

Corn and soybeans were barely lower on Friday and were basically unchanged overnight. Weather and China continues to be the news that prints. August weather forecasts look positive to production and there is more talk of better than trendline yields. China continues to buy and another 132K tons of soybeans were announced this morning. We will get a fresh look at crop conditions this afternoon and it is expected to stay unchanged to a percent higher. Funds added shorts to corn and bought soybeans extending their longs.

**Today's Corn Outlook:** Corn lost ½ a cent on Friday and traded flat overnight. Weather is overall positive production but there are still some troublesome spots out there. August forecasts look good so far and trendline looks to be in play right now. Funds sold 4100 contracts to bring net short to 137,770.

**Dec Corn Technicals :** Corn has a short-term negative bias and has challenged recent lows at 3.30 level but rebounded yesterday. Bulls need a close over 343 ¾ to neutralize.

**Today's Soybean Outlook:** Beans broke ¾ of a cent and finished unchanged overnight. Soybean crop is looking good and condition rating should stay flat to improve a tick. Many think China buying will begin to curtail going into the election but it has not turned of yet and they seem to be talking their book. No one knows what China is going to do and if they need the soybeans they will buy them. They bought another 132K tones over the weekend.

**Nov Soybean Technicals:** The soybean market bias turned short term negative and new opens up 8.63 on the downside but bulls have been buoyed by the move back over 9.00. If soybeans can settle above 9.02 then 9.20 should be test

**Exports:** 132K tons of soybeans to China and 250K tons of soybeans to Mexico.

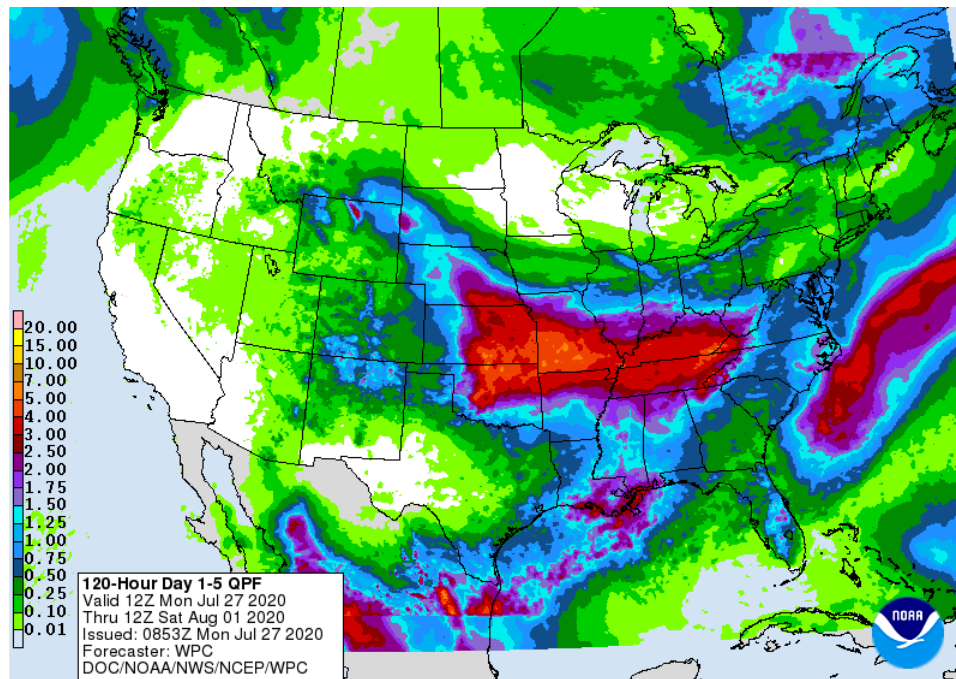
**Weather:** Midwest weather mostly mild to end the week with heat coming back this weekend. Russian corn under heat stress next week. Check 5 day rain fall map on PG 2.

**Dollar Index:** The dollar is trading 68 ticks lower this morning at 93.74

**Brazilian Real:** The Real is trading 7 ticks higher this morning at 1919.

***Additional Comments:***

5 Day Rainfall Accumulation Forecast



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