



Weather and Crop Conditions

USDA Crop Progress Estimates

As of: 6/14/2020

Good/Excellent Conditions	FI Estimate	Last Week	Year Ago	5-year Average*	Change
Winter Wheat	51	51	64	51	0
Spring Wheat Conditions	82	82	77	70	0
Corn Conditions	76	75	59	70	1
Soybean Conditions	73	72	54	67	1

	FI Estimate	Last Week	Year Ago	5-year Average*	Change
Soybeans Planted	94	86	72	88	8
Winter Wheat Harvest	18	7	7	15	11

Source: FI, USDA, NASS *Conditions, Harvest and Planting progress for LY and 5-YR best guess

MARKET WEATHER MENTALITY FOR CORN AND SOYBEANS:

Net drying is expected for a while. Soil moisture will be favorable for good crop development in most areas, although slowly declining soil moisture in the eastern Midwest, the far southwestern Corn Belt and parts of the Tennessee River Basin will be closely monitored. Timely rain will be very important for all of these areas late this month and in July.

Canada's Prairies are too wet in the west and a little too dry in parts of the south-central and east. Some canola and other late season planting has stopped in the wetter areas of Alberta and those fields may be abandoned because of too much moisture and the lateness of the season. Rain in the eastern Prairies late this weekend into early next week may offer some relief.

South America weather remains mostly good for maturing crops and their harvest. Dryness in some eastern and northern Safrinha crops may have harmed late season yields. Argentina's harvesting will continue aggressively, although rain in the east will induce some disruption.

Rain is needed in South Africa and Australia to improve canola planting conditions. Some rain is expected in Australia beginning in the west today and reaching the east Friday into Saturday.

Philippines rainfall is being boost by a tropical disturbance with additional dryness relief expected in Luzon Island over the next few days.

Most of Malaysia and Indonesia rainfall is still rated favorably and likely to prevail for a while.

Europe weather will remain mostly good for coarse grain and oilseed development, although some additional warming is needed in Eastern Europe and a boost in rain is still needed in France, parts of the U.K. and Germany. Some of that needed rain is coming.

Drying in Russia's Southern Region, Kazakhstan and central and eastern Ukraine will raise some interest for soybeans, corn and sunseed development, but the region is not too dry today except in parts of Kazakhstan and eastern parts of Russia's Southern Region.

Overall, weather today will likely have a mixed influence on market mentality.

MARKET WEATHER MENTALITY FOR WHEAT:

Too much rain recently in Alberta, Canada has raised concern over small grain conditions and additional rain slated for the next several days will induce some additional concern and crop damage. Eastern parts of the Prairies may get some needed rain late this weekend into early next week, but many areas will be looking for greater rain.

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U.S. hard red winter wheat is finishing out relatively well, but dryness and frost damage in the southwestern Plains has left production low in some areas. Rain in Nebraska, parts of Kansas and a few Colorado locations earlier this week benefited late season crop development.

Rain in Europe has improved small grain conditions in recent weeks, although there is need for more rain in France, the U.K. and parts of Germany. Eastern Europe would benefit from some warmer temperatures. Spring cereals are still rated favorably in many areas outside of northwestern Europe with little change expected through the coming week. There will be some interest in eastern Russia's spring wheat as time moves along this summer, but for now the environment is still mostly good. Net drying in central and eastern Ukraine will raise some concern over small grain crop conditions later this month, but conditions today are still good.

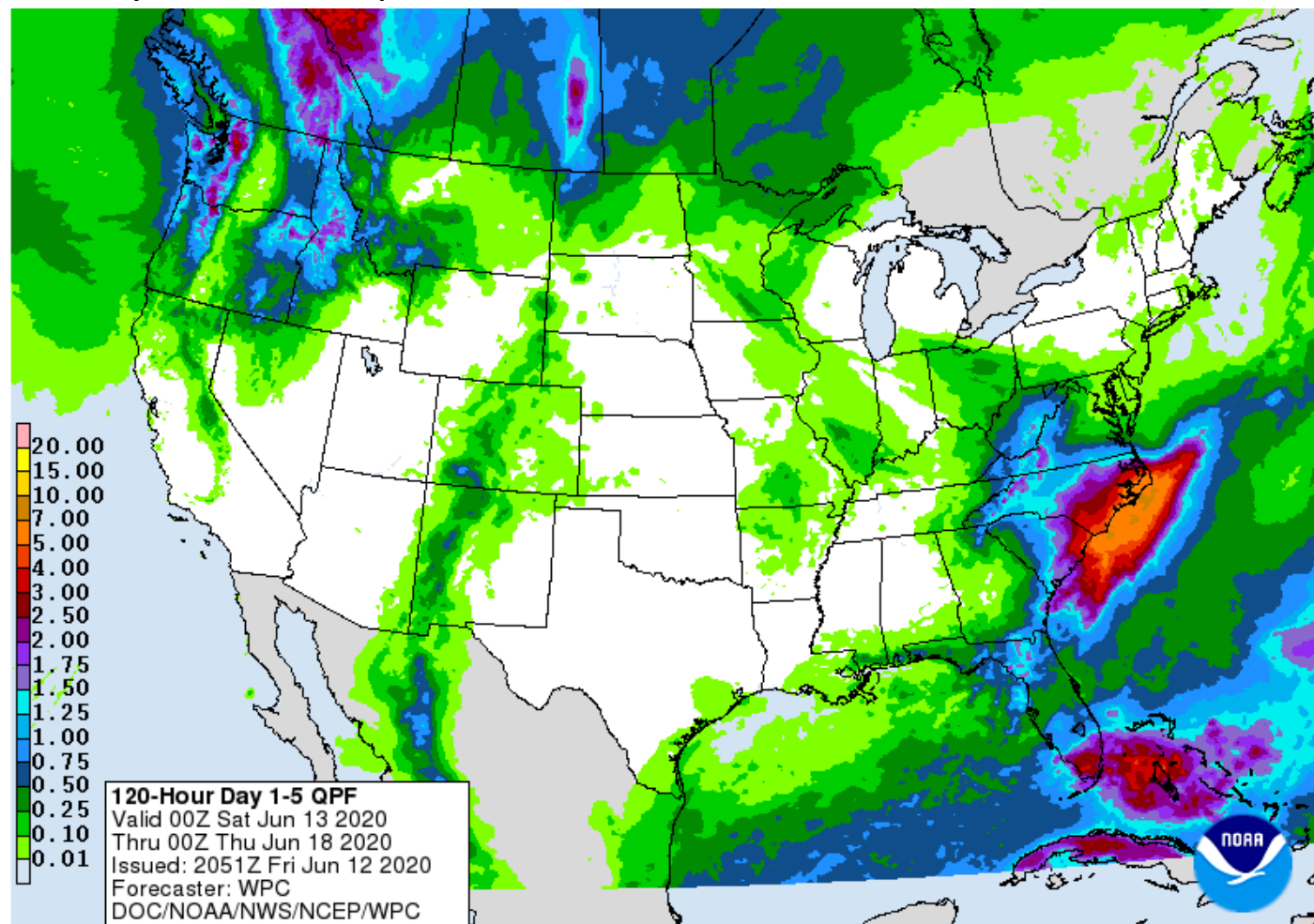
Australia's rain event expected from west to east over the next few days should improve some crops, but there will be an ongoing need for greater moisture. A follow up rain event in the west during mid-week next week will improve some crops.

South Africa and parts of Argentina still need greater rainfall to support wheat planting and establishment. Eastern Argentina wheat areas should get some beneficial rain next week.

Overall, weather today will likely provide a mixed influence on market mentality.

Source: World Weather Inc. and FI

WPC 5-day Quantitative Precipitation Forecast



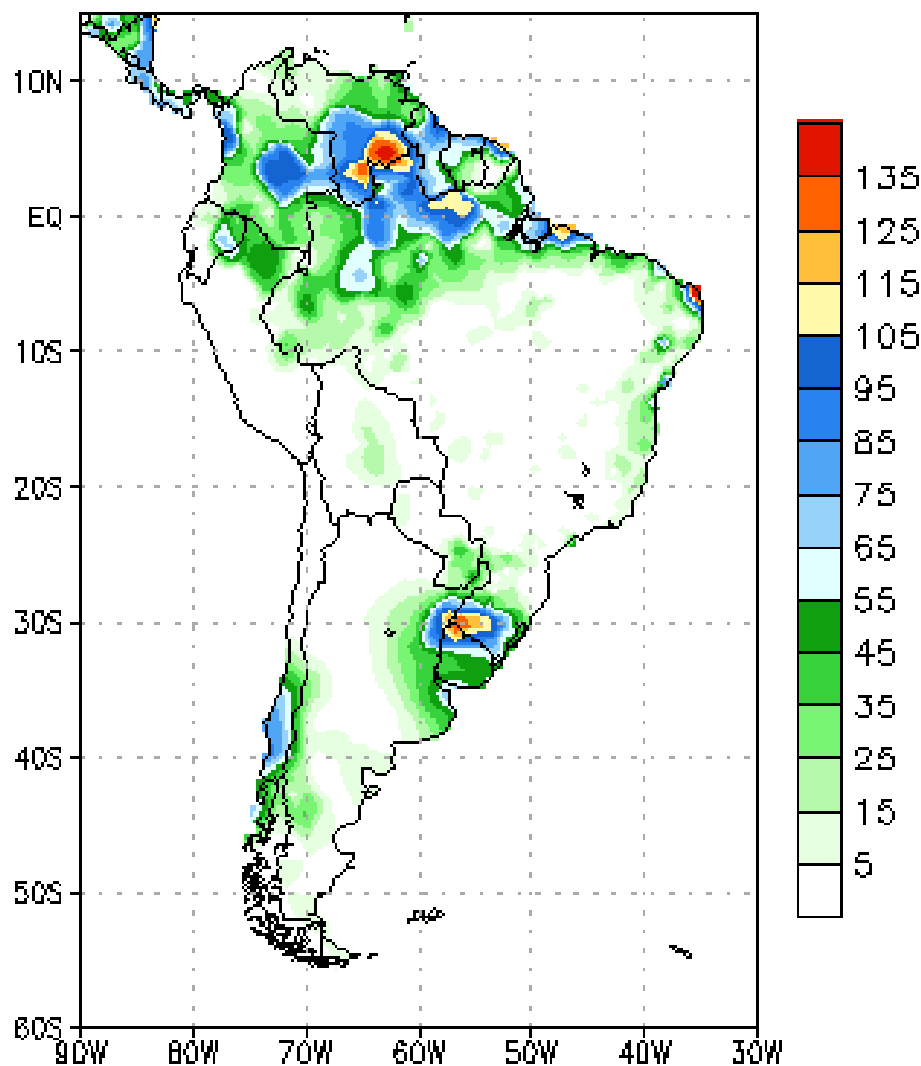
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NCEP GFS Ensemble Forecast 1–7 Day Precipitation (mm)
from: 12Jun2020
12Jun2020–18Jun2020 Accumulation



Bias correction based on last 30-day forecast error

Source: World Weather Inc. and FI

Bloomberg Ag Calendar

FRIDAY, June 12:

- ICE Futures Europe weekly commitments of traders report on coffee, cocoa, sugar positions
- CFTC commitments of traders weekly report on positions for various U.S. futures and options, 3:30pm
- FranceAgriMer weekly update on crop conditions
- New Zealand food prices
- Shanghai exchange's weekly commodities inventory
- HOLIDAY: Russia

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MONDAY, June 15:

- Monthly MARS bulletin on crop conditions in Europe
- USDA weekly corn, soybean, wheat export inspections, 11am
- USSEC's Asia Trade Exchange 2020, day 1
- U.S. crop progress -- corn, soybean plantings, winter wheat conditions, 4pm
- EU weekly grain, oilseed import and export data
- Ivory Coast cocoa arrivals
- Malaysia's palm oil export data for June 1-15

TUESDAY, June 16:

- New Zealand global dairy trade auction
- Abares agricultural commodities report for June quarter 2020
- Asia Trade Exchange 2020, day 2

WEDNESDAY, June 17:

- EIA U.S. weekly ethanol inventories, production, 10:30am
- Asia Trade Exchange 2020, day 3

THURSDAY, June 18:

- USDA weekly crop net-export sales for corn, soybeans, wheat, cotton, 8:30am
- Brazil Conab releases 2nd estimate for 2020 coffee crop, Sao Paulo
- Port of Rouen data on French grain exports
- USDA total milk production, 3 pm

FRIDAY, June 19:

- ICE Futures Europe weekly commitments of traders report, 1:30pm (6:30pm London)
- CFTC commitments of traders weekly report on positions for various U.S. futures and options, 3:30pm
- FranceAgriMer weekly update on crop conditions
- U.S. Cattle on Feed, 3pm

SATURDAY, June 20:

- Malaysia's palm oil export data for June 1-20

Source: Bloomberg and FI

FI ESTIMATES FOR US EXPORT INSPECTIONS

Million Bushels	FI Estimates	Last Week	5-Year Ave.
WHEAT	15 to 22	15.9	17.6
CORN	39 to 49	43.3	40.6
SOYBEANS	11 to 18	7.8	16.4

Million Tons	FI Estimates	Last Week	5-Year Ave.
WHEAT	400 to 600	432.9	480.1
CORN	1,000 to 1,250	1,100.1	1030.6
SOYBEANS	300 to 500	213.0	447.3

Source: USDA & FI

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Corn.

- July corn rose only a quarter-cent today in a quiet trade. With mild weather currently and the crop in great shape, there is no impetus to move.
- Weather should be in focus for the upcoming week. Warmer and drier weather may stress some of the crop that missed rain across the far western Corn Belt.
- We look for soybean and corn crop conditions to improve when reported by USDA on Monday, but with dry weather on horizon, they could decline the following two to three weeks. Conditions are already at high levels for this time of year for both crops.
- APK-Inform increased its forecast for Ukraine corn production to 35.4 million tons from 35.1 million a month ago and compares to 35.8 million tons in 2019. They will likely dominate the Chinese import market for at least three years running.
- CFTC reported that corn specs increased their net shorts by 17,066 contracts to short 332,285 contracts for the week ending June 9.
- Funds were net sellers of 2,000 net corn contracts on the session.
- Flint Hills Resources announced the closure of its 120 MLN gallon/year ethanol facility in Camila, Georgia which has been idled since May because of COVID-19 caused demand destruction.

Corn Export Developments

- None reported

Corn		Change	Oats		Change	Ethanol	Settle	
JUL0	330.00	0.25	JUL0	317.00	(2.00)	JUL0	1.20	Spot DDGS IL
SEP0	334.50	(0.50)	SEP0	287.25	0.75	AUG0	1.16	Cash & CBOT
DEC0	343.00	(0.75)	DEC0	280.00	1.50	SEP0	1.16	Corn + Ethanol
MAR1	354.75	(0.75)	MAR1	281.50	(1.25)	OCT0	1.16	Crush
MAY1	361.25	(1.00)	MAY1	287.00	(1.25)	NOV0	1.16	1.33
JUL1	366.25	(1.25)	JUL1	287.00	(1.25)	DEC0	1.19	
Soybean/Corn		Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change
JUL0	JUL0	2.64	541.25	5.00	JUL0	1.52	172.00	2.50
SEP0	SEP0	2.61	538.75	4.25	SEP0	1.52	173.25	2.50
NOV0	DEC0	2.56	536.75	3.75	DEC0	1.51	173.75	2.00
MAR1	MAR1	2.47	522.75	2.25	MAR1	1.48	171.50	1.50
MAY1	MAY1	2.43	516.00	2.25	MAY1	1.47	168.75	1.00
JUL1	JUL1	2.41	517.75	1.75	JUL1	1.45	163.75	1.50
US Corn Basis & Barge Freight								
Gulf Corn			BRAZIL Corn Basis			Chicago		
JUNE	+48 / 52 n up1/up2		JLY	nq		na	Toledo	+15 n unch
JULY	+51 / 54 n up3/up2		AUG	+71 / 80 n		unch	Decatur	-3 n up2
AUG	36 up3/up1		SEP	+71 / 75 n		unch	Dayton	+5 n unch
SEPT	+49 / 55 u unch/up1		OCT	+65 / 76 z		unch	Cedar Rapids	+15 unch
OCT	+50 / 52 z up1/unch						Burns Harbor	-12 n dn3
								-12 n unch
USD/ton: Ukraine Odessa \$ 170.00						Memphis-Cairo Barge Freight (offer)		
US Gulf 3YC Fob Gulf Seller (RTRS) 165.5 163.5 165.4 163.4 161.8 160.4						BrgF MTCT JUN 185 unchanged		
China 2YC Maize Cif Dalian (DCE) 292.2 294.5 296.3 297.8 299.0 300.0						BrgF MTCT JUL 200 unchanged		
Argentina Yellow Maize Fob UpRiver - 149.2 149.2 151.4 - -						BrgF MTCT AUG 275 unchanged		
Source: FI, DJ, Reuters & various trade sources								

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Updated 6/11/20

- *July corn is seen in a \$3.20 and \$3.40 range. December lows could reach \$2.90 if US weather cooperates.*

Soybean complex

- CBOT soybeans closed higher after USDA announced additional soybeans were sold under the 24-hour system. US soybean currently make the most sense economically on the global market for China so expect them to continue buying despite trade tensions.
- Poor China crush margins should be monitored as they are in focus for Q4 interest. Note China sold all of its 60,486 tons of soybeans overnight at auction.
- If soybean prices were to rise over the next week due to unfavorable US weather, we are under the opinion meal will appreciate over soybean oil after USDA pegged new-crop soybean oil ending stocks at a physiological 2.0 billion pounds. Coupled with Argentina crushing woes, we look for US soybean meal export interest to remain high.
- Our carryout for the 2019-20 US soybeans balance stands at 517 million bushels and new-crop at 509 million. Reason we have a large new-crop carryout is we look for exports to total 1.975 billion bushels, less than USDA. We believe with more than 30 percent of the Brazil new-crop soybeans sold, area will expand around 1.5-2.5 percent, and Brazil, if weather permitting, will realize a record 2021 production, and again suppress the US soybean export potential.
- CFTC reported that soybean specs decreased their net shorts by 16,115 contracts to short 3,300 contracts for the week ending June 9.
- Funds were net buyers of 6,000 net soybeans, and sold 2,000 net soybean meal, and sold 1,000 net soybean oil contracts.

NOPA CRUSH REPORT

	FI May-20	Trade Est*	Act- Trade*	Apr-20	Mar-20	May-19
Crush- mil bu	164.1	na	na	171.8	181.4	154.8
Oil Stocks-mil lbs	1975	na	na	2111	1899	1581
Oil Yield -lbs/bu		na	na	11.56	11.56	11.77
Meal Exports -000 tons		na	na	891	974	617
Meal Yield -lbs/bu		na	na	47.11	47.07	47.36

Sources: NOPA, and FI *(Reuters range NA) (Bloomberg ave. NA)

Oilseeds Export Developments

- Under the 24-hour announcement system, US exporters sold 120,000 tons of soybeans to unknown for 2020-21 delivery.
- Sold all @ 4,679 yuan per ton: China's Sinograin will sell 60,486 tons of domestic 2017 soybeans from reserves on Friday, out of Heilongjiang.
- Syria will retender for 50,000 tons of soybean meal and 50,000 tons of corn on June 24 for delivery within four months of contract.

Soybeans		Change	Soybean Meal		Change	Soybean Oil		Change
JUL0	871.25	5.25	JUL0	289.00	(0.70)	JUL0	27.50	0.00
AUG0	872.50	4.50	AUG0	291.40	(0.80)	AUG0	27.70	0.01
SEP0	873.25	3.75	SEP0	293.30	(1.10)	SEP0	27.88	0.00
NOV0	879.75	3.00	OCT0	295.00	(1.10)	OCT0	28.05	(0.01)
JAN1	882.25	2.25	DEC0	298.40	(1.10)	DEC0	28.42	(0.02)
MAR1	877.50	1.50	JAN1	299.30	(1.10)	JAN1	28.65	(0.03)
MAY1	877.25	1.25	MAR1	298.20	(1.10)	MAR1	28.84	(0.02)
Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
May/Jul	1.25	(0.75)	May/Jul	2.40	(0.10)	May/Jul	0.20	0.01
Electronic Beans Crush			Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin		of Oil&Meal	Con. Value	Value	Value		
JUL0	67.05		JUL0 32.24%	\$ 12,400	635.80	302.50		
AUG0	73.28		AUG0 32.22%	\$ 12,520	641.08	304.70	EUR/USD	1.1254
SEP0	78.69		SEP0 32.22%	\$ 12,602	645.26	306.68	Brazil Real	5.0511
NOV0/DEC0	89.35		OCT0 32.22%	\$ 12,670	649.00	308.55	Malaysia Bid	4.2680
JAN1	91.36		DEC0 32.26%	\$ 12,788	656.48	312.62	China RMB	7.0805
MAR1	95.78		JAN1 32.37%	\$ 12,740	658.46	315.15	AUD	0.6862
MAY1	95.92		MAR1 32.59%	\$ 12,516	656.04	317.24	CME Bitcoin	9464
JUL1	95.88		MAY1 32.79%	\$ 12,324	654.06	319.11	3M Libor	0.32088
AUG1	97.69		JUL1 32.80%	\$ 12,398	658.46	321.42	Prime rate	3.2500
SEP1	102.92		AUG1 32.83%	\$ 12,404	659.78	322.41		
US Soybean Complex Basis								
JUNE	+56 / 63 n up1/up1					DECATUR	+7 n unch	
JULY	+61 / 65 n up1/unch		IL SBM	N-13 6/2/2020		SIDNEY	+18 n unch	
AUG	+64 / 72 q unch/up3		CIF Meal	N +9 6/2/2020		CHICAGO	-10 n unch	
SEP	+65 / 66 x up3/up1		Oil FOB NOLA	225 5/29/2020		TOLEDO	-8 n unch	
OCT	+63 / 65 x up3/up1		Decatur Oil	-50 5/29/2020		BRNS HRBR	-10 n unch	
						C. RAPIDS	-7 n unch	
Brazil Soybeans Paranagua fob			Brazil Meal Paranagua			Brazil Oil Paranagua		
JUNE	-110 / +140 n unch		JUNE	nq	na	JUNE	nq	na
JULY	125 / +145 n unch		JLY	+4 / +8 n	unch	JLY	+200 / +350 n unch	
AUG	-135 / +145 q unch		AUG	+1 / +5 q	unch	AUG	+160 / +250 q unch	
SEPT	-127 / +145 u unch		SEP	+1 / +5 u	unch	SEP	+160 / +250 u unch	
FEB	+53 / +62 f unch		OCT	+1 / +3 v	unch	OCT	+150 / +190 v unch	
	Argentina meal		293	1.6	Argentina oil:	Spot fob	30.2 2.51	
Source: FL, DJ, Reuters & various trade sources								

Source: FI, DJ, Reuters & various trade sources

Updated 6/11/20

- July soybeans are seen in a \$8.44-\$8.85 range.
- July soybean meal is seen in a \$280 to \$310 range.
- July soybean oil range is seen in a 26.75 to 28.25 range

Wheat

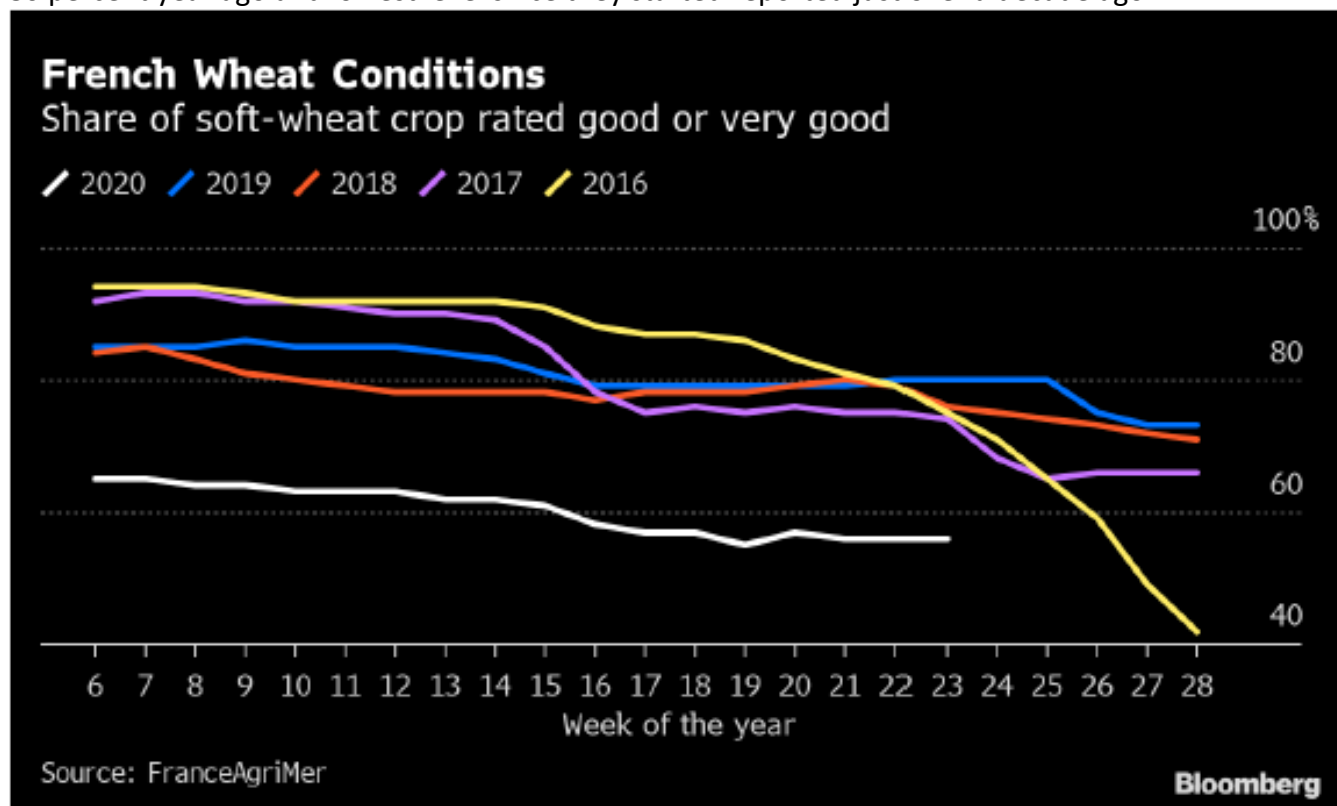
- US wheat reversed early losses to close higher today on some mild short-covering prompted by the weather outlook calling for net drying across the Prairies and US Great Plains.

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- French wheat conditions were unchanged from the previous week at 56 percent G/E, well down from 80 percent year ago and lowest level since they started reported just over a decade ago.



- France experienced their second warmest spring on record behind the 2011 calendar year.
- Paris December wheat finished up 1.00 euro at 185.75.
- Funds bought a net 3,000 wheat contracts on the session.
- CFTC reported that wheat specs increased their net shorts by 3,950 contracts to short 43,008 contracts for the week ending June 9.
- We look for no change in the US spring (very high rating) and winter wheat rating on Monday.

Export Developments.

- Saudi Arabia seeks 960,000 tons of barley for arrival between August and September.
- Japan seeks 80,000 tons of feed wheat and 100,000 tons of feed barley on June 17 for arrival by November 26.
- Jordan seeks 120,000 tons of wheat on June 17 for November-December shipment.

Rice/Other

- South Korea's Agro-Fisheries and Food Corp seeks 80,605 tons of non-glutinous rice for October 2020 and March 2021 shipment.

TONNES (M/T)	GRAIN TYPE	ORIGIN	ARRIVAL/PORT
90	Milled Long	Thailand	Oct 31, 2020/Busan
1,410	Milled Long	Thailand	Oct 31, 2020/Busan
20,000	Brown Short	China	Jan 31, 2021/Gunsan
20,000	Brown Short	China	Jan 31, 2021/Ulsan
20,000	Brown Short	China	March 31, 2021/Donghae
19,105	Brown Short	China	March 31, 2021/Mokpo

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Chicago Wheat			Change	KC Wheat			Change	MN Wheat			Settle	Change
JUL0	502.00		2.75	JUL0	448.50		1.50	JUL0	513.25			0.00
SEP0	507.75		2.00	SEP0	457.00		1.25	SEP0	525.25			(0.75)
DEC0	516.75		1.25	DEC0	469.50		1.00	DEC0	538.50			(2.25)
MAR1	526.25		0.75	MAR1	482.00		1.00	MAR1	551.00			(3.00)
MAY1	530.00		0.00	MAY1	489.25		0.75	MAY1	559.75			(2.50)
JUL1	530.00		0.25	JUL1	494.25		1.00	JUL1	566.25			(1.75)
SEP1	536.25		1.50	SEP1	502.00		0.75	SEP1	566.50			(1.00)
Chicago Rice			Change									
JUL0	16.07		1.500	SEP0	11.95		0.030	NOV0	11.82			(0.005)
US Wheat Basis												
Gulf SRW Wheat				Gulf HRW Wheat				Chicago mill				
JUNE	+50	n	unch	JUNE	126	/ n	unch	Toledo			jly price	unch
JULY	+50	n	unch	JULY	136	/ n	unch	PNW US Soft White 10.5% protein				
AUG	+52	u	unch	AUG	140	/ u	unch	PNW Jun	595		unchanged	
SEP	+52	u	unch	SEP	140	/ u	unch	PNW Jul	585		unchanged	
OCT	+55	z	unch	0-Jan				PNW Aug	585		unchanged	
								PNW Oct	588		unchanged	
Euronext EU Wheat			Change	OI	OI Change		World Prices \$/ton			Change		
SEP0	183.50		1.00	115,859	(459)		US SRW FOB	\$211.20		\$1.00		
DEC0	185.50		0.75	170,605	8,117		US HRW FOB	\$221.70		\$0.50		
MAR1	188.00		1.00	19,575	459		Rouen FOB 11%	\$200.88		\$0.00		
MAY1	189.25		0.75	10,705	44		Russia FOB 12%	\$205.00		\$0.50		
EUR	1.1254						Ukr. FOB feed (Odessa)	\$188.50		(\$1.00)		
							Arg. Bread FOB 12%	\$259.68		\$1.28		

Source: FI, DJ, Reuters & various trade sources

Updated 6/11/20

- Chicago July is seen in a \$4.80-\$5.05 range
- KC July \$4.35-\$4.65
- MN July \$5.00-\$5.25

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