

Corn finished higher while soybeans were lower. Corn ending stocks were not as bad as estimated while soybean old crop was worse but new crop was better.

The USDA put very optimistic usage numbers out there for new crop corn and soybeans. I don't think they wanted to rip the bandaid off on the first release for 20/21 crop. Look for them to trim usage as the months move forward but you will also see acres trimmed the question is how much. Probably not enough is the answer. The markets will start to focus on those acre numbers along with weather going forward. Planting progress should still be well above average again this week but areas of the W Midwest is getting dry and needs some moisture while ECB and N Plains are wet. China prices were lower across the board as Trade Minister Liu on a conference call said a positive environment is needed for good trade conditions. This was taken as alluding to the US and the call the will be taking place today with US trade negotiators and China. Look for price pressure the next two days with maybe a reprieve going into the weekend.

Today's Corn Outlook: Corn settled 3.75 cents higher on Tuesday but is off 2 cents overnight. On the old crop balance sheet they seemed to be easy on ethanol demand over the last 30 days and going forward. It should improve but more usage has been lost than is in the sheet.

July Corn Technicals : The corn market is bearish but is trying to establish short term bull trend. Settled above 20 day yesterday and needs to test 3.31 to keep momentum going.

Today's Soybean Outlook: Beans settled 3 cents lower yesterday and are off another 3 cents overnight. Soybeans got hammered on old crop exports and you can thank the Brazilian Real for that as US was nowhere near complete and Brazil has been exporting record amounts this whole year. Another 369K tonnes announced to China this morning but has not helped prices in the early part of the session.

July Soybean Technicals: The soybeans are gaining bullish momentum and a close above 8.56 will stoke the bullish flames. A move back below 8.29 will bring seller

Exports: 369K tonnes of soybeans to China.

Weather: W Midwest dry but could get showers in 6-10 day. Brazil rains expand this week easing stress on 2nd crop corn.

Dollar Index: The dollar is trading **5 ticks lower** this morning at 99.86.

Brazilian Real: The Real is trading **1 tick higher** this morning at 1697.

Additional Comments:

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