

4/29/2024

Futures Price Changes

Corn up 1 (May) @ 4.41

Corn up 1 (Dec) @ 4.74

Soybeans up 6 (May) @ 11.59

Soybeans up 5 (Nov) @ 11.79

Wheat down 7 (May) @ 5.96

Wheat down 7 (Jul 24) @ 6.15



Perdue Grains Commentary



Good morning. Good Evening/Good Morning. I decided to type up these comments this evening, as I'm currently in Omaha at my mother's apartment (which was not damaged by the tornadoes). The markets have found some early support this evening, probably due to a forecast that looks slightly wetter than it did going home on Friday. At the same time, given the above-normal temperatures expected over the next two weeks, I'm not seeing much that would suggest major planting delays. I came across Indiana, Illinois and Missouri on Friday and went 60 miles deep into southeast Nebraska on Saturday. Planting progress was not impressive in western Indiana, with less than 10% of the corn in the ground and perhaps 20% of the beans. The pace picked up in eastern Illinois but from Decatur to the Mississippi River, progress might have been north of 60% for both corn and soybeans. The progress was even heavier in Missouri and eastern Nebraska, with perhaps over 70% of both crops in the ground. That could set up a bearish surprise on the planting progress report, which will be released after the market's close. The most supportive feature for corn this week could be the ongoing massive short position by the funds, in addition to a wheat market that might not be done with its recent rally. A good portion of western Kansas and

Oklahoma did not receive the needed rainfall and the extended forecasts are looking mixed this evening.



Soybean futures also came out of the box with a moderate pop but the enthusiasm is somewhat subdued. That can be expected, as there isn't much out there in regard to the fundamentals that will push futures much higher. The May contract is currently 31 cents above the monthly low, while the November is 28 cents above the April low set on the 19th. While it's difficult to get excited in anyway over the current level for both old and new crop, we need to be pushing sales along for both at current levels. At some point in every old crop season there comes a time for wrapping things up on the physical commodity and this appears to be it. If you're feeling a bullish twinge, then I'd take a look at a minimum price strategy.

As for the new crop, there's still some profitability left at this level, assuming an average yield. While there are going to be some slow-planting spots develop this week, there are a lot of soybeans in the ground and they'll be coming up quickly. That sets up the opportunity for record yields, given a favorable growing season. If we could actually finish off one of these crops with a strong close in August, we need to be prepared for a national yield above the **54 bu/ac** mark. If that happens on a harvested acreage

number near 87 million (I believe we're heading toward a number that high), then we could be staring down the barrel of a **650 million-bushel** 2024/25 carryout. And that is assuming a demand increase of 200 million (which isn't a highly solid assumption at this point). If that unfolds, we're going to see the November contract slide under the \$10 mark.



Wheat futures are under some mild pressure this evening, as traders look for something solid to keep the current rally firmly intact. There is some rain for the western edges of hard red land in the 6-10 but those projections haven't been reliable for the past couple of months. There are also some other problem areas around the globe, so the production side of the equation could remain supported for much of this week. The demand side will continue to be a drag but hopefully that will be fully offset by a very nervous short fund position. The rally off the spring lows has been dramatic and needs to be rewarded, especially if you have little or no new crop sales on the books.



The equity markets saw a respectable recovery on Friday, with the Dow gaining 154 points to settle at **38,240**. The NASDAQ had an even more impressive bounce of 2.03%. I'd be a little concerned however, about the coming weeks and months, all things considered. The Dollar Index is back above the 106-mark, which is much too strong to help out our soft export performance. Highlighting that issue is the Yen currently hitting its lowest level against the Dollar since 1990.



Crude oil futures are showing some evening weakness, with the nearby contract currently down 87 cents to **\$82.98**. There appears to be a growing chance for a ceasefire agreement between Hamas and Israel, which is likely having a calming influence on our energy markets.



The national radar map is getting busy in the far northern Corn Belt this evening, with some shower activity being seen in the Dakotas and Minnesota. Another round of showers is also passing through Missouri. The seven-day projected is showing a likelihood of additional 1-3" amounts in Iowa, Minnesota and much of Illinois, so planting progress will likely be on the light side in those states.

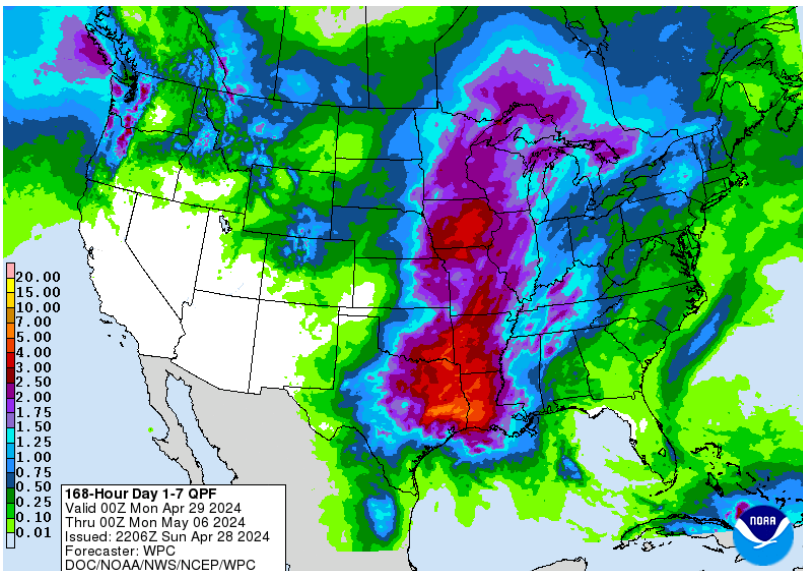
That's all for this morning. I hope your day goes well.

John

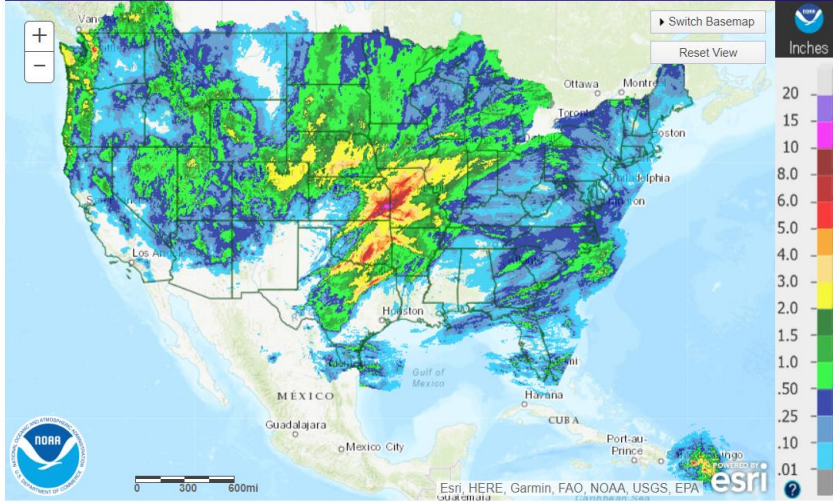
If you're pulling these comments up on a laptop or desktop computer, you'll need to right click on the little window next to "Morning Coffee Comments" at the top to get all the graphics and maps to download.

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Seven Day Projected

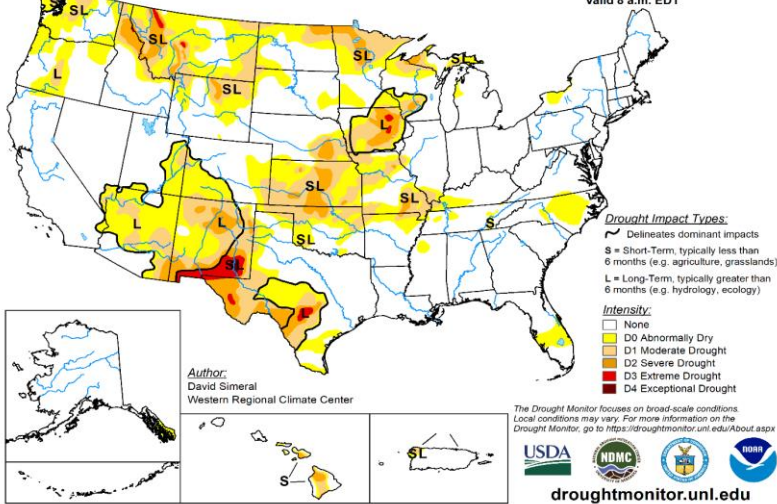


Past Seven Days Precipitation



U.S. Drought Monitor

April 23, 2024
 (Released Thursday, Apr. 25, 2024)
 Valid 8 a.m. EDT

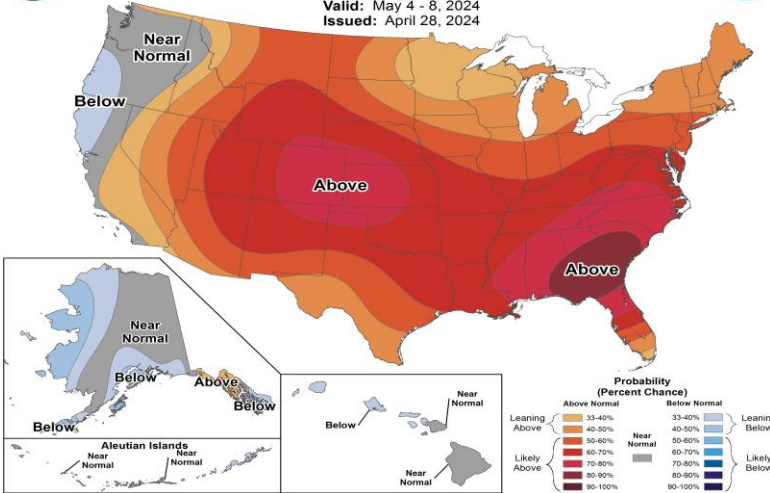




6-10 Day Temperature Outlook



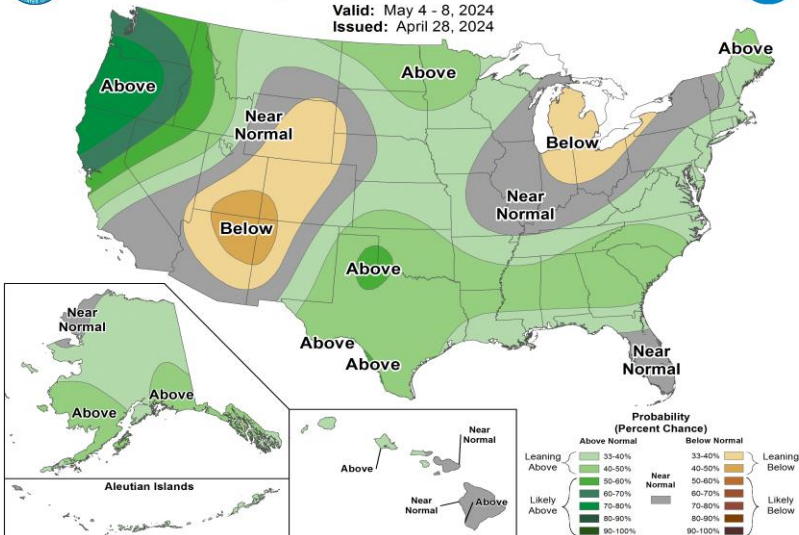
Valid: May 4 - 8, 2024
Issued: April 28, 2024



6-10 Day Precipitation Outlook



Valid: May 4 - 8, 2024
Issued: April 28, 2024

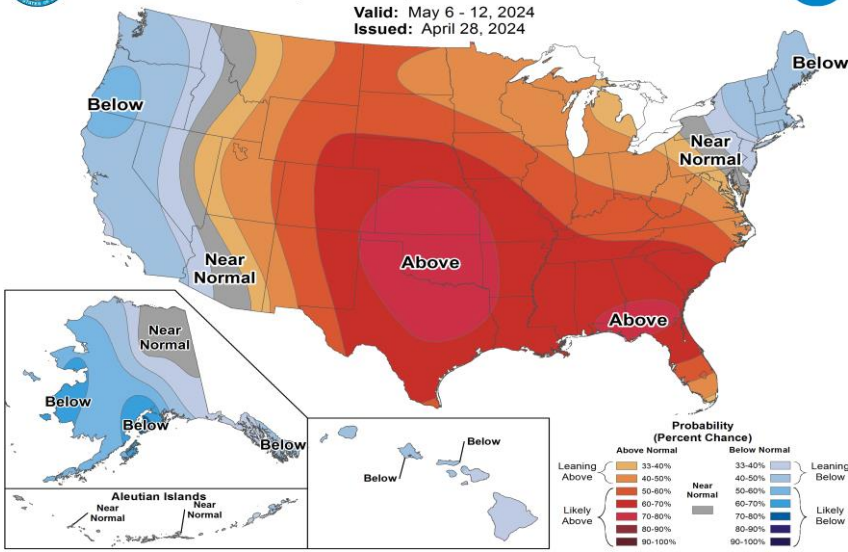




8-14 Day Temperature Outlook



Valid: May 6 - 12, 2024
Issued: April 28, 2024



8-14 Day Precipitation Outlook



Valid: May 6 - 12, 2024
Issued: April 28, 2024

