

Roach Ag Marketing Seminar

United Bank of Iowa was pleased to host representatives from Roach Ag Marketing on August 10 and 11 at seminars in Boone, Denison, Merville and Storm Lake. Brad Matthews and Sam Giannola, Ag Consultants from Roach Ag Marketing, shared their knowledge to help farmers work through cash grain sales decisions and develop marketing plans.

Because many of you were unable to attend one of the meetings, below is a brief summary from John Roach on his thoughts as of August 16, 2021.

“Analysts are still crunching the numbers from the August USDA WASDE report released Thursday. The biggest market reaction came in the wheat complex. Traders had to adjust to smaller wheat crops in the United States, Canada and Russia, the world’s three largest wheat exporters.

The second biggest market reaction came in corn. Traders had to adjust for smaller corn and sorghum yields in the United States and a sharp drop in the second crop corn production in Brazil.

The combination of the world wheat and feed grains both being in smaller supply amplifies the tight world feed situation.

U.S. soybean production was reduced, but not much from what traders expected. The

weather forecasts look more favorable for the second half of August. Traders reckon soybeans will recover some of their yield loss if the predicted rains come.

Beans were helped by several days of daily export sales to China and unknown destinations. The longer term picture of tightening supplies makes the South American crop production (plantings to start next month) more important than normal. If South America has any weather problems, prices will have to ration demand.

From a farmer’s marketing standpoint, prices are getting a nice rally in mid-August and you should sell into that strength any of the bushels you won’t be able to store at home this fall.

There should be several rallies between harvest and January 1 as traders try to adjust for weather issues in South America. Last year we had four market peaks and Sell Signals in corn and five in beans between now and year end.

The 2021 corn and bean crops will be in high demand and tight supply. Prices should continue to be at higher levels until big South American crops are assured.”



We're Committed to Agriculture!

