

Markets continue to react to Friday's USDA reports and arguably less threatening weather. Corn and soybeans both gapped lower on the overnight open. Weekend showers crossed the Midwest with some good rain amounts but did miss some key areas. SW Iowa again missing out with some areas getting critical.

At 0630 CU20 trading 7 ½¢ lower at \$3.30 ¼ with SQ20 5 ½¢ lower at \$8.81 ¾. Solid volume of 114 and 50K respectively. KC wheat off 4 ¾¢.

Dow futures trading 210 points higher at 26,189 and 100 points shy of last weeks high. Crude off 64¢ this morning at \$39.91. US \$ Index showing a modest decline.

No corn or soybean deliveries overnight with July contrast off the board today.

Friday's sharp break saw corn open interest up a scratch over *k with soybean OI increasing near 9K.

Corn carryout Friday incorporated the June stocks and acreage data as expected as well as minor tweaks to demand that were for the most part anticipated. Some demand still in question that could yet see carryout grow. Weather going forward still the largest potential driver. With no clear threat impacting yield potential seasonal price pressure looks to prevail.

Weekly crop ratings this afternoon expected to show a decline of 2 -3 decline for both corn and soybeans.

Funds credited with selling 30K corn Friday. Updated with CFTC data Friday we now show them net short an estimated 160K contracts. Funds sold 10K soybeans Friday and now net long 80K.

All eyes on daily weather mopes.....

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