

Have they let enough air out of the balloon?

The grain and oilseed markets have been on the retreat since the middle of last week. We think you are going to see some decent sized fund selling across the board in the next Commitment of Traders report. The question is what has them selling after some pretty bullish news over the weekend. The freeze event in parts of the SW over the weekend and the rumblings of G7 countries thinking of banning exports into Russia which would likely shut down the grain corridor. The winter wheat condition dropped another percent to 26% GTE remaining at historically horrible levels, but the market does not care. On the bearish side of things, planting progress is going well nationally but little to no progress in the north and China canceled 327k tons of corn yesterday morning. There is also rain forecasted for SW Kansas, Oklahoma and the Texas panhandle which will help drought conditions in that area but unlikely to help the wheat crop. For today, we will watch 6.04 & 14.28 for support and 6.15 & 14.50 for resistance.

July Corn Technicals: The market is bearish and looking to test the 6.00-6.04 level. Bulls need a big move over 6.28 to turn sentiment.

July Soybean Technicals: The market is negative and building momentum looking to test 14.10 area. Bulls need a move over 14.55 for starters then 14.75.

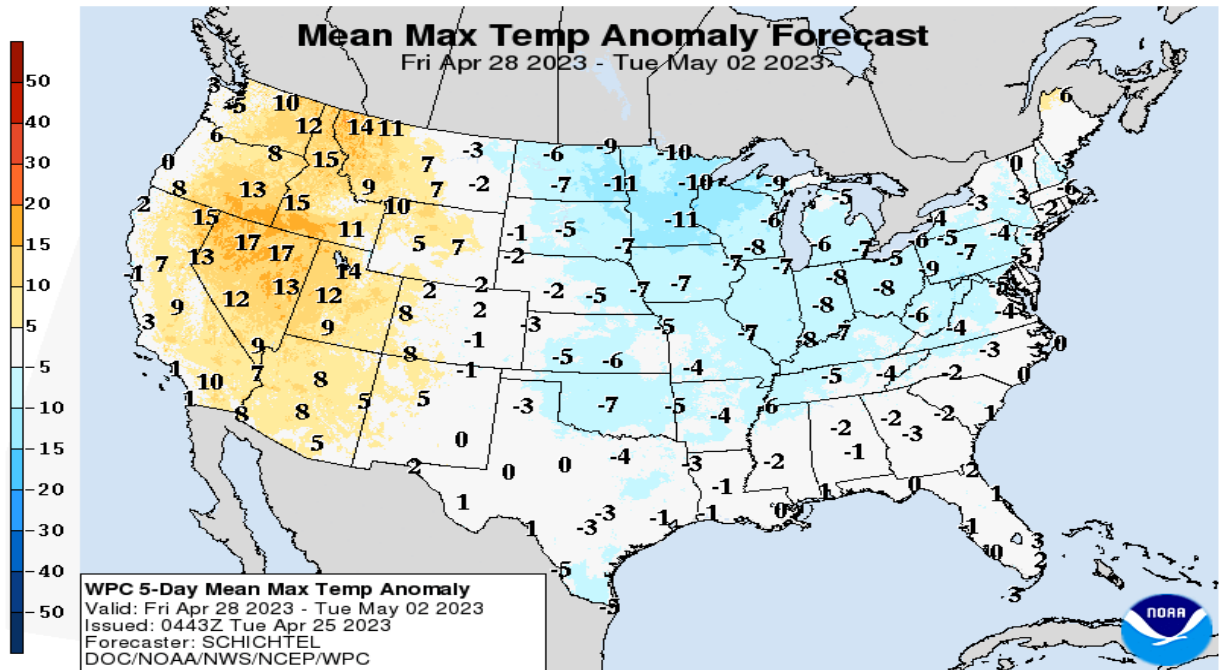
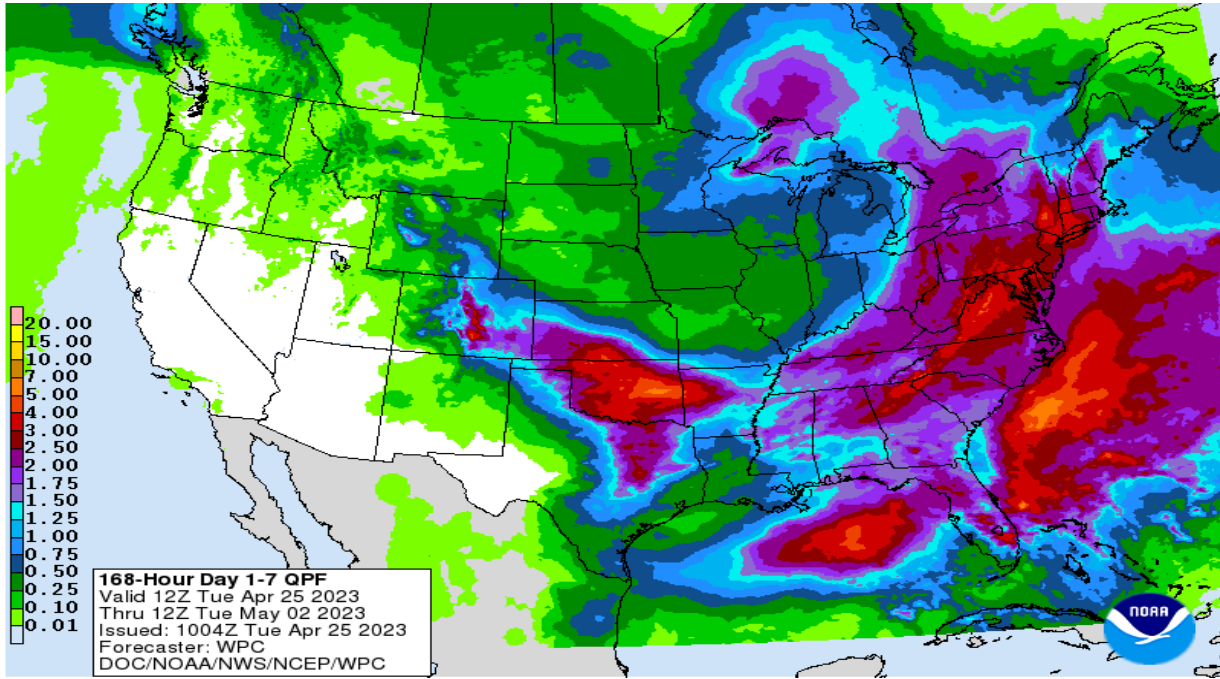
Exports: None to report.

Weather: Argy rains limit stress to 1/3 of growing area. Brazil rains benefit 2nd crop corn. US rains in the north keep planting progress slow. SW Plains forecasted for a little relief this week.

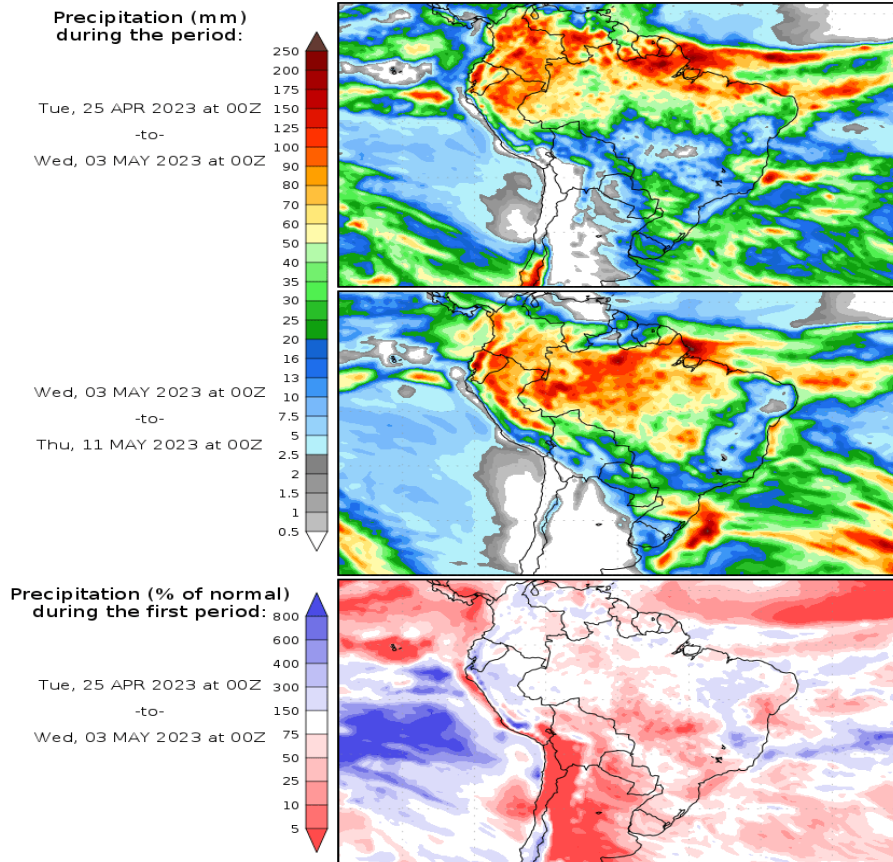
Dollar Index: The dollar is trading **19 ticks higher** this morning at 101.54.

Brazilian Real: The Real is trading **5 ticks lower** this morning at 19.80.

7-day weather maps



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: 00Z25APR2023

GrADS/COLA

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