

5/1/2024

Futures Price Changes

Corn down 1 (July) @ 4.46

Corn down 1 (Dec) @ 4.68

Soybeans down 5 (July) @ 11.58

Soybeans down 4 (Nov) @ 11.56

Wheat up 3 (Jul 24) @ 6.06



Perdue Grains Commentary



Good morning. Happy May Day! Hopefully somebody will leave a basket of goodies at your front door today. I'm sure everyone would settle of a basket of higher prices but that's currently not in the cards. Futures are backing up again this morning, with the July contract currently down 1 1/4 cent to **\$4.45 1/2**. Weakness yesterday came via an ugly soy market and some additional slippage is being seen there again this morning. On its own, there are not a lot of negatives currently gripping this market and that might not be changing anytime soon given the widespread rains expected over the next seven days. The extended forecast is starting to cool down as well, with additional rainfall expected during the 6-14 day timeframe. Unlike soybeans, the export market continues to post some solid numbers and hopefully that won't be changing anytime soon.



Soybean futures are indeed under some additional pressure this morning, with the July contract currently down $5\frac{3}{4}$ cents to **\$11.57 $\frac{1}{4}$** . Yesterday's surprise ugly outing was due in large part to a very sharp drop in soy oil futures, which saw an unexpected shot of deliveries against the May contract. That's not a good sign for either the domestic or export market. Oil use has been on the soft side lately and this market cannot afford any softness on the domestic side. The whole soybean export market is tanking fast, which is not an unusual phenomenon at this time of the year. However, we've grown accustomed to a roaring domestic crush pace and anything threatening that will not go over well with the speculative crowd. The charts are back to being a mess and the bearish specs will use that to their advantage. Unlike corn, the current weather forecast will not be limiting acreage in any manner. I'll continue to keep my additional-acreage thoughts in place until the USDA proves me wrong on June 28.



Wheat futures are showing a steady tone this morning, with the July contract currently $\frac{3}{4}$ cent to **\$6.04**. The recent rally has come to a screeching halt this week and it might not be easy to get in restarted. Perhaps the best way to pull the wannabe bulls back in is a continuation of the dryness currently being seen in parts of Ukraine and Russia. The forecast for those two countries is mixed, so we could see a spark from that area early next week. Domestically, the seven-day projected is looking wetter for both Oklahoma and Texas, while drier for the western half of Kansas.



The equity markets were drop-kicked yesterday, with the Dow falling 570 points to settle at **37,816**. The S&P registered a loss of 1.57% while the NASDAQ was the biggest loser on the day at -2.04%. Inflation and interest rates have surged back to the forefront and that's not a good thing for the equity bulls. The only tool in the bag to quickly fight inflation is another round of Fed tightening, which could touch off at least a short-term bear market. The Dollar surged again in yesterday's trade and the Index is moderately higher this morning at **106.34**. That mark is dangerously close to the seven-month high.



Crude oil futures are under some heavy pressure this morning, with the nearby contract currently down \$1.48 to **\$80.45**. I'm a little surprised with the steepness of the drop, given that the most recent attempt at a middle eastern ceasefire appears to be in question. I suspect a good portion of today's slide can be attributed to the sharp losses in the equities yesterday but those losses will be quickly recovered if the ceasefire talks fail.



The national radar map is almost totally quiet this morning, with the only notable action currently occurring in eastern Oklahoma. The seven-day projected is keeping the heaviest action in Iowa, southern Minnesota and Missouri, with much lighter numbers expected from central Illinois through Ohio. The extended maps are a mixed bag again this morning but in general, are not suggesting any major planting delays. However, there is just enough water in the forecast to keep both farmers and the speculative bears a bit nervous.

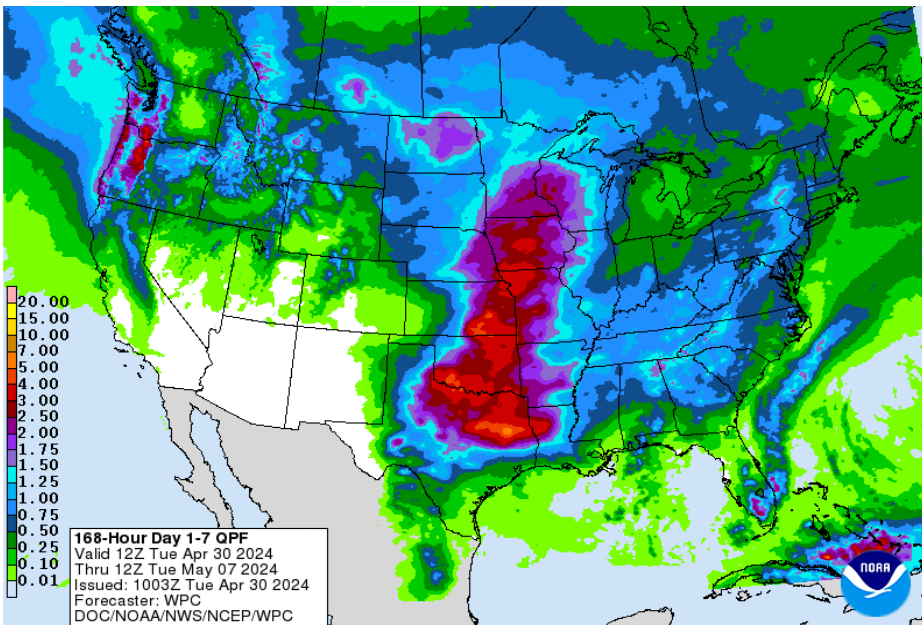
That's all for this morning. I hope your day goes well.

John

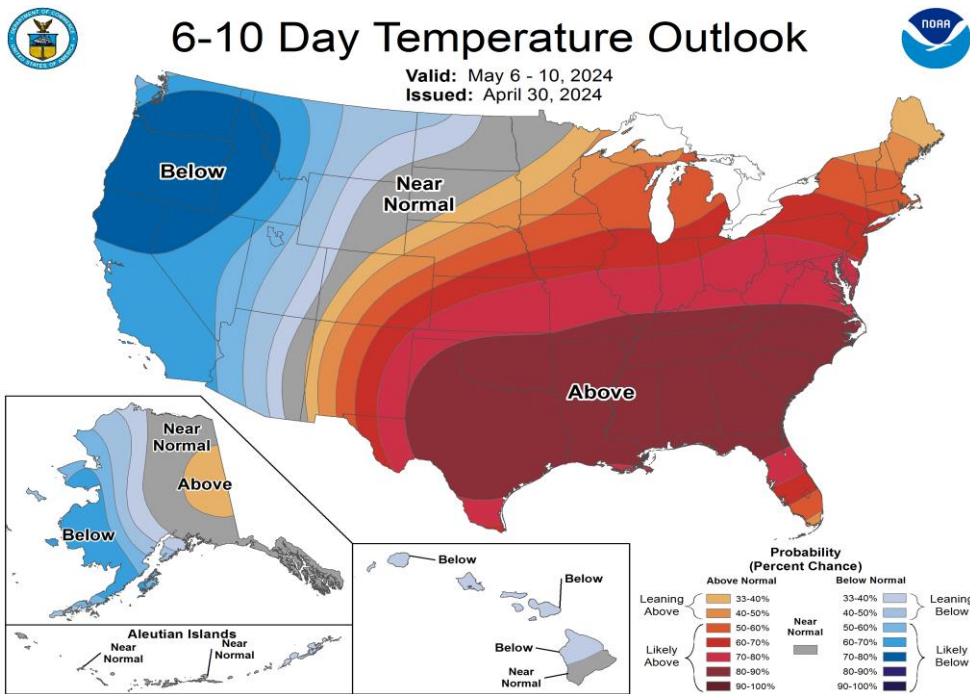
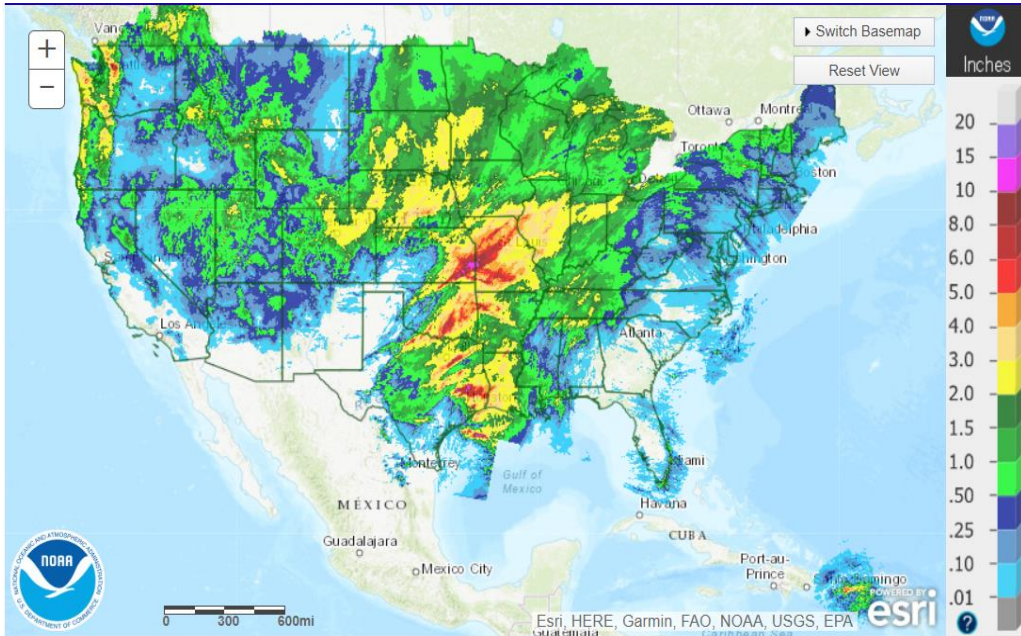
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Seven Day Projected



Past Seven Days Precipitation

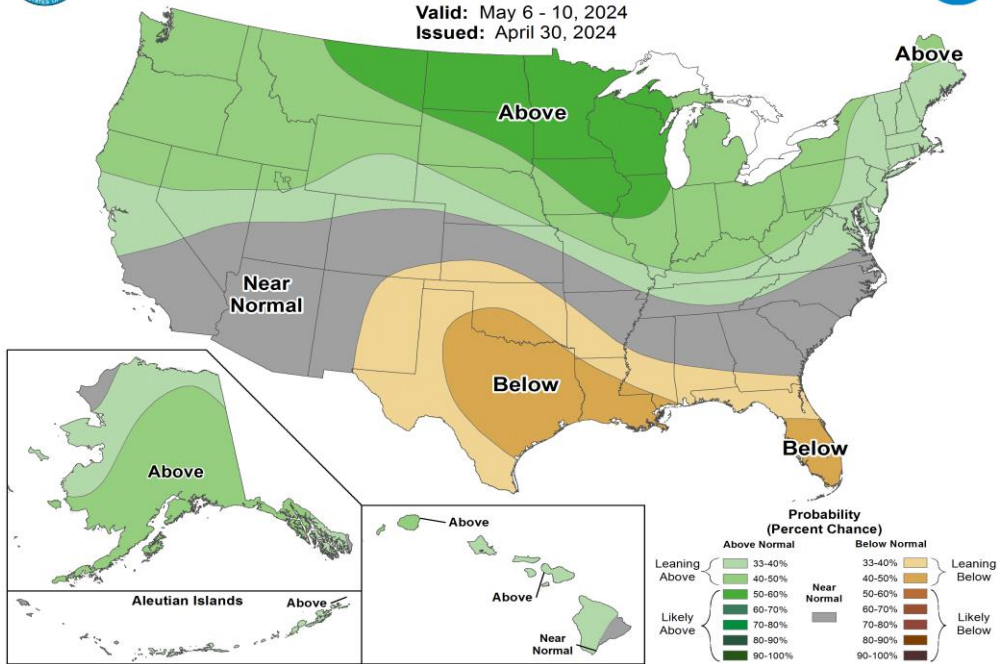




6-10 Day Precipitation Outlook



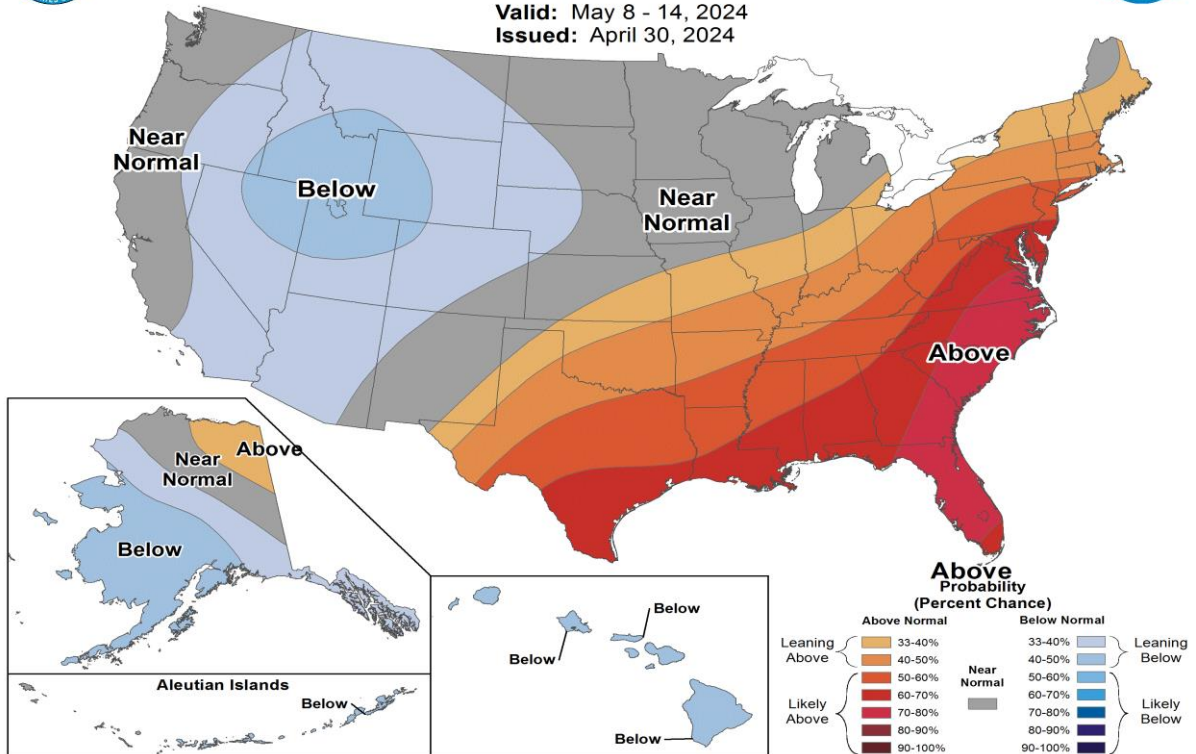
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8-14 Day Temperature Outlook



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8-14 Day Precipitation Outlook



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