

Mixed bag in the grains to start the week. July corn held some gains from Sunday night while December finished flat. On the soybean front July lost 10 cents while the new crop November added 5 cents. Most fundamental factors stayed supportive with Brazil staying dry along with the much of the N Plains. Big corn inspections and less crop planting than expected but still well above historical averages. On the exchange side you had higher margin levels and new super-sized limits in the grains opened up larger risk exposer caused some profit taking.

Today's Corn Outlook: Corn rallied overnight up 9 cents in July and back over last week's high of 6.84 ½. Stone X lowered its Brazilian corn crop estimate to 102.5 MMT which still seems high as many are looking for sub-100 production. Brazil's weather looks terrible but at some point the damage will be priced in to the market and some other news will have to take over. That may be US weather or final acres that will take the forefront but right now lower Brazilian crop will lead to more exports for the US.

July Corn Technicals: Corn has bullish momentum and putting in new contract highs. A close above 6.84 opens up a run at 7.20. Bears need a move back below 6.50.

Today's Soybean Outlook: Beans gave back in the old crop but November added 5 cents yesterday. Export inspections were not good for soybeans and need to move higher to reach the USDA's estimate but corn is the hot shipment right now and maybe soybeans pick up. There will not be a soybean surplus to worry about is all we are saying. New crop is helped higher by dismal weather in Dakotas and Canandian Plains as well as many believing soybeans are short acres.

July Soybean Technicals: The soybean market has momentum to the upside targeting 15.88 while bears need a move under 14.70.

Exports: None to report.

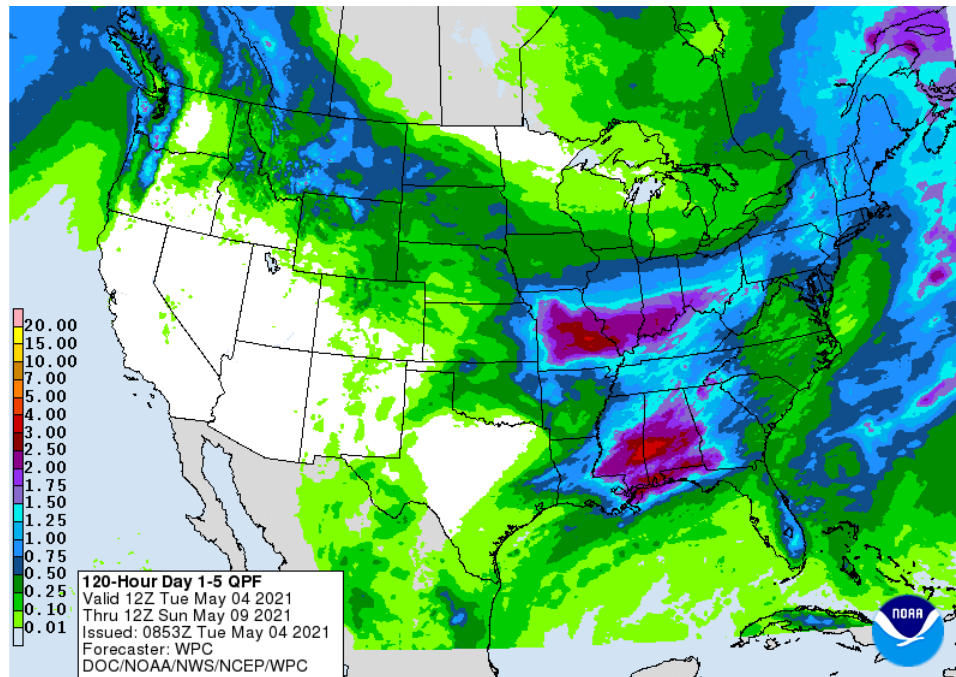
Weather: Midwest weather will not slow seeding but N Plains still dry. Brazil dryness is starting to show up in yield estimates for Safrina crop.

Dollar Index: The dollar is trading 27 ticks higher this morning at 91.21.

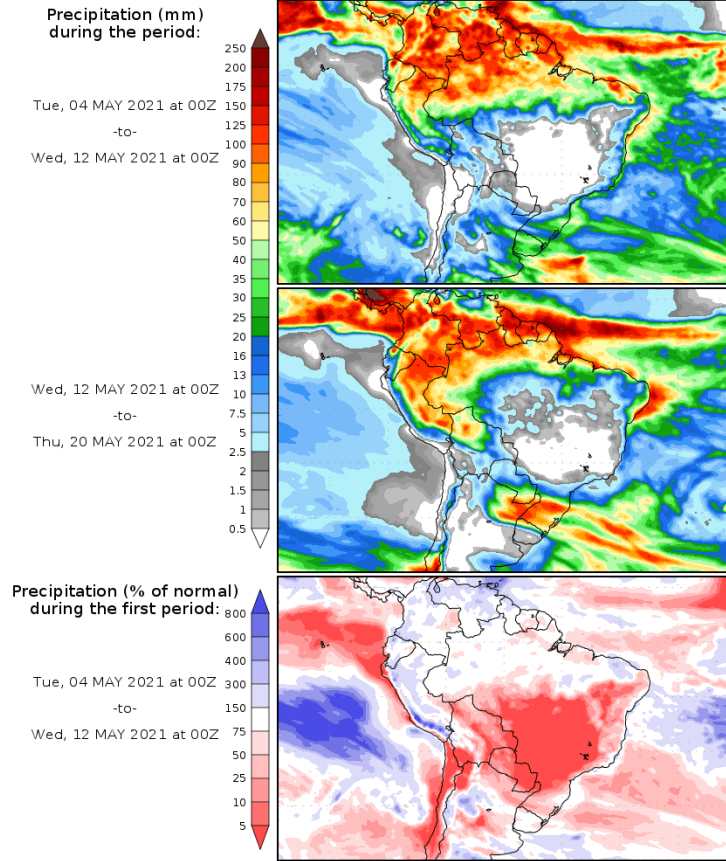
Brazilian Real: The Real is trading 6 ticks lower this morning at 1832.

Additional Comments:

5 Day Rainfall Accumulation Forecast



Precipitation Forecasts



Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.
Forecast initialization Time: 00Z04MAY2021

GRADS/COLA

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