

**Markets showing modest strength this morning after a couple days of absorbing USDA Supply / Demand numbers and improving weather conditions.**

**At 0630 CU20 trading a ½¢ higher at \$3.26 ½ inside a 3 ¾¢ high to low range. SQ20 5 ½¢ higher at \$8.83 ½ in a 5 ½¢ range. Corn volume near 45K contracts so far this morning. KC wheat 3¢ higher at \$4.45 ¼.**

**Dow futures up 479 points this morning at 26,967 and the best level since mid-June. Still near 700 points off the early June high and near 2,500 points off the record high set mid-February. Crude trading 59¢ higher this morning at \$40.89.**

**China bought 1.7 mmt of US corn yesterday and one of the biggest single day totals of all time. China has some 3mmt of import quotas left for the coming year and suspect those will get covered. China to take near 7 mmt of US corn this next year? Is that baked into the balance tables? Doubt it all is but how much traditional business we lose to offset if any. Today, my bias is we see USDA leave exports unchanged at 2,150 mln bu perhaps for several more months before adjusting.**

**20/21 corn export forecast already 375 mln bu above 19/20.**

**CU20 has open chart gap between \$3.36 ¼ - \$3.34 ½ and a good target.**

**Hearing some talk of a new state record corn yield for Iowa. Current record is 203 bpa set in 2016. Quick look back shows the first counties to reach the 200 bpa mark was in 2009 with Cherokee, Plymouth Ida and Shelby. It was 5 years before an Iowa county hit that mark again with 2 in '14. In 2016 we had 60 counties in Iowa hit or exceed 200 bpa. The best county average corn yield was Marshall in 2018 with 226 bpa.**

**Weekly EIA energy reports later this morning focused on ethanol stocks / production.**