424 and possibly retracement resistance at 427 1/2.

USDA SUPPLY/DEMAND				
US CORN	Sep USDA 22-23	Sep USDA 23-24	Aug USDA 24-25	Sep USDA 24-25
Area (M Acres)				
Planted	88.2	94.6	90.7	90.7
Harvested	78.7	86.5	82.7	82.7
Yield (Bu/Acre)	173.4	177.3	183.1	183.6
Beginning Stocks (M Bu)	1,377	1,360	1,867	1,812
Production	13,651	15,342	15,147	15,186
Imports	39	30	25	25
Supply, Total	15,066	16,732	17,038	17,022
Feed & Residual	5,486	5,775	5,825	5,825
Food, Seed & Industry	6,558	6,855	6,840	6,840
Ethanol for Fuel	5,176	5,465	5,450	5,450
Domestic Total	12,044	12,630	12,665	12,665
Total Exports	1,662	2,290	2,300	2,300
Use, Total	13,706	14,920	14,965	14,965
Ending Stocks	1,360	1,812	2,073	2,057
Stocks/Use Ratio	9.9%	12.1%	13.9%	13.7%
USDA SUPPLY/DEMAND				
WORLD CORN	Sep USDA 22-23	Sep USDA 23-24	Aug USDA 24-25	Sep USDA 24-25
(Million Metric Tons)				
Supply				
Beginning Stocks	313.74	302.82	308.52	309.63
Production	1,159.69	1,224.33	1,219.82	1,218.57
Imports	173.39	192.53	185.85	185.40
Use				
Feed, Domestic	734.56	766.56	772.80	772.18
Total Domestic	1,170.60	1,217.52	1,218.17	1,219.85
Exports	180.24	199.73	191.47	191.37
Ending Stocks	302.82	309.63	310.17	308.35
Stocks/Use Ratio	25.9%	25.4%	25.5%	25.3%

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WHEAT

WHEAT: U.S. 2024/25 US ending stocks came in at 828 million bushels versus 822 million expected (range 800-854 million) and unchanged from the August estimate. As expected, USDA left all US wheat balance sheets completely unchanged for all wheat classes. World ending stocks for 2024/25 came in at 257.2 million tonnes versus 255.4 million expected (range 253-257 million) and 256.6 in August.

PRICE OUTLOOK: USDA generally makes very few changes in the September report and that was the case again this year with no changes at all. Wheat production around the globe is expected to contract in several growing areas including Russia, Ukraine, Kazakhstan, the EU and Argentina. This has pushed Chicago December prices up to 2-month highs today but the morning's pre-report upside breakout has lost momentum and prices are now lower on the day. However, a bullish head and shoulders pattern on Chicago December has formed and if confirmed with a close above 585, an objective of 640 would be possible. Strong 100-day and 200-day moving average resistance stands at 617. We expect buyers will step up at pullback support starting at 564 and 556 on December Chicago.

USDA SUPPLY/DEMAND				
US WHEAT		Sep	Aug	Sep
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (M Acres)				
Planted	45.8	49.6	46.3	46.3
Harvested	35.5	37.3	37.9	37.9
Yield (Bu/Acre)	46.5	48.6	52.2	52.2
Beginning Stocks (M Bu)	674	570	702	702
Production	1,650	1,812	1,982	1,982
Imports	122	138	105	105
Total Supply	2,446	2,520	2,789	2,789
Food	972	961	964	964
Seed	68	64	62	62
Feed/Residual	74	86	110	110
Domestic Total	1,114	1,111	1,136	1,136
Total Exports	762	707	825	825
Use, Total	1,876	1,818	1,961	1,961
Ending Stocks	570	702	828	828
Stocks/Use Ratio	30.4%	38.6%	42.2%	42.2%
USDA SUPPLY/DEMAND				
WORLD WHEAT		Sep	Sep	Aug
	USDA	USDA	USDA	USDA
(Million Metric Tons)	22-23	23-24	24-25	24-25
Supply				
Beginning Stocks	273.52	273.63	262.36	265.25
Production	789.49	790.54	798.28	796.88
Imports	213.10	222.27	208.40	210.27
Use				
Feed, Domestic	152.71	160.05	151.16	151.91
Total Domestic	789.38	798.92	804.02	804.90
Exports	221.76	221.49	214.86	216.51
Ending Stocks	273.63	265.25	256.62	257.22
Stocks/Use Ratio	34.7%	33.2%	31.9%	32.0%

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COTTON

USDA SUPPLY/DEMAND				
COTTON	Sep	Sep	Aug	Sep
	USDA	USDA	USDA	USDA
	22-23	23-24	24-25	24-25
Area (M Acres)				
Planted	13.75	10.23	11.17	11.17
Harvested	7.29	6.44	8.63	8.63
Yield (Lb/Acre)	953	899	840	807
Beginning Stocks (M Bales)	4.60	4.65	3.15	3.15
Production	14.47	12.07	15.11	14.51
Imports	0.00	0.00	0.01	0.01
Supply, Total	19.07	16.72	18.27	17.67
Domestic Use	2.05	1.85	1.90	1.90
Exports	12.45	11.75	12.00	11.80
Use, Total	14.50	13.60	13.90	13.70
Unaccounted	-0.08	-0.03	-0.14	-0.03
Ending Stocks	4.65	3.15	4.50	4.00
Stocks/Use Ratio	32.1%	23.2%	32.4%	29.2%

USDA SUPPLY/DEMAND	Sep	Sep	Aug	Sep
WORLD COTTON	USDA	USDA	USDA	USDA
(Million 480-lb Bales)	22-23	23-24	24-25	24-25
Supply				
Beginning Stocks	71.01	75.97	75.78	75.61
Production	116.46	113.57	117.64	116.42
Imports	37.65	43.73	43.63	42.99
Use				
Domestic	112.64	113.15	116.21	115.75
Exports	36.78	44.71	43.54	42.99
Loss	-0.27	-0.21	-0.31	-0.21
Ending Stocks	75.97	75.61	77.61	76.49
Stocks/Use Ratio	67.4%	66.8%	66.8%	66.1%

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