

Quarterly Grain Stocks Report

The USDA Quarterly Grain Stocks report was released today at 12:00, and it brought some major surprises to the market.

Stocks were lowered across the board, coming in underneath average trade estimates by a significant margin. Corn stocks were reported at 1.995 billion bushels; 255 million bushels below the average trade estimate of 2.225 billion bushels. Bean stocks were reported at 523 million bushels; 53 million bushels under average trade estimates of 576 million. Wheat stocks came in at 2.159 billion bushels, which was 83 million below average trade estimates of 2.242 billion.

The markets were obviously surprised by these numbers, as we saw massive rallies immediately following the release of the report. At one point we saw a 40 cent increase above today's opening price for beans. By the end of the day corn closed 14 cents higher, beans closed 30 cents higher, and wheat closed 27 cents higher.

Below is a summary of the numbers.

	<u>Sept 2020 Stocks</u>	<u>Avg. Trade Est.</u>	<u>Sept 2019 Stocks</u>
Corn:	1995	2250	2221
Soybeans:	523	576	909
Wheat:	2159	2242	2346