



Market Commentary

11-3-2020

This material should be construed as market commentary, merely observing economic, political, and/or market conditions. It is not intended to refer to any particular trading strategy, promotional element or quality of service provided by Centerra Co-op. This material represents the opinions of the author and does not necessarily reflect the viewpoints and/or trading strategies of Centerra Co-op.

Trivia: On this day in 2016, this MLB team won the World Series for the first time in 108 years (**Answer below**)

Corn:

Good Morning. Its election day! I hope you are all able to make it to the polling place to cast your vote for our beloved candidates. But back to business. Harvest is slowly starting to pick back up with the cool and dry weather we are going to have at least for the next 8 days. However, we are currently 82% complete with harvest, versus the trade estimate of 85%. This has been giving us some mild support this morning with Dec and March being up 2 cents, and Dec 21 up a penny. I think that there is still a lot of uncertainty with the recent increase in Covid cases, and how it may affect domestic ethanol production, as well as exports. We have already seen several European countries begin to go into another shutdown, we will see if North America begins to follow suit.

Beans:

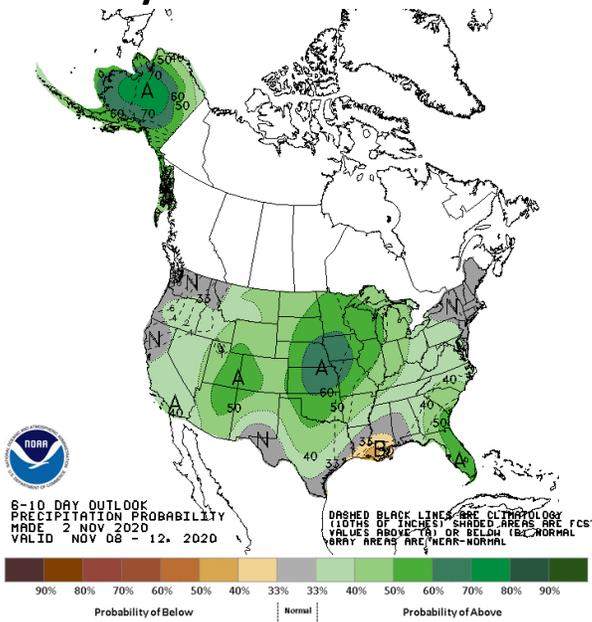
Well, the unthinkable has happened. Due to high food prices, and low supply, it was announced yesterday that 38,000 tons of beans were sold out of the Gulf to be shipped to Brazil. This is the first time the U.S. has exported beans to Brazil since 1997. Harvest is about 5% behind the trade guess, and several industries have taken down our average yield by .3 bpa to 52.1 bpa. This is giving us some welcoming support here with January up 12 cents and Nov 21 up 5 cents. I hypothesize that the bean market may be a little more contrived with the election results as compared to the corn and wheat markets, as both the Biden and Trump administrations have very different approaches on dealing with trade relations with China. We will get a better glimpse into the future when we know the election results tomorrow morning.

Wheat:

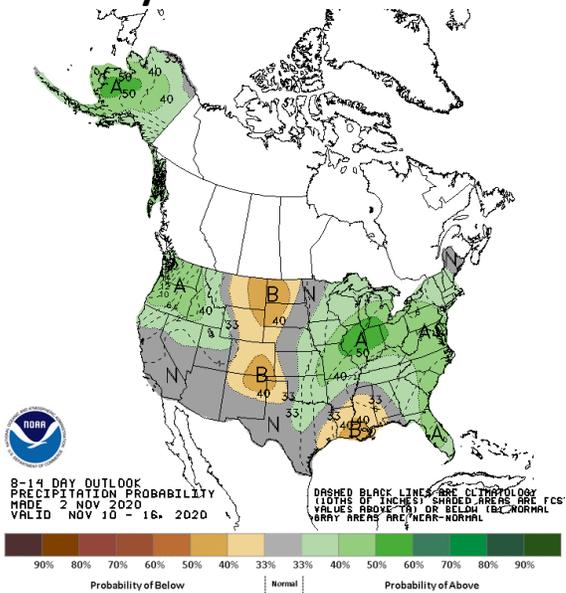
Our winter wheat crop seems to be improving slightly after our good-to-excellent rating was brought up 3 points from last week on yesterdays report. It appears that Australia is living almost the same scenario as the U.S did with the beginning of the trade war in 2018. Tensions between China and Australia continue to rise, and China recently announced that is putting an embargo on all Australian good until further notice. The initial cause of these tensions is currently unknown to me. With this monster wheat crop that Australia is expecting, it can be assumed that they will have a long funds for a considerable amount of time. We currently have July 21 wheat up 2 cents this morning.

Weather Outlook:

6-10-day forecast



8-14-day forecast



That is all for now. I hope you have a good week.

Harrison Patton – Grain Origination 419-575-8464

Trivia Answer: Chicago Cubs