



News this week...

- 2 – End-of-June corn conditions = potential record yield.
- 3 – USDA's phased reopening of Mexican cattle imports.
- 4 – No surprises in Acreage Report from USDA.

Pre-holiday short-covering in grains – Funds covered short positions in the corn, soybean and wheat markets ahead of the holiday weekend. President Trump's scheduled visit to Iowa on Thursday evening sparked rumors of a potential trade deal with China, which enticed the corrective rebound. The period around July 4 has historically been a period during which the current trend accelerates or is reversed. Barring a shift to a hotter and drier pattern after mid-July, support will need to come from some other bullish factor for an extended corrective price rebound. Cattle futures bounced from the previous week's lows, despite pressure on the cash market, given huge discounts. Lean hog futures faced long liquidation pressure as the cash index and pork cutout both signaled seasonal tops are in place.

Favorable weather post-Fourth

Seasonal temps and multiple rainfall chances are expected across the central U.S. into mid-July, according to World Weather, maintaining favorable conditions as corn starts pollination. Portions of the Southeast will trend drier, while the Pacific Northwest will remain hot and dry.

Trump, GOP leaders' big victory

The reconciliation measure was expected to be cleared by the House after we went to press. Ag scored some big wins, including higher reference prices, positive changes in crop insurance, a big boost in trade market development funding and a bevy of ag-friendly tax provisions, along with some positive changes for the 45Z clean fuel program.

June 1 bean stocks top expectations

CORN: June 1 stocks totaled 4.644 billion bu., down 7% from year-ago; 2.1 billion bu. (45.0%) were held on-farm.

SOYBEANS: June 1 stocks totaled 1.008 billion bu., up 3.9% from year-ago; 412 million bu. (40.9%) were held on-farm. Stocks imply USDA underestimated the 2024 soybean crop.

WHEAT: June 1 stocks stood at 851 million bu., up 22.3% from year-ago; 184 million bu. (21.6%) were held on-farm.

Official revamp of H-2A program

The Trump administration published a proposed rule to rescind expanded protections for temporary foreign ag workers under the H-2A visa program. The administration argues the previous rule imposed "unnecessary, burdensome and costly requirements on employers" related to the material terms and conditions offered to H-2A workers. Trump officials had already stopped enforcing the contested provisions and now have formally started to eliminate the regulation.

Unexpected jobs growth in June

The U.S. economy added 147,000 jobs in June, significantly outpacing expectations. The unemployment rate ticked down to 4.1%. The resilient labor market is expected to keep the Fed in pause mode, despite Trump's pressure to cut rates.

Trade deal-arama ahead of July 9

Vietnam secured trade deals ahead of President Donald Trump's July 9 deadline to significantly increase tariffs. Others scrambled to get deals or frameworks in place.

VIETNAM: Agreed deal includes a 20% tariff on Vietnamese exports to the U.S.; a 40% levy on goods deemed to be trans-shipped through the country. The deal also includes no tariffs on U.S. goods; increased purchases of American ag and energy products; reduced reliance on Chinese technology in its exports; and removal of non-tariff barriers on U.S. products such as ag machinery, medical devices and aircraft.

INDONESIA: Jakarta will invest in the U.S. and purchase American ag goods and energy products under a memorandum of understanding to be signed on July 7.

CHINA: Washington has eased some export restrictions on chip-design software to China, but Beijing has warned it will retaliate if the U.S. continues to isolate its economy through third-country trade deals. Meanwhile, Trump is preparing to visit China later this year, accompanied by dozens of top American CEOs, to recalibrate the U.S./China economic relationship, according to *Nikkei Asia*. Instead of pushing for immediate concessions through escalating tariffs, the administration is now pursuing a gradual reduction of economic risks over five to 10 years.

JAPAN: Japanese officials remain optimistic about dialogue, but Trump's public stance suggests any agreement would require major compromise. Agriculture, especially rice, remains a sticking point.

EU: Negotiators are working toward a "headline political understanding" that would introduce a baseline 10% U.S. tariff on EU goods, with potential relief for key sectors. Brussels has repeatedly refused to discuss changes to its digital framework. The likely result is a bare-bones, non-binding agreement that postpones new tariffs but leaves unresolved issues for later.

INDIA: Most expect a narrow, interim deal focused on tariffs and selected strategic commitments. Agriculture, dairy, and genetically modified crops are expected to remain outside the scope of this "mini" deal.

Corn conditions highest since 2020

USDA rated the corn crop as 73% “good” to “excellent” as of June 29, up three percentage points from the previous week. The “poor” to “very poor” rating declined one point to 5%.

On the weighted *Pro Farmer* Crop Condition Index (CCI; 0 to 500-point scale, with 500 representing perfect), the corn crop improved 3.5 points to 381.4 — 9.1 points (2.5%) above last year.

What end-of-June conditions potentially mean for yields

Multiplying last year’s record yield of 179.3 bu. per acre by the percentage change in CCI from the end of June 2024 (2.5%) would produce a yield of 183.7 bu. per acre. That’s nearly an identical match to our analysis of county-level data from USDA extrapolated to this year, which produced a yield of 183.5 bu. per acre. At the end of June, that would seem like a logical upper boundary for corn yield this year — 2.5 bu. above USDA’s trendline of 181 bu. per acre. The last time the national average corn yield topped trendline was 2018.

Of the 4.609-million-acre increase in corn acres this year, 1.75 million were in the top eight production states — Iowa, Illinois, Nebraska, Minnesota, Indiana, South Dakota, Kansas and Ohio. Only Ohio planted fewer acres to corn than year-ago. That means 2.859 million acres were added in so-called “fringe” states. If weather remains ideal, those areas won’t pull down the national corn yield. But if heat or dryness develops in those areas, it could limit corn’s ability to achieve a record yield.

Back-of-the-napkin math for corn production, ending stocks

Using USDA’s harvested acreage estimate of 86.774 million acres and a 183.7 bu. yield, corn production would rise to 15.940 billion bu., 120 million bu. more than USDA’s June projection. If there is no change to USDA’s June usage projection, it would push projected ending stocks to 1.870 billion bushels. That’s still manageable.

Soybean conditions unchanged

USDA rated the soybean crop at 66% “good” to “excellent,” unchanged from the previous week, though there was a one-point increase in the top category. The “poor” to “very poor” rating declined one point to 5%. On our CCI, soybeans slipped 0.9 point to 361.8, down 1.1 points from last year.

Spring wheat ratings decline, but...

USDA rated the spring wheat crop as 53% “good” to “excellent,” down one point. The “poor” to “very poor” rating dropped one point to 14%. On our CCI, spring wheat improved 1.1 points to 355.4, though that’s still 26.9 points below last year despite a much better rating in North Dakota.

Record Argentine ag exports in June

Argentina’s grain and soy exports set records in June, as farmers ramped up shipments ahead of a tax hike that took effect on July 1. In June, Argentina exported a record 23.53 million metric tons (MMT) of grains, soybeans and derivatives. For the first six months of the year, grain/soy exports totaled a record 64.5 MMT.

As of July 1, export taxes on soybeans rose to 33%, with soyoil and soymeal at 31%, up from prior levels of 26% and 24.5%, respectively. Taxes on corn and wheat exports rose to 12% from 9.5%.

Ag groups in the country have asked President Javier Milei to extend the tax breaks. Without an extension, farmer selling is likely to slow as exporters pass on the higher taxes to farmers.

Brazil corn, Argy bean crops raised

South American crop consultant Dr. Michael Cordonnier raised his Brazilian corn crop estimate 2 MMT to 132 MMT, as multiple states are expecting record safrinha yields. However, he noted a huge range of crop estimates from 126 MMT (USDA) to 150 MMT (Agroconsult). Brazil’s corn crop will be record-large but there’s a high level of uncertainty with actual production.

Cordonnier increased his Argentine soybean crop forecast 500,000 metric tons to 50 MMT, as yields for late-planted soybeans remain strong.

Brazil, Mexico looking to expand trade

Brazil and Mexico reportedly held talks to boost their trade relations as they seek to expand partnerships beyond the U.S. and China, the *Financial Times* reported. However, the countries didn’t want to upset the U.S. or China.

For Mexico, Brazil could offer investment opportunities in aerospace and pharmaceuticals, while easing dependence on the U.S. for imports of grains, especially yellow corn. For Brazil, it would increase ties outside of China, its largest buyer of ag products and other goods.

ICAO sides with Brazil on SAF ruling

The International Civil Aviation Organization (ICAO) recognized the environmental benefits of multicropping in producing sustainable aviation fuel (SAF), despite opposition from the United States. Brazil’s government celebrated the decision since many farmers in the country grow two or three crops on the same land per year.

American official argued the decision unfairly favors Brazilian farmers, as the country already has a lower carbon score for corn-based ethanol than the United States. This decision adds to the competitive advantage for Brazil in meeting airline demand for SAF.



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USDA plans phased reopening of Mexican border to cattle imports

USDA will reopen ports of entry from Mexico for cattle, bison and equine imports in phases, beginning with Douglas, Arizona, on July 7. USDA said that is the lowest risk entry point due to its location and the “long history of effective collaboration” between officials in Sonora and USDA’s Animal and Plant Health Inspection Service. Additional reopenings:

- Columbus, New Mexico: July 14
- Santa Teresa, New Mexico: July 21
- Del Rio, Texas: Aug. 18
- Laredo, Texas: Sept. 15

Each port’s reopening will be followed by a risk evaluation to ensure that enhanced biosecurity measures are effective, and the pest does not reemerge. USDA will continue risk assessment and adapt its strategy as needed to safeguard U.S. livestock.

Daily Livestock Report noted, “Over 40% of imports during the mid-February to mid-May window came through Nogales and Presidio, two crossings in Arizona and Texas that are not included in the USDA plan. It’s possible that cattle which previously entered through other ports will now be cleared through those included in the USDA list. We believe that imports will remain slow for the foreseeable future, limiting near-term availability and potentially reshaping the structure of trade.”

Mexico requested some of the deadlines for reopening be accelerated and said it will ban the movement of livestock without proof of inspection and treatment for screwworm from affected areas to central and northern Mexico starting July 7.

Record May soy crush

U.S. processors crushed 203.7 million bu. of soybeans in May, a record for the month. The crush pace increased 1.3 million bu. (0.6%) from April and 12.1 million bu. (6.3%) from May 2024.


Through the first nine months of 2024-25, soybean crush totaled 1.844 billion bu., up 5.9% from the same period last year. To hit USDA’s target of 2.420 billion bu., crush must run 5.8% above last year’s pace over the final three months of the marketing year. It’s likely crush will meet or slightly exceed USDA’s forecast barring an unexpected slowdown during summer.

Soyoil stocks fell to 1.876 billion lbs., as domestic and export demand remain strong.

Ethanol use stays strong

Corn-for-ethanol use totaled 449.4 million bu. in May, up 26.2 million bu. (6.2%) from April but 10.6 million bu. (2.3%) less than last year.

Through the first nine months of 2024-25, corn-for-ethanol use totaled 4.080 billion bu., up 0.3% from the same period last year. To reach USDA’s forecast of 5.500 billion bu., ethanol use must run 0.7% above year-ago for the final three months of the marketing year. Based on U.S. Energy Information Administration data, June corn ethanol production outpaced year-ago by 4.8%.

	ACTUAL			DOANE FORECASTS*		
	Year Ago	Last Week	This Week	Aug.	Sept.	Oct.-Dec.
				(Monthly & quarterly avg.)		
CORN						
Central Illinois, bushel	3.85	3.98	3.99	4.25	4.35	4.50
Omaha, NE, bushel	4.27	4.22	4.21	4.35	4.45	4.60
Dried Distillers Grain, IA, \$/ton	148.30	—	138.67	—	—	—
SOYBEANS						
Central Illinois, bushel	11.55	10.21	10.10	10.30	10.50	10.75
Memphis, TN, bushel	11.21	—	—	10.40	10.60	10.75
Soymeal, 48% Decatur, ton	381.00	279.10	264.60	290.00	300.00	315.00
WHEAT						
Kansas City, HRW, bushel	6.30	5.50	5.36	5.70	5.80	6.00
Minneapolis, 14% DNS, bushel	8.02	7.75	7.86	8.25	8.45	8.80
St. Louis, SRW, bushel	5.71	5.33	5.29	5.80	5.95	6.20
Portland, Soft White, bushel	6.20	6.20	6.18	6.25	6.35	6.50
Durum, NE MT HAD, 13%, bu.	6.94	6.62	6.62	6.75	6.80	7.00
SORGHUM , Kansas City, cwt.	7.29	5.83	5.64	6.00	6.10	6.25
COTTON , 11/16 SLM, 7 area, ¢/lb.	63.28	65.01	64.97	64.00	65.00	66.00
RICE , nearby futures, cwt.	16.96	13.56	12.66	13.25	13.25	13.55
CANOLA , Enderlin, ND, cwt	21.25	23.65	22.01	23.00	23.50	24.00
OATS , Minneapolis No. 2 heavy, bu.	4.00	3.94	4.04	4.25	4.30	4.40
ALFALFA , NW Iowa, lg. sq. prem., ton	—	—	—	135.00	135.00	135.00
SUNFLOWERS , Fargo, ND, cwt.	16.50	28.40	28.40	28.00	27.00	28.00
HOGS , Nat'l carcass 51%-52% cwt.	86.92	113.11	109.53	100.00	94.00	82.00
FEEDER PIGS , 40 lbs., Nat. avg. head	53.50	88.15	90.05	81.00	78.00	84.00
CHOICE STEERS , feedlots, cwt.	195.81	234.88	229.51	223.00	223.00	225.00
FEEDER CATTLE , Oklahoma City						
Steers, 700-800 pounds, cwt.	266.40	322.98	321.69	312.00	305.00	295.00
Steers, 500-550 pounds, cwt.	319.01	386.08	390.24	372.00	370.00	365.00
Heifers, 450-500 pounds, cwt.	285.01	362.78	361.79	340.00	340.00	330.00
COWS , utility, Sioux Falls, SD, cwt.	134.47	160.12	163.96	156.00	155.00	150.00
MILK , Class III, CME spot month, cwt.	20.07	18.67	17.55	19.20	19.35	18.75
LAMBS , Slg., San Angelo, TX, cwt.	220.00	258.00	268.50	—	—	—
ENERGY						
Ethanol, IA, gallon	1.98	—	1.55	—	—	—
Farm diesel, U.S., gallon	3.19	3.09	3.06	2.72	2.76	2.78
*Average prices expected for the indicated time periods based on available information. Forecasts will be revised as necessary to reflect changing market conditions.						

Corn, soybean acres decline modestly from March intentions

By Pro Farmer editors

Farmers planted slightly fewer acres to both corn and soybeans than they indicated in March. Total seedings to the two main crops reached 178.583 million acres, down 238,000 acres from intentions but up 939,000 acres from last year.

USDA estimated total area planted to principal crops at 310.839 million acres, increased 899,000 acres from March but declined 370,000 acres from last year and was the lowest since 2020.

Corn plantings: 95.203 million acres

Corn acreage changes from March Prospective Plantings		
	Change	Mil. Ac.
Illinois	-100,000	11.0
Indiana	0	5.4
Iowa	0	13.5
Kansas	-200,000	6.2
Michigan	100,000	2.4
Minnesota	-100,000	8.5
Missouri	100,000	3.9
Nebraska	-300,000	10.3
N. Dakota	50,000	4.25
Ohio	-50,000	3.2
S. Dakota	100,000	6.4
Wisconsin	-50,000	3.9

Corn plantings declined 123,000 acres from March intentions and were 147,000 acres less than analysts expected. Corn plantings increased 4.609 million acres from last year and were the third highest since 1944.

USDA estimated harvested area at 86.774 mil-

lion acres, 91.1% of planted acres.

USDA noted there were still 3.63 million acres of corn left to plant at the time of its survey work.

Soybean plantings: 83.380 million acres

Soybean acreage changes from March Prospective Plantings		
	Change	Mil. Ac.
Arkansas	-100,000	2.9
Illinois	0	10.5
Indiana	-200,000	5.5
Iowa	-100,000	9.5
Kansas	100,000	4.4
Michigan	-150,000	2.0
Minnesota	0	7.0
Missouri	0	5.7
Nebraska	0	5.0
N. Dakota	400,000	6.6
Ohio	-200,000	4.9
S. Dakota	100,000	5.2
Wisconsin	-100,000	2.05

Soybean plantings declined 115,000 acres from March intentions and were 275,000 acres lower than analysts expected. Soybean plantings declined 3.67 million acres from last year. USDA estimated harvested area at 82.535 million acres.

USDA said there were still 11.5 million acres of

soybeans left to plant when its survey was completed.

Other spring wheat seedings inch up from March

USDA estimated all-wheat plantings at 45.478 million acres, up 128,000 acres from March intentions and 40,000 acres more than analysts expected. Winter wheat plant-

ings at 33.325 million acres came in slightly higher than expected but down marginally from year-ago.

Other spring wheat acres are estimated at 10.045 million acres, up 25,000 acres from March intention but 33,000 acres less than expected and down 580,000 acres from last year. Spring wheat acreage was the lowest since we started keeping track in 1980.

Durum plantings at 2.108 million acres rose 93,000 acres from March and 44,000 acres from last year.

Cotton plantings higher than expected

USDA estimated cotton plantings at 10.120 million acres, up 253,000 acres from March intentions and 385,000 acres higher than expected. Cotton seedings still declined 1.063 million acres from last year.

Texas planted 5.726 million acres to cotton, up 199,000 acres from March intentions. Georgia planted 1.0 million acres to cotton, equal to March intentions.

USDA will release its cotton harvest acreage estimate in the August Crop Production Report.

Sorghum, rice acres decline much more than expected

Farmers planted 6.200 million acres to sorghum, down 365,000 acres from March intentions and 100,000 below year-ago. Analysts anticipated a modest decline from March but not nearly that magnitude of change.

Rice plantings at 2.684 million acres came in 211,000 acres below intentions and 226,000 acres below year-ago. Analysts expected a modest decline from March and year-ago for rice plantings.

Uncertainties with the trade situation undoubtedly influenced farmers' planting decisions for both crops.

Canadian spring wheat, canola acres lower than expected

Canadian farmers planted 26.9 million acres to wheat, down 550,000 acres from March intentions but still up 277,000 acres from last year. The increase from year-ago was almost wholly attributed to durum. Spring wheat seedings of 18.8 million acres declined 612,000 from March and 143,000 acres from last year. Analysts expected Canadian spring wheat plantings of 19.2 million acres.

Farmers planted 21.5 million acres of canola, down 189,000 acres from March and 554,000 acres below 2024, possibly due to a combination of concerns including soil moisture and ongoing trade issues with China. Analysts expected canola seedings of 21.7 million acres.

CATTLE - Fundamental Analysis

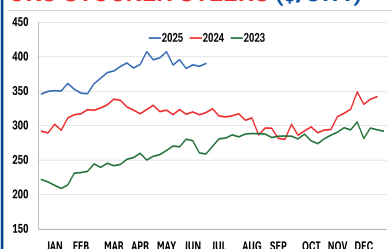
USDA's plan for a phased resumption of cattle imports from Mexico in early July (see [News](#) page 3) fueled sellers last week, along with a second straight week of lower cash cattle trade. But steep discounts to the cash market limited selling. Meanwhile, stable wholesale values amid solid retail demand quickly bolstered packer margins, which swung from highly negative to sharply positive. While the technical and fundamental picture has become a bit less bullish, supply uncertainty should limit a sharp downside push, especially given the big discounts to the cash market.

Position Monitor

Game Plan:	Feds Feeders	
Summer live	II'25	0%
cattle fu-	III'25	0%
tures are at	IV'25	0%
	I'26	0%

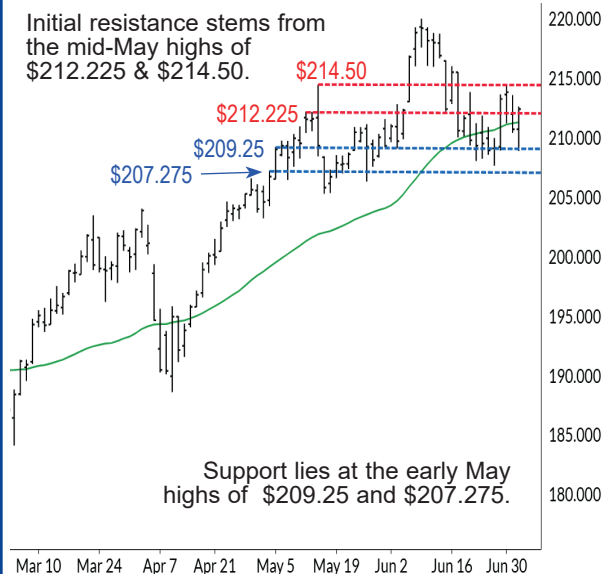
huge discounts to the cash market. Any hedging should be done by buying put options.

OKC STOCKER STEERS (\$/CWT)



DAILY AUGUST LIVE CATTLE

Initial resistance stems from the mid-May highs of \$212.225 & \$214.50.



Support lies at the early May highs of \$209.25 and \$207.275.

HOGS - Fundamental Analysis

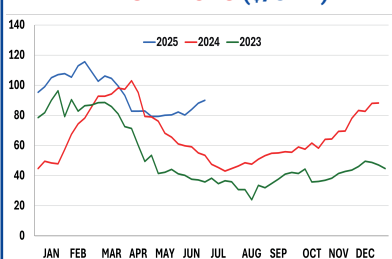
The recent string of gains to multi-year highs in the lean hog index came to a halt last week, spurring a deeper pullback from the mid-June high. Wholesale pork values also faced notable pressure, though product movement remained quite strong amid robust retailer purchases during peak grilling season. However, traders are seemingly prepared for an extension lower, as summer futures fell below the cash index last week. An unexpected increase in the U.S. hog herd in the latest Hogs & Pigs Report, along with the retreat in cattle futures, may assist in putting in a seasonal market top.

Position Monitor

Game Plan:	Lean Hogs	
all risk in the cash	III'25	0%
market. Summer	IV'25	0%
hog futures have	I'26	0%

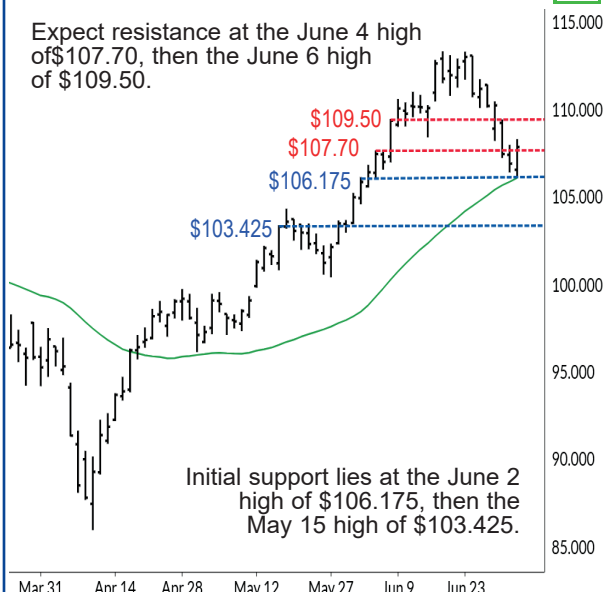
built premiums to the cash index, but they aren't excessive and hedges aren't warranted at this time.

FEEDER PIG PRICES (\$/CWT)



DAILY AUGUST LEAN HOGS

Expect resistance at the June 4 high of \$107.70, then the June 6 high of \$109.50.



Initial support lies at the June 2 high of \$106.175, then the May 15 high of \$103.425.

FEED

Feed Monitor

Corn

II'25	100%
III'25	83%
IV'25	17%
I'26	0%

Meal

II'25	100%
III'25	66%
IV'25	50%
I'26	0%

Corn Game Plan: You should have all corn-for-feed needs covered through August in the cash market, along with half of your needs for September and October.

Meal Game Plan: You have all of your soymeal needs through July covered in the cash market, with half of your needs for August, September, October, November and December covered in cash.

DAILY AUGUST SOYBEAN MEAL

Look for resistance at the June 25 low of \$279.60, then the June 24 low of \$284.40.



Initial support lies at the June 27 low of \$274.00, with firmer support at last week's low of \$271.00.

Position Monitor

	'24 crop	'25 crop
Cash-only:	70%	20%
Hedgers (cash sales):	70%	20%
Futures/Options	0%	0%

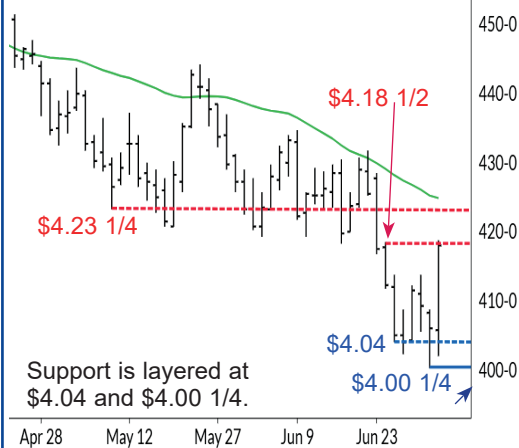
Game Plan: Wait on a price rebound to get current with advised sales. We are targeting the \$4.75 area or higher in nearby futures to advance 2024-crop sales. We would also likely increase 2025-crop sales at the same time. We don't believe current prices reflect ending stocks levels for 2024-25 or 2025-26, but given the trade uncertainty, the upside may be limited unless there's a summer weather threat.

DAILY DECEMBER CORN



DAILY SEPTEMBER CORN

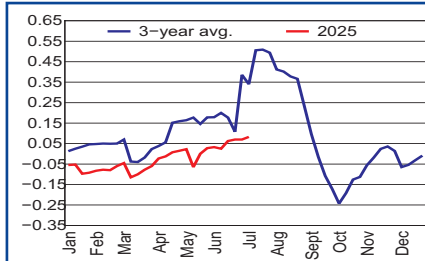
Initial resistance is at the June 24 high of \$4.18 1/2, with stiffer resistance at \$4.23 1/4, which is backed by the 40-day moving average (green line).



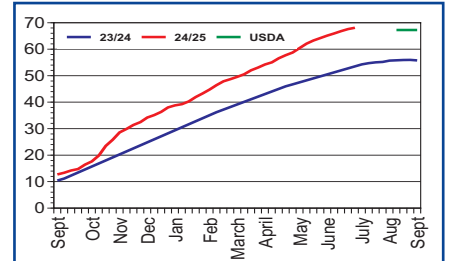
CORN - Fundamental Analysis

USDA's acreage and June 1 stocks figures pressed futures to contract lows, though support at the psychological \$4.00 level held ahead of a late-week short-covering rally. The reconciliation bill along with a confirmed trade deal with Vietnam were the seeming catalysts, though forecasts indicating some potential for hot, dry weather after mid-July likely contributed. Meanwhile, President Trump announced his visit to Iowa ahead of the Independence Day holiday would include "good news" for farmers, particularly regarding trade policy and support for agriculture and increasing odds of a rate cut as the U.S. dollar dives (see "General Outlook" on [Analysis 4](#)) were also supportive.

AVERAGE CORN BASIS (SEPT.)



CORN EXPORT BOOKINGS (MMT)



Position Monitor

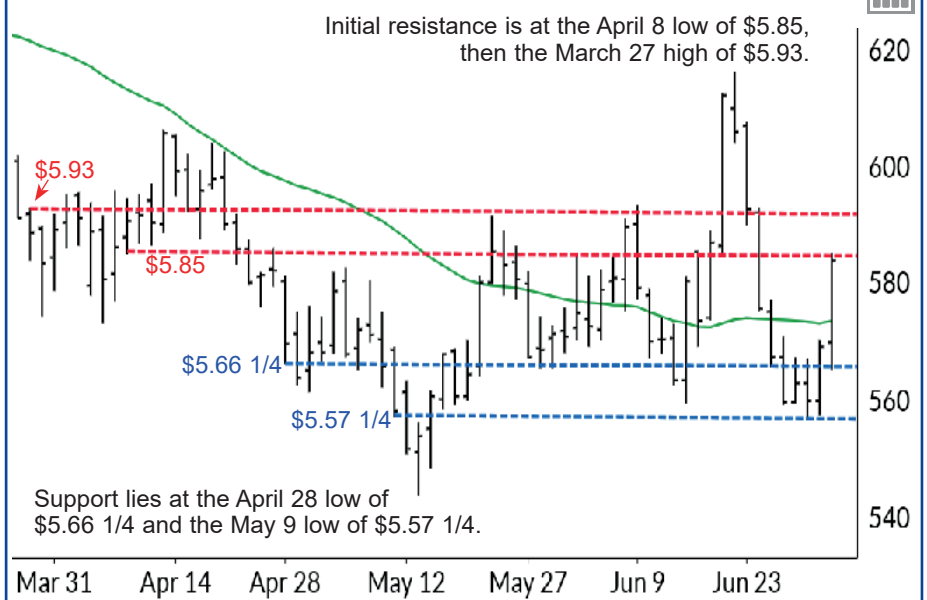
	'25 crop	'26 crop
Cash-only:	30%	10%
Hedgers (cash sales):	30%	10%
Futures/Options	0%	0%

Game Plan: You should have 30% of your 2025-crop sold in the cash market and 10% of the 2026-crop sold for harvest delivery next year. Be prepared to make additional sales on an extended upside move.

WHEAT - Fundamental Analysis

SRW — Corrective buying led wheat futures higher after a nearly 60¢ selloff from the June 20 high. Meanwhile, continued pressure on the U.S. dollar sent the greenback to a 3 1/2 year low, which is could be positive for export demand, especially as U.S. harvest efforts trail the average pace.

DAILY DECEMBER SRW WHEAT

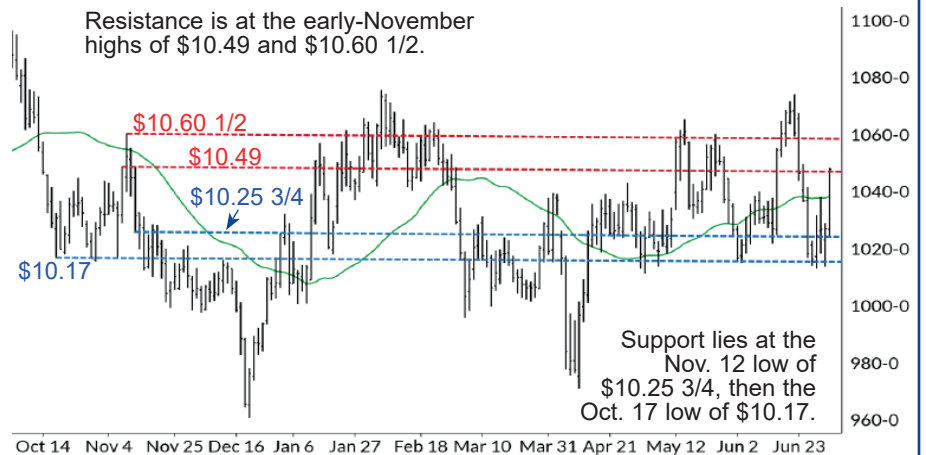


Position Monitor

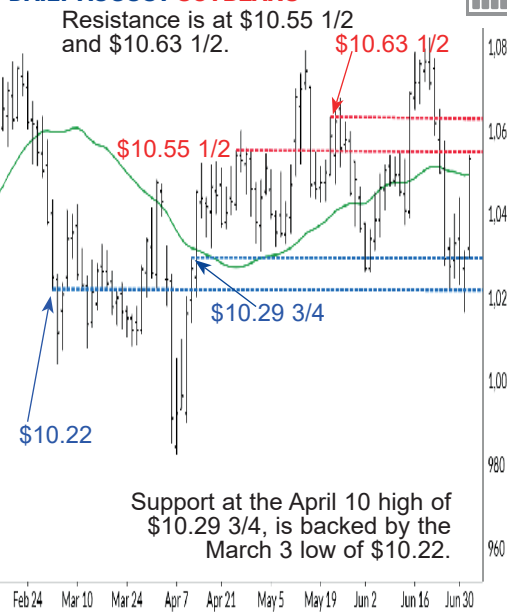
	'24 crop	'25 crop
Cash-only:	65%	10%
Hedgers (cash sales):	65%	10%
Futures/Options	0%	0%

Game Plan: Get current with advised old-crop sales when nearby futures are above \$10.50. Our next sales target is \$11.00 in nearby futures. We would also likely make additional new-crop sales at the same time. Given the trade uncertainty, price rallies should be used to advance sales, especially for old-crop. A summer weather rally is likely at some point during the growing season.

DAILY NOVEMBER SOYBEANS



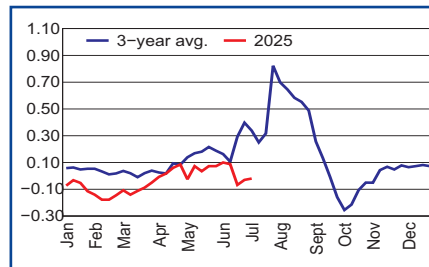
DAILY AUGUST SOYBEANS



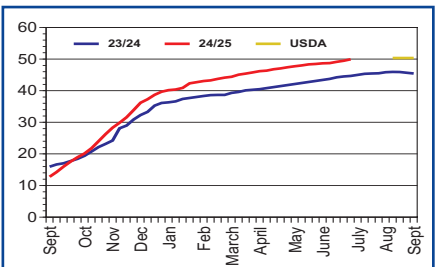
SOYBEANS - Fundamental Analysis

Resumed soyoil strength bolstered soybeans last week, which faced a stiff selloff from the June 20 high. While USDA's Quarterly Grain Stocks and Acreage data provided no support, the Senate's passing of President Trump's tax bill stirred buyers as it was a step closer to the utilization of feedstocks primarily produced in the U.S., Canada and Mexico in the production of biomass biodiesel. However, a broad buzz lingered across commodities as rumors flowed that President Trump could report progress on a trade pact with China. As the July 9 tariff deadline approaches, confirmed trade deals could lend support across the marketplace.

AVERAGE SOYBEAN BASIS (NOVEMBER)



SOYBEAN EXPORT BOOKINGS (MMT)



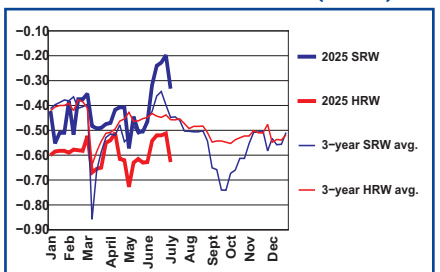
DAILY DECEMBER HRW WHEAT



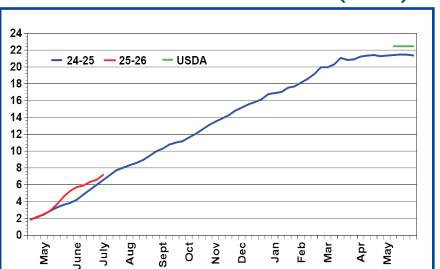
DAILY SEPTEMBER HRS WHEAT



AVERAGE WHEAT BASIS (SEPT.)



WHEAT EXPORT BOOKINGS (MMT)



HRW — Futures recovered from technically oversold territory last week, though overhead resistance and hedge pressure as harvest advances slowed momentum. Oklahoma's harvest woes continued, with additional rains expected in the Plains potentially exacerbating delays and crop quality concerns.

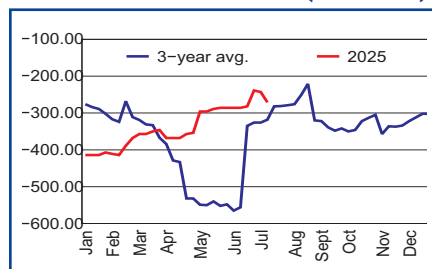
HRS — USDA reported a modest increase in other spring wheat acres from March intentions, though it was slightly less than expected. The "good" to "excellent" crop rating as of June 29 also dipped, with only 2% of Montana's crop in those categories. HRS futures seem poised to extend last week's strength amid increased trade optimism.

Position Monitor

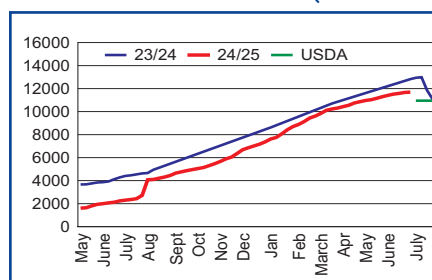
	'24 crop	'25 crop
Cash-only:	75%	0%
Hedgers (cash sales):	75%	0%
Futures/Options	0%	0%

Game Plan: Be prepared to finish old-crop sales by the end of the 2024-25 marketing year on July 31. New-crop sales will wait for an extended rally.

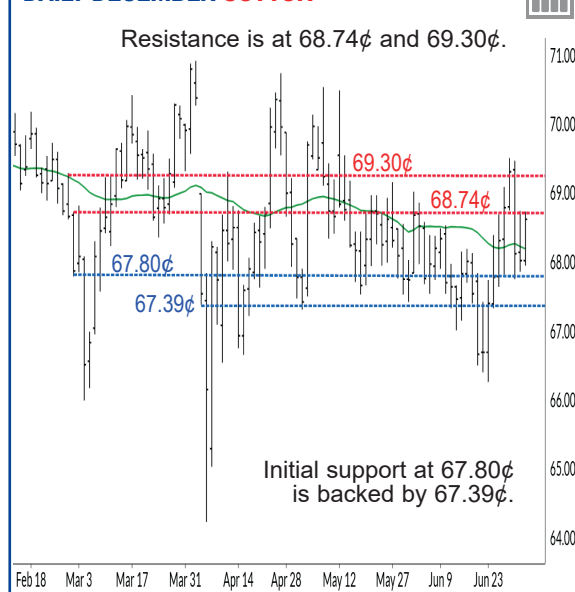
AVERAGE COTTON BASIS (OCTOBER)



COTTON EXPORT BOOKINGS ('000 BALES)



DAILY DECEMBER COTTON



COTTON - Fundamental Analysis

USDA's higher-than-expected cotton plantings estimate sent futures tumbling early last week, though corrective strength followed. Futures remain in an extended choppy range as funds aren't willing to actively add to shorts but don't have a reason to cover.

GENERAL OUTLOOK

COMMODITIES: Much of the raw commodity sector has been beaten up recently, including grains. Veteran market watchers are taking note of two important developments that may turn the tide more in favor of bulls: A slumping U.S. dollar and falling U.S. Treasury yields. The U.S. dollar index fell to a 3.5-year low and the U.S. 10-year Treasury note yield fell to a two-month low.

Falling Treasury yields suggest the Federal Reserve will cut interest rates sooner rather than later. If the Fed cuts rates, such action would work to stimulate consumer demand due to lower borrowing costs.

And if the Fed cuts rates, other major world central banks would likely do the same. That in turn would stimulate better global demand for raw commodities.

DAILY U.S. DOLLAR INDEX



FROM THE BULLPEN By Economist Lane Akre

Nearby corn futures closed lower in June, in line with the historical bearish bias for the month. July is historically the most bearish month of the year. Over the last 20 years, September futures closed higher six times (30% of the time) by an average of 8.7%, about 35¢ at current prices. September futures closed lower the remaining 14 years by an average of 7.7%, about 31¢ at current prices. Over the last 10 years, prices have risen just twice (2018 and 2023) and gains were moderate each year.

August soybeans have a moderately bearish bias in July historically, though that bias has shifted fully neutral more recently. In the past 20 years, August soybeans have closed higher 10 times and lower 10 times. Losses have typically

outweighed gains, averaging 6.4%, about 66¢ at current prices. Gains have averaged 5.4%, about 56¢. Losses tend to outweigh gains as the market actively takes risk out of prices as the growing season progresses. The bias over the last decade remains neutral, with prices rising and falling five times apiece.

July SRW wheat closed lower in June, in line with the historical bearish bias. July carries a long-term bearish bias. Over the last 20 years, prices closed higher and lower 10 times apiece. Gains modestly outweigh losses, with the average gain being 9.4%, about 52¢ at current prices. Losses have averaged 45¢. Over the last decade, prices have closed higher four times and lower six times.

WATCH LIST

1	USDA Crop Progress Report Corn conditions stay strong.	MON 7/7 3:00 p.m. CT
2	U.S. Ag Trade Data Ag exports/imports for May.	TUE 7/8 1:00 p.m. CT
3	FOMC Minutes Insight into Fed thinking.	WED 7/9 1:00 p.m. CT
4	USDA Crop Production Rpt. USDA's first all-wheat crop est.	FRI 7/11 11:00 a.m. CT
5	USDA WASDE Report Old-, new-crop balance sheets.	FRI 7/11 11:00 a.m. CT

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