

Overnight markets higher on hot / dry weather conditions and position squaring before tomorrows USDA monthly Supply / Demand reports. Certainly not rain free overnight with some nice rains showing up (as forecast) in the NW Belt.

At 0630 CU20 trading 5 ¼¢ higher at \$3.51 ½ with Sq20 5 ¾¢ higher at \$8.98 ¼. KC wheat 2 ¼¢ higher at \$4.59 ¼. All on sold value.

Dow futures off 42 points this morning at 25,928. Crude a scratch lower at \$40.83.

CN20 has taken out last week's high of \$3.51 11/4 overnight. CU and CZ still under last weeks highs. SQ20 also has yet to eclipse last week's high of \$9.04.

Rains near expectations yesterday favoring N MN, with scattered showers in east IL, IN and W OH. Forecast is wetter late week. Light rains favor northwest / central areas today. NE areas Saturday and east central areas Sun – Mon. Some rains moving through and into western IA and S MN this morning after leaving some nice rain in NE and E KS. Weather models are not in good agreement and offer no widespread soaking rains.

Trade looking for another crop condition decline next Monday with the impact of Hot weather reflected.

Additional Fund short covering today and tomorrow ahead of USDA reports likely. The reality of the reports will likely be negative, but trade will be quick to discount the numbers and put focus back squarely on weather and crop impact.

Interesting to see today's soybean and wheat prices nearly identical to a year ago this date. Corn near a buck a bushel cheaper.