



News this week...

- 2 – Brazil raises crop estimates as dryness starts to build.
- 3 – EPA's RFS proposals for 2020, 2021 and 2023.
- 4 – Global wheat figures the only surprises in S&D Report.

Corn and soybeans rise, wheat falls – Old-crop corn futures butted up against resistance around \$6 last week on support from crop stress in southern Brazil and relief that EPA's proposed biofuels blending levels weren't any lower than speculated for months. Soybeans also firmed amid the building dryness in South America, though the overall price pattern remained sideways since breaking the summer/fall downtrend in November. Winter wheat futures pulled back from their recent highs as tight global milling-quality supplies are fully known and export demand for U.S. wheat is poor. Cattle futures retreated as the two-month rally in the cash cattle market paused. Hog futures rebounded late in the week to signal a potential seasonal low, with the cash hog and pork product markets hinting at bottoms.

Dryness builds in South America

Forecasts offer little hope for relief from building dryness in far southern Brazil, northeastern Argentina, Paraguay and Uruguay. The risk is greatest to Brazil's first corn crop. It will still produce a record soybean crop this year, though if dryness persists it will take the top end off production.

Mexico makes huge U.S. corn buy

USDA reported 1.844 million metric tons (MMT) of corn sales to Mexico Dec. 8 – 1.09 MMT for 2021-22 and 754,380 metric tons (MT) for 2022-23. That was the fifth largest daily corn sale to any country and the largest ever to Mexico.

China's aggressive grain buying spree

Chinese importers reportedly secured at least several hundred thousand MT of wheat, corn and barley from France, Ukraine and Australia — for 2021-22 and 2022-23 delivery.

For the week ended Dec. 2, China also purchased 202,085 MT of U.S. corn and 370,111 MT of U.S. sorghum.

China actively buying soybeans, too

Chinese purchases of U.S. soybeans in the week ended Dec. 2 totaled 893,360 MT. Since then, USDA reported daily soybean sales of 390,000 MT to China and another 525,000 MT to unknown destinations. Chinese buyers also reportedly booked multiple Brazilian new-crop soybean cargoes.

Cotton crop: 18.284 million bales

USDA raised its cotton crop estimate by 86,000 bales from last month on a 5-lb. increase to the national average yield. Traders expected a slightly smaller cotton crop estimate.

Report 'very soon' on fertilizer prices

Texas A&M University economists tell us they will "soon" issue a report detailing impacts of rising fertilizer prices on the U.S. ag sector. The report may be used to urge Congress to develop a payment program to cushion the impact on some crops. Sources say the government could also mandate railroads prioritize shipment of fertilizer versus products like coal.

EPA may make EVs eligible for RINs

EPA finally released its long-awaited biofuels blending proposals (see *News* page 3). The bigger issue ahead is the biofuels regulations for 2023 and beyond. Joe Goffman, acting head of the EPA's Office of Air and Radiation, told *Reuters* the agency is considering making electric vehicle (EV) power generation eligible for renewable fuel credits (RINs). That will be a major development to monitor and will provide insight into the Biden administration's plans for EVs.

U.S. CPI surges to near 40-year high

The U.S. consumer price index (CPI) jumped 6.8% in November, the largest year-over-year increase since June 1982. Accelerating inflation puts more focus on the Dec. 14-15 monetary policy meeting to see if the Fed more aggressively tapers its monthly bond purchases and talks about boosting interest rates sooner than previously expected.

China must walk economic tightrope

Chinese officials are committed to policies backed by leader Xi Jinping to achieve longer-term goals of reducing debt and purging speculative behavior. But leaders are also trying to reverse a sharp slowdown in economic growth — a tricky task that could test Beijing's ability to engineer a soft landing. After its annual economic planning meeting, Beijing vaguely said it will continue to implement prudent and proactive monetary and fiscal policies in 2022, without giving specific targets for GDP, inflation and other key economic barometers.

USDA announces supplemental DMC

Dairies with less than 5 million pounds of established production history who have expanded their operations the past three years may enroll in the supplemental Dairy Margin Coverage (DMC) program. Payments will be based on a formula using 2019 actual milk marketings. Supplemental DMC coverage is applicable to calendar years 2021, 2022 and 2023. USDA is also updating how feed costs are calculated to better reflect actual expenses to dairy operations.

Signup for DMC 2022 coverage runs from Dec. 13-Feb. 18.

Brazil raises bean, corn crop pegs

Brazil's official supply forecasting agency Conab now expects the country to produce a record soybean crop of 142.8 million metric tons (MMT) in 2021-22, up 780,000 metric tons (MT) from its November forecast. It expects Brazilian soybean exports to rise to 90.7 MMT, up 4.9 MMT from the current marketing year. Conab raised its Brazilian corn crop forecast by 469,000 MT to a record 117.2 MMT. It expects the country to ship 36.7 MMT of corn in 2022.

Crop Consultant Dr. Michael Cordonnier kept his Brazilian soybean and corn crop forecasts at 144 MMT and 117 MMT, respectively, but he now has a lower bias toward both given building dryness in southern areas.

USDA kept its 2021-22 Brazilian production forecasts unchanged at 144 MMT for soybeans and 118 MMT for corn.

Some RDGS corn being torn up, but not widespread

Some farmers in northwestern Rio Grande do Sul, Brazil are tearing up their corn with intentions of replanting those acres to soybeans — if it rains. Cordonnier and Brazil-based AgRural tell us this is isolated and not enough to impact Brazil's overall production for soybeans or corn.

Lower bias toward Argy crops, too

Cordonnier kept his Argentine crop estimates at 50 MMT for soybeans and 53 MMT for corn but he now has a lower bias toward both crops given hotter, drier forecasts. USDA kept its Argentine production forecasts unchanged at 49.5 MMT for soybeans and 54.5 MMT for corn.

Global production highlights

USDA made the following changes to its global production forecasts in December:

- Australian wheat: Increased the crop forecast by 2.5 MMT to 34.0 MMT, though that's still 400,000 MT below the official Australian crop estimate.
- Canadian wheat: Raised the crop 650,000 MT to 21.65 MMT, which matches the Statistics Canada estimate.
- EU wheat: Raised the crop by 300,000 MT to 138.7 MMT.
- Russian wheat: Increased production by 1 MMT to 75.5 MMT, which is lower than a Russian ag ministry forecast of up to 77 MMT.
- Global wheat: Increased production by 2.6 MMT to 777.9 MMT, which would be up 2 MMT from 2020-21.
- Ukraine corn: Raised production by 2 MMT to 40 MMT.
- China corn: Trimmed production by 450,000 MT to 272.55 MMT, which matches China's ag ministry estimate.

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Record ag exports to start FY 2022

U.S. ag exports hit \$17.6 billion in October, registering a new record to open fiscal year (FY) 2022. That also marked a rise of more than \$5 billion from the September mark. U.S. ag imports reached \$14.8 billion in October, the second highest level on record. Since March, ag imports have been \$14 billion or higher seven of those eight months, with September just missing that level at \$13.97 billion.

Agriculture netted a trade surplus of \$2.8 billion in October, reversing a trend of four months of deficits for the sector.

Ag exports are typically the strongest during the initial months of each FY while imports tend to peak in the March-June period. USDA forecasts U.S. ag exports will be \$175.5 billion in FY 2022 against imports of \$165 billion — both of which would be records — for a surplus of \$10.5 billion.

Beef exports stay strong, pork drops

The U.S. exported 281.5 million lbs. of beef in October. While that was down 2.5% from September, it was a new record for the month and up 8.9% from last year. Through the first 10 months of this year, the U.S. shipped 2.861 billion lbs. of beef, up 19.7% from last year, driven by a 545% surge in exports to China.

USDA forecasts U.S. beef exports will rise 17.1% to a record 3.455 billion lbs. this year but fall 5.4% next year.

U.S. pork shipments totaled 540.8 million lbs. in October, up 6.0% from September but 8.4% below year-ago levels. From January through October, the U.S. shipped 5.918 billion lbs. of pork, down 1.5% from last year. China was the No. 2 destination behind Mexico, though shipments there dropped 39.1% from the same period in 2020.

USDA forecasts U.S. pork exports will decline 1.6% this year but rise 3.4% to a record 7.405 billion lbs. in 2022.

Grocery meat prices hitting resistance

The amount consumers were willing to pay for protein at grocery stores was down in six of the eight categories in November, according to the Meat Demand Monitor survey conducted by Kansas State University. The only two proteins consumers were willing to pay more for at the retail level were a plant-based patty and beans and rice. The survey showed retail beef market share dropped two percentage points to 32% and pork market share slipped a point to 21%. Some 83% of the consumers say they have either the same or more-than-normal amounts of meat on-hand.

Conversely, consumers indicated they would pay more for all eight categories of protein at restaurants. Beef market share at restaurants increased a point to 41%, while pork was unchanged at 15%.

Consumers continued to expect further price increases for protein at grocery stores and restaurants.

Lower RFS proposals for 2020, 2021

EPA proposed retroactively reducing the amount of biofuels oil refiners are required to blend into fuel for 2020 and 2021 due to Covid impacts on fuel consumption. It proposed returning the corn-based ethanol blending rate to statutory levels for 2022.

RFS proposals	2020 (bil. gal.)	2021 (bil. gal.)	2022 (bil. gal.)
Cellulosic biofuel	0.51	0.62	0.77
Biomass-based diesel	2.43	2.43	2.76
Advanced biofuel	4.63	5.20	5.77
Conventional renewable fuel (corn-based ethanol)	12.5	13.32	15.0
Total renewable fuel	17.13	18.52	20.77

EPA proposed a 250-million-gallon “supplemental obligation” to the volumes for 2022 and intends to add another 250 million gallons in 2023 to “address the remand of the 2014-2016 annual rule by the DC Circuit Court of Appeals in *Americans for Clean Energy v. EPA*” for “improperly waived” gallons.

In tandem with EPA’s proposals, USDA announced \$700 million in grants to biofuel producers as Covid-19 relief and \$100 million in support for biofuel infrastructure — both of which had been promised months ago.

SREs remain a source of uncertainty

EPA proposed rejecting 65 pending small refinery exemptions (SREs) for compliance years 2016-2021. But it made clear this was not a final decision and is subject to separate rulemaking. There will be a 30-day comment period once the proposal is published in the Federal Register.

EPA seeks comments on food versus fuel

EPA said, “Increased demand for soybean oil could lead to diversion of feedstocks from food and other current uses in addition to further incentivizing increased soybean crushing and soybean production. That in turn “could result in greater conversion of wetlands, adverse impacts on ecosystems and wildlife habitat, adverse impacts [and] negative impacts on water quality and supply, and increased prices for agricultural commodities and food prices.”

Comments and perspective

The proposed levels were close for 2020, 2021 and 2022 with those reported in September, though the 2022 level for conventional corn-based ethanol was higher than previously speculated. *Why did it take so long for EPA to announce the package?* There appears to have been political factors at play.

The mix of views from lawmakers and industry groups suggests EPA may have found a “sweet spot” of sorts that offered some “wins” and “losses” for both the biofuels industry and oil refiners.

China’s soy imports rise on U.S. arrivals

China imported 8.6 MMT of soybeans in November, up 67.7% from October as more cargoes arrived from the U.S., though that was down 10.6% from last year. During the first 11 months of this year, China imported 87.7 MMT of soybeans, down 5.5% from the same period last year.

Soybean shipments into China are expected to remain strong as crush margins are profitable, though down from levels earlier this fall.

China trade data better than expected

China’s exports rose 22% from year-ago, to a record of \$325.5 billion in November. Imports surged 31.7% to a new high of \$253.8 billion. Both figures easily beat expectations. That left China with a \$71.7 billion trade surplus, down from \$84.5 billion in October. China’s trade surplus with the U.S. dropped to \$37.0 billion from \$40.8 billion in October. Through November, China’s trade surplus with the U.S. stood at \$357.5 billion.

China’s meat imports decline

China brought in 677,000 MT of meat last month, up 2% from October but down 12.6% from November 2020. Cheaper domestic pork prices amid a surge in production cut demand for overseas supplies. Through the first 11 months of this year, China imported 8.7 MMT of meat, down 2.5% from the same period last year.

China cuts RRR for banks

China will cut the reserve requirement ratio (RRR) for banks by 50 basis points, effective Dec. 15. This is the second RRR cut this year in an attempt to boost economic activity. The country’s central bank also cut relending rates by 25 basis points for the ag sector and small businesses.

China’s PPI eases, CPI rises

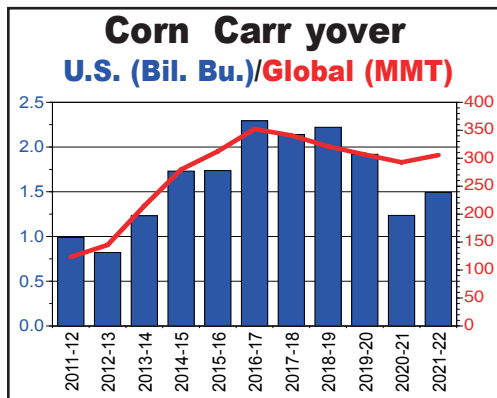
China’s producer price index (PPI) rose 12.9% versus year-ago in November. While still highly elevated, factory-gate prices eased from a 13.5% year-over-year jump the previous month amid the government’s crackdown on commodity prices and the easing power crunch. China’s consumer price index increased 2.3%, up from 1.5% in October and the highest rate since August 2020. Food prices rose for the first time in six months, jumping 1.6% over year-ago, following a 2.4% decline in October.

China forms state logistics group

China Logistics Group aims at becoming a “global supply chain organizer” by developing international trade links and freight services, as well as cross-border e-commerce, in an attempt to ease pandemic-related supply-chain woes.

December S&D Report a yawner – aside from wheat

by Editor Brian Grete



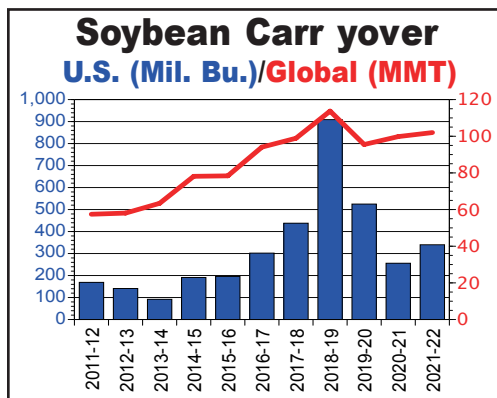
We expected a yawner from USDA this month and that’s exactly what it delivered. U.S. ending stocks didn’t change, aside from wheat, though that increase was expected. The biggest surprise was a bigger-than-expected increase to global wheat production, which pushed world wheat ending stocks up more than anticipated.

CORN — USDA kept its corn ending stocks projection unchanged at 1.493 billion bu. this month. In fact, it made no changes to the supply or demand side of the 2021-22 balance sheet. As we expected, USDA opted to give it at least another month before adjusting its exports and/or ethanol use forecasts.

Our corn ending stocks forecast is 1.500 billion bu. for 2021-22.

- **USDA 2021-22 price: \$5.45, unchanged from last month; up 92¢ from 2020-21.**

Global corn carryover: 305.5 million metric tons (MMT) for 2021-22, up 1.1 MMT from November but up 12.9 MMT from 2020-21

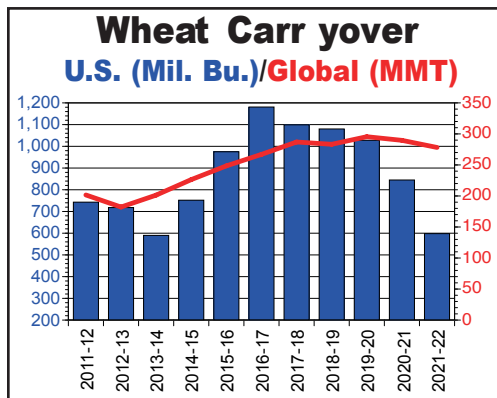


SOYBEANS — USDA kept its soybean ending stocks projection unchanged this month at 340 million bushels. As with corn, it made no changes to the supply or demand side of the 2021-22 balance sheet, opting to punt for at least a month as it evaluates exports and crush.

Our soybean ending stocks forecast is 330 million bu. for 2021-22.

- **USDA 2021-22 price: \$12.10, unchanged from November; up \$1.30 from 2020-21.**

Global soybean carryover: 102.0 MMT for 2021-22, down 1.8 MMT from last month but still up 2.2 MMT from 2020-21.

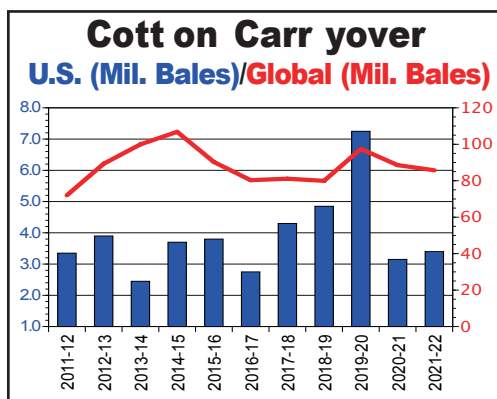


WHEAT — USDA raised its wheat ending stocks projection by 15 million bu. from last month to 598 million bu., though that would still be down 245 million bu. from 2020-21. On the supply side of the balance sheet, it cut imports by 5 million bushels. That was more than offset by a 20-million-bu. reduction to exports, which are now projected at 840 million bu., down 15.3% from 2020-21. Given the dismal performance by wheat exports in the second quarter, it wasn’t surprising to see the cut to exports.

Our wheat ending stocks forecast is 585 million bu. for 2021-22.

- **USDA 2021-22 price: \$7.05, up 15¢ from November and up \$2.00 from 2020-21.**

Global wheat carryover: 278.2 MMT for 2021-22, up 2.3 MMT from November but still down 11.5 MMT from 2020-21.



COTTON — USDA kept its cotton ending stocks forecast unchanged from last month at 3.4 million bales. The modest 86,000-bale increase in crop size was offset by a 90,000-bale increase in unaccounted “use,” which moved from -50,000 bales last month to 40,000 bales. We were surprised USDA didn’t cut its 2021-22 cotton export forecast. While there are plenty of cotton sales on the books, the shipments pace is lagging amid a shortage of containers available to exporters at ports.

Our cotton ending stocks forecast is 3.7 million bales for 2021-22.

- **USDA 2021-22 price: 90¢, unchanged from last month and up 23.7¢ from 2020-21.**

Global cotton carryover: 85.7 million bales for 2021-22, down 1.2 million bales from November and now 3.2 million bales lower than 2020-21.

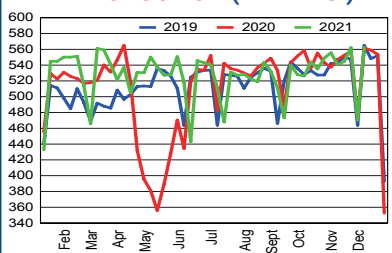
CATTLE - Fundamental Analysis

Cattle slaughter and beef production typically decline from mid-December highs to annual (non-holiday) lows in the February-March period. When combined with accelerating spring demand as the grilling season looms, these forces often drive cattle prices to annual highs in April. Last week's futures drop essentially removed seasonal premiums from the early-2022 contracts. This will discourage winter feedlot placements and spur producers to market cattle more aggressively. These factors are price-supportive, whereas the industry is worried about elevated retail prices strangling consumer demand.

Position Monitor

Game Plan:	Feds	Feeders
Short-term	IV'21 0%	0%
defensive	I'22 0%	0%
hedges for	II'22 0%	0%
	III'22 0%	0%
fed cattle producers may be needed if support at the Nov. 30 low falters. Longer-term, we remain bullish.		

BEEF PRODUCTION (MIL. LBS.)



DAILY FEBRUARY LIVE CATTLE



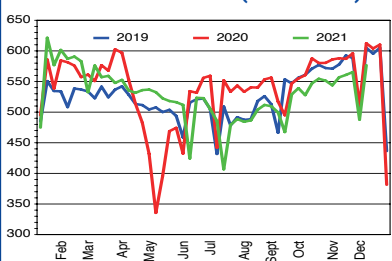
HOGS - Fundamental Analysis

The 2022 hog outlook will depend heavily on USDA's Dec. 23 Hogs and Pigs Report, particularly on any revisions to the summer 2021 pig crop and the first estimate of the fall crop. The September report estimated summer piglet numbers 6% below year-ago levels and producer intentions for a 4% drop in fall sow farrowings. These numbers imply similar cuts in winter and spring hog supplies, respectively. We believe such reductions imply much higher prices than futures are now indicating and do not recommend price protection prior to the report. That may change if the anticipated cuts don't materialize.

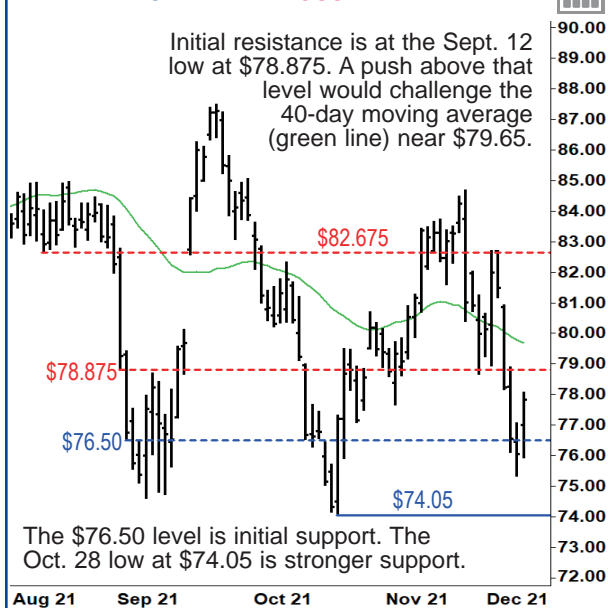
Position Monitor

Game Plan:	Lean Hogs
Traders recently removed a lot of premium from futures.	IV'21 0%
Seasonally, the market should put in a low soon. We'll wait on an extended price recovery before advising hedges.	I'22 0%
	II'22 0%
	III'22 0%

PORK PRODUCTION (MIL. LBS.)



DAILY FEBRUARY LEAN HOGS



FEED

Feed Monitor

Corn		Corn Game Plan: You are hand-to-mouth on corn-for-feed needs. Don't chase the corn market higher with extended coverage. We'll wait on a sharp pullback to advance coverage.
IV'21	33%	
I'22	0%	
II'22	0%	
III'22	0%	
Meal		Meal Game Plan: You have all soy meal needs covered in the cash market through December. Get current with advice. Wait on a price setback to extend coverage.
IV'21	100%	
I'22	0%	
II'22	0%	
III'22	0%	

DAILY JANUARY SOYBEAN MEAL

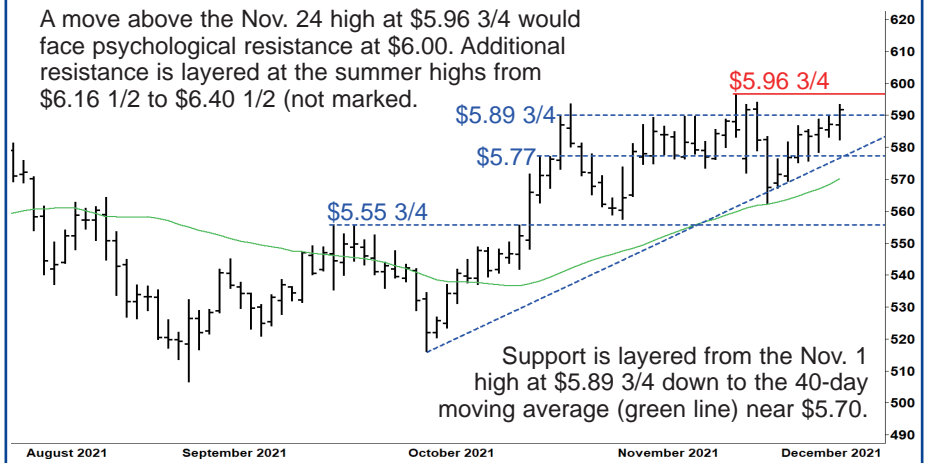


Position Monitor

	'21 crop	'22 crop
Cash-only:	50%	10%
Hedgers (cash sales):	50%	10%
Futures/Options	0%	0%

Game Plan: Get current with advised sales. Be prepared to make additional sales on a price rally near \$6.00. December seasonals are mildly friendly, especially the second half of the month, but \$6 seems too pricey. Don't panic with sales on a pullback into the lower end of the broad range, as there should be solid buying and support under the market. Bottom line: Sell rallies and don't panic on price pullbacks.

DAILY MARCH CORN



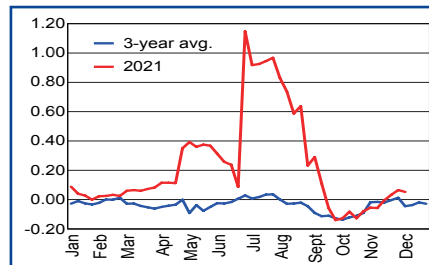
DAILY MAY CORN



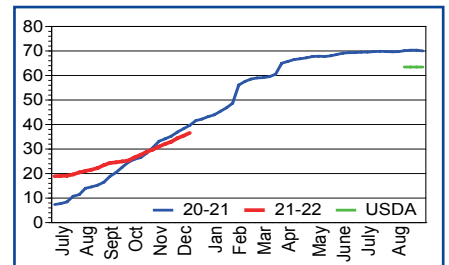
CORN - Fundamental Analysis

The market shrugged off USDA's larger-than-expected boost to projected 2021-22 global ending stocks, indicating that big crops are factored in for now and traders are focusing on robust domestic ethanol demand and recent improvements in exports. Rising prices this month convey a market with solid demand underpinnings, especially if it can hold serve amid the latest downdraft in wheat prices. But the \$6.00 mark likely will remain an attractive selling point. Trading will thin out as the holidays arrive and we are watching out for the next potential global "risk-off" type of development — say, the emergence of another Covid-19 variant, or Russia invading Ukraine.

AVERAGE CORN BASIS (MARCH)



CORN EXPORT BOOKINGS (MMT)

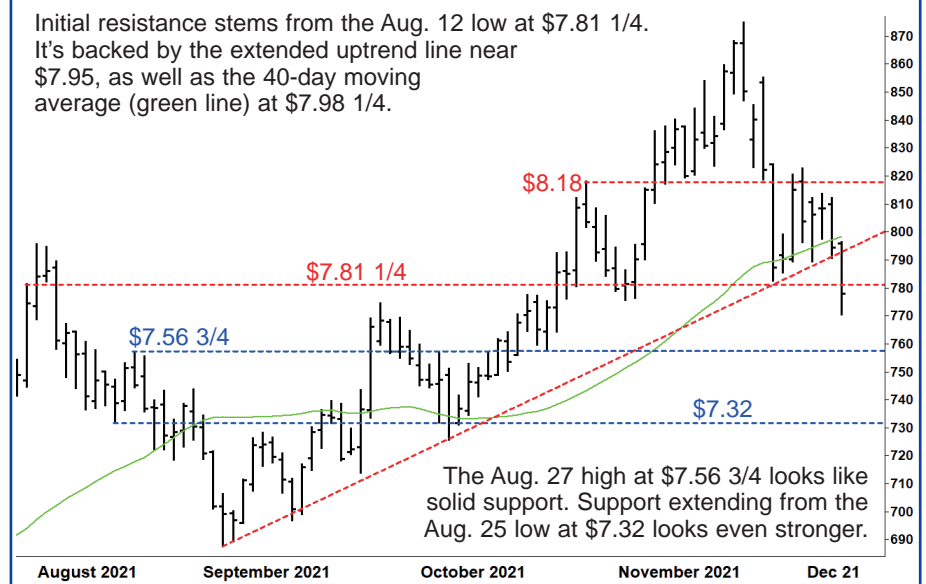


Position Monitor

	'21 crop	'22 crop
Cash-only:	70%	20%
Hedgers (cash sales):	70%	20%
Futures/Options	0%	0%

Game Plan: Get current with advised sales. While global high-quality wheat supplies are tight, the market has this factored into prices at the moment. Short-term defensive hedges may be needed if the recent lows are violated.

DAILY MARCH SRW WHEAT



WHEAT - Fundamental Analysis

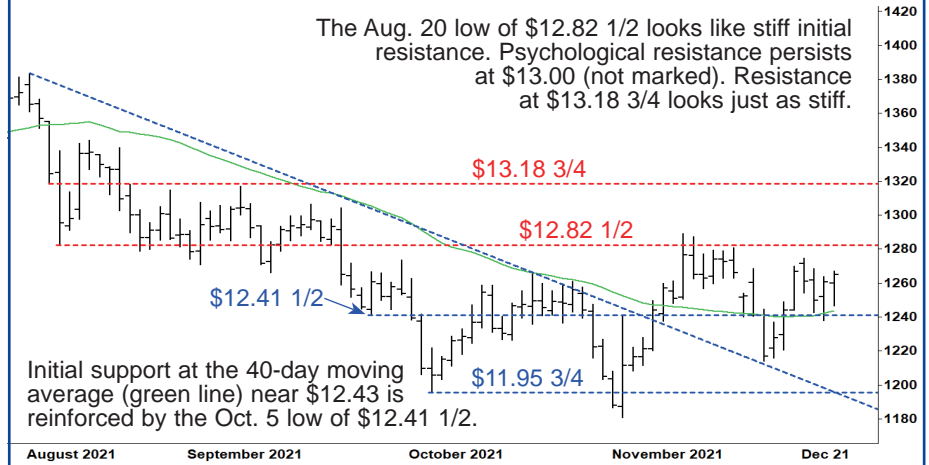
SRW — USDA's unexpectedly large upward supply revisions apparently confirmed a top in winter wheat futures. But global ending stocks are still down year-over-year and SRW wheat is one of the few U.S. grains for which exports running ahead of last year.

Position Monitor

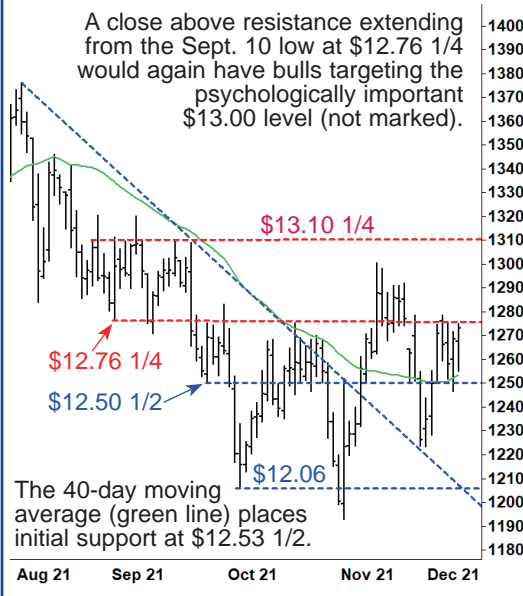
	'21 crop	'22 crop
Cash-only:	60%	10%
Hedgers (cash sales):	75%	10%
Futures/Options	0%	0%

Game Plan: Wait on a price recovery to get current. Seasonal price patterns are slightly negative for soybeans during December, but we suspect the downside is limited with South American weather turning drier. But the upside is also limited unless there's a South American crop threat that's more than a minor scare. You should focus on selling extended rallies and not panic on pullbacks toward the fall lows.

DAILY JANUARY SOYBEANS



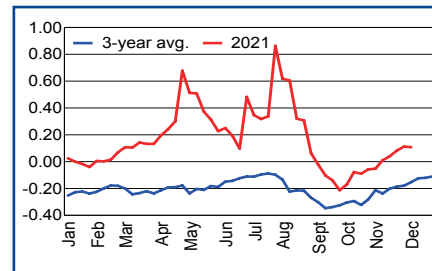
DAILY MARCH SOYBEANS



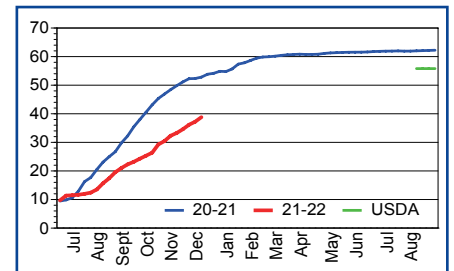
SOYBEANS - Fundamental Analysis

The neutral Supply and Demand Report sets up USDA's final crop numbers on Jan. 12 as the next big market-moving event on the calendar. Sideways-to-firm price action may prevail through the holidays, especially if soymeal can extend its upside leadership in the soy complex and/or China continues its recent soybean buying spree. South American weather will also be a price influencer, and any rain relief for dry fields in southern Brazil could quickly rouse sellers. We'll also be watching for early South America harvest results, and strong odds for a record Brazil crop likely limit price upside. The recent sharp decline in U.S. crushing margins also has our attention.

AVERAGE SOYBEAN BASIS (JANUARY)



SOYBEAN EXPORT BOOKINGS (MMT)



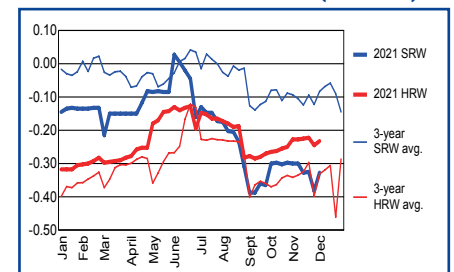
DAILY MARCH HRW WHEAT



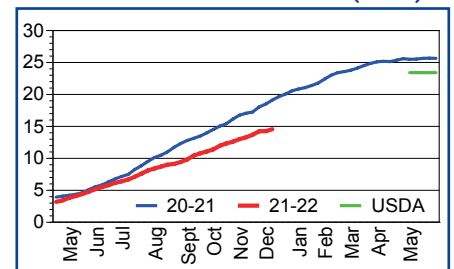
DAILY MARCH HRS WHEAT



AVERAGE WHEAT BASIS (MARCH)



WHEAT EXPORT BOOKINGS (MMT)



HRW – An 8.0% boost to Australia's projected crop was one of several USDA figures that knocked the wind out of wheat market bulls. In the U.S., the HRW crop heads into dormancy amid dry conditions that look to remain that way through winter time being, one reason we're avoiding panic sales if prices extend their pullback.

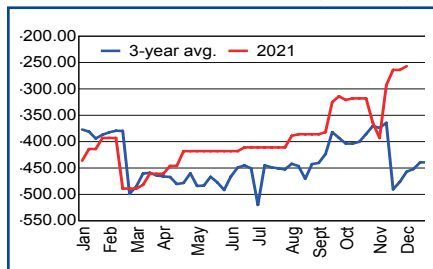
HRS – USDA's 4.0% hike to ending U.S. spring wheat stocks caused a limited downside futures reaction, suggesting HRS may extend its sideways pattern, absent a drastic move either way in winter wheat. Forecasts show the Northern Plains gaining some snow cover soon before cold air descends later this month.

Position Monitor

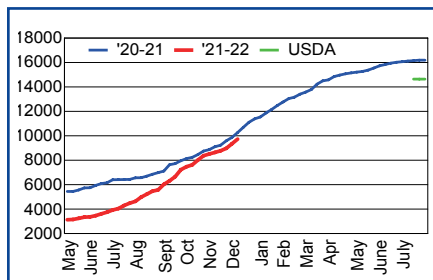
	'21 crop	'22 crop
Cash-only:	90%	40%
Hedgers (cash sales):	100%	40%
Futures/Options	0%	0%

Game Plan: Get current with advised sales. Additional sales/hedges may be needed if futures violate recent lows, as that would open sharp downside risk.

AVERAGE COTTON BASIS (MARCH)



COTTON EXPORT BOOKINGS ('000 BALES)



COTTON - Fundamental Analysis

Cotton export sales for the week ended Dec. 2 rose to 382,600 bales and shipments of 114,800 bales topped 100,000 for the first time since late October. But even stronger shipments are needed to refuel bullish enthusiasm after the sharp price drop from the November highs.

GENERAL OUTLOOK

Energy: The crude oil market seemed down for the count in early December but bounced off the mat quickly, which may have bullish implications for the whole commodity sector.

Nymex WTI futures, the U.S. benchmark, have surged more than 15% since tumbling below \$63.00 a barrel Dec. 2. Brent crude, the global benchmark, managed a similar recovery as concerns over the Omicron Covid variant faded.

Oil's solid rebound suggests the market has established a near-term low. If crude remains strong, speculators might be motivated to boost their buying in other markets, such as grains.

Longer-term, oil looks to get cheaper, which would be good news for inflation-weary consumers. Nymex crude for delivery in December 2022 ended last week around \$69.00, almost \$4.00 under nearby prices.

FROM THE BULLPEN By Market Consultant Dan Vaught

Concerns about the spring 2022 fertilizer outlook remain extremely high. Recent talk of shortages and price spikes, particularly for urea, has become deafening.

China and Russia have greatly curtailed urea exports and countries without significant domestic supplies, such as Australia, are facing major shortages. This is especially critical since urea is a major ingredient in the diesel exhaust fluid AdBlue, which reduces emissions.

New Orleans urea prices had soared to \$890 per ton in mid-November but recently set back to \$848. The U.S. situation isn't as bad due to North American sources and only modest farmer reliance upon it as fertilizer, but the elevated price is translating into higher costs for

UAN and anhydrous ammonia.

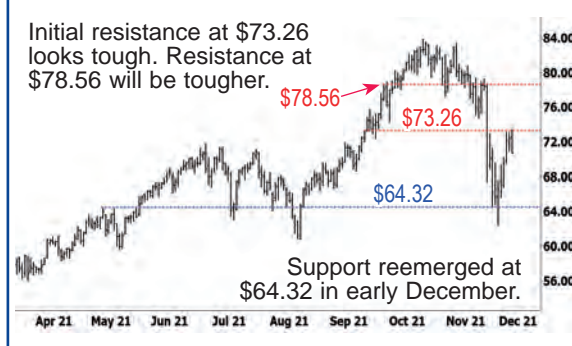
UAN32 prices averaged \$660 per ton in November and seem set to move even higher with the U.S. Commerce Department preparing to slap duties on UAN imports from Russia and Trinidad and Tobago. CF Industries filed the complaint in question, arguing the two countries unfairly subsidize UAN production.

Anhydrous prices have also spiked, with late-November prices topping \$1,300 per ton, triple year-ago levels. Prices aren't coming down quickly and spring shortages are a distinct possibility. Give careful thought to your fertilizer risk management for 2022, it could greatly impact your bottom line.

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WATCH LIST

- 1 USDA Export Inspections Rpt.** **MON 12/13**
Corn, bean shipments must rise. 10:00 a.m. CT
- 2 Chinese Industrial Production** **TUES 12/14**
Gauge of health for factory sector. 9:00 p.m. CT
- 3 NOPA Crush Report** **WED 12/15**
Crush likely to be a Nov. record. 11:00 a.m. CT
- 4 FOMC meeting concludes** **WED 12/15**
Will Fed accelerate tapering? 1:00 p.m. CT
- 5 NWS Extended Forecasts** **THUR 12/16**
Forecasts for January-March. 7:30 a.m. CT

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