

CORN COMMENTS

- Funds were estimated seller of 12,000 contracts yesterday
- Ethanol grind may increase over the next year as oil increases due to political unrest and cheap corn gives fat margins to ethanol producers
- Crop scout noted that MN was hit harder in flooding than IA, but elaborated that the crops in both states look very good-
 - Overall, he claims that the corn crop will fare better than soy crop
 - Anticipates that there may be as much as 2 million lost acres, a notion with which this author does not agree
- National rating is 6th highest since 1986
- Corn returned to 440 faster than most thought
- Condition ratings came in as expected
- CZ 440 will likely hold
- China faces possible record crop w/ full b ins
- Managed fund longs are still 137K- will likely stay through report
- June 1 corn stocks have exceeded trade expectations 5 of 7 years

SOYBEAN COMPLEX

- Top analyst believes that soy is at the start of a bear trend with price targets at \$11.83 1/2, \$11.61, \$10.88 1/4 and \$10.15
- SX 1220 area for week

WEATHER

- Early stages of El Nino forming in Pacific, but will not likely be strong
- Rains focus on south half of corn belt; upper half fries until the weekend (1st-3rd)
- Poor conditions for wheat harvest
- July 4th weather is often viewed as a pivot looks like a continuation of current conditions

MISC:

- Majority of 4.1 million acres left to plant is double-cropped acres

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