

Grain markets in the red this morning with additional rains favoring mostly southern areas. More rains expected the next 7 days over a larger area. No extreme heat or dome / ridge in longer range models. Crop ratings unchanged also adding to pressure. Seasonal also continues to get attention.

At 0600 giving up another 3 ½¢ at \$3.24 ¾ with SQ20 off 5¢ at \$8.98. Vol a tick higher than yesterday but still modest at best. KC wheat showing a fractional loss. Dow futures 166 pts higher at 26,799. Crude \$1.12 higher at \$41.93.

Weekly crop condition report showed corn G/E rating unchanged on the week at 69%. Trade expected a 1% drop. Current rating 12% higher than a year ago this date and 2% above the 5-year ave. Best rated crops in IA, MN and SD at 80, 83 and 84% G/E. Worst IL, IN and OH at 63, 59 and 43%.

Soybean G/E rating also unchanged wk/wk at 68%. Current rating 14% better than a year ago and 5% above the 5-year ave. Like corn, best rated crops in IA, MN and SD at 79, 80 and 81% G/E. IL, IN and OH 67, 60 and 48% G/E.

Yesterday looked at chart showing dates of seasonal lows for corn and soybeans over the previous 5 years. Noted Aug 15th was the earliest Soybean low and Aug 31st for corn. Suspect that window has a good shot again this year.

Flat price pressure has CZCN relaxing. Trading 23¢ this morning and suspect a retest of the 28¢ high seen May 4th in the days / weeks ahead.

SXSF at 4 ¼¢ this morning and shows only one year this date tighter over the previous 5. Only once (2015) over the last 5 years has that spread gone off the board tighter than today.

Funds sold an estimated 12K corn yesterday. Now short 138K.....

INTL FCStone, Inc. and its affiliates assume no liability for the use of this information contained and expresses no solicitation to buy or sell futures, options on futures contracts, or OTC products. Commodity trading involves risks and past financial results are not necessarily indicative of future performance. Any hypothetical examples given are exactly that and no representation is being made that any person will or is likely to achieve profits or losses based on those examples. Reference to and discussion of OTC products are made solely on behalf of INTL Hanley, LLC. Reproduction without authorization is forbidden. All rights reserved.