

Firm trade overnight in a market still searching for direction. At 0600 SF20 trading 6¢ higher at \$8.77 with CH20 unchanged at \$3.81 ¼. Chi and KC wheat 2¢ higher.

Finally saw some corn deliveries against the CZ19 contract overnight. A total of 129 were put out with a last trade date assigned of August 4th. No meaningful stoppers.

Dow futures 157 points higher this morning at 27,644 after two days of sharp losses. Somewhat comical to say gains on news China and US edging closer to a trade deal. Crude 94¢ higher at \$57.04. US \$ Index giving up some ground this morning.

Interesting to hear all the dire predictions of lost corn production in ND with near 300 mln bu still in the field. In '09 ND was 40% harvested this date (4% more than this year) and the final yield that year was 3 bpa below the Aug estimate. Harvested acres for ND in the Jan report were higher than the June estimate. Bulls better hang their hat on something other than ND production.

CN20 trading 7 cents below a year ago this date. CN a year ago hit a high of \$4.01 ¼ on Dec 14th and went on a 58¢ break to \$3.43 on May 13th. Then planting delays took the market on a \$1.21 rally and the highest spot price in 5 years. Funds were long near 100K contracts a year ago this date. Short over 100K today.

Long range weather outlook for Brazil showing cooler temps in January with rains remaining on the lite side in southern areas. No red flags for South American production. Yet.

Random walk continues for corn and soy prices with both near equilibrium based on stocks / use scatter data.....



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