

Corn found some buyers midweek after new contract lows went out on Tuesday. Soybeans finished slightly higher too. Overnight grains have put more gains on the current rally. What began as technical buying off the lows on Tuesday has been bolstered by China purchases. China bought almost 200K tonnes of soybeans yesterday and is rumored to be buying for their government reserves including corn and cotton. This is combined with a bounce in energy markets and optimism as a few states look to open up their economies starting tomorrow. Exports sales were far from exceptional as soybeans continue to languish. We will see if this China news can continue to push us higher. Planters have been moving in many areas of the Corn belt before some rain delays slow progress in some areas but so far progress is moving fast.

Today's Corn Outlook: Corn settled 7.5 cent higher on Wednesday and added another 4 cent overnight with rumors China is coming to buy for national reserves. Ethanol production dropped a little from last week and stocks bumped higher but both numbers were less than expected.

July Corn Technicals : The corn market is bearish and is open to selling down to the low 3.10's and bulls need a close over 3.28 ¼ to turn sentiment.

Today's Soybean Outlook: Beans settled 1.75 cents higher on Wednesday and has put 9 cents on overnight. China bought beans yesterday and is rumored to be buying more. This is for government reserves so no tariff and with SA's currency advantage it is doubtful you will see any private entities doing any buying.

July Soybean Technicals: The soybeans are in a downtrend but staged a reversal on the close. Bulls still need a close above 8.56 ¼ while bears look for a move below 8.28.

Exports: None to report.

EIA Weekly Ethanol: Production down 7K/day to 563K. Stocks up 220K barrels.

Weather: Midwest in good shape for planting progress less some delays in the S Midwest. 2nd crop corn area in Brazil will be dry for 2 weeks and stress will be picking up. Argy has substantial coming this weekend and will delay harvest with some damage possible.

Dollar Index: The dollar is trading 22 ticks lower this morning at 100.58.

Brazilian Real: The Real is trading 12 ticks lower this morning at 18.37.

Additional Comments:

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