

5/24/2024

Futures Price Changes

Corn up 1 (July) @ 4.64

Corn up 1 (Dec) @ 4.87

Soybeans down 1 (July) @ 12.39

Soybeans down 1 (Nov) @ 12.13

Wheat down 6 (Jul 24) @ 6.92

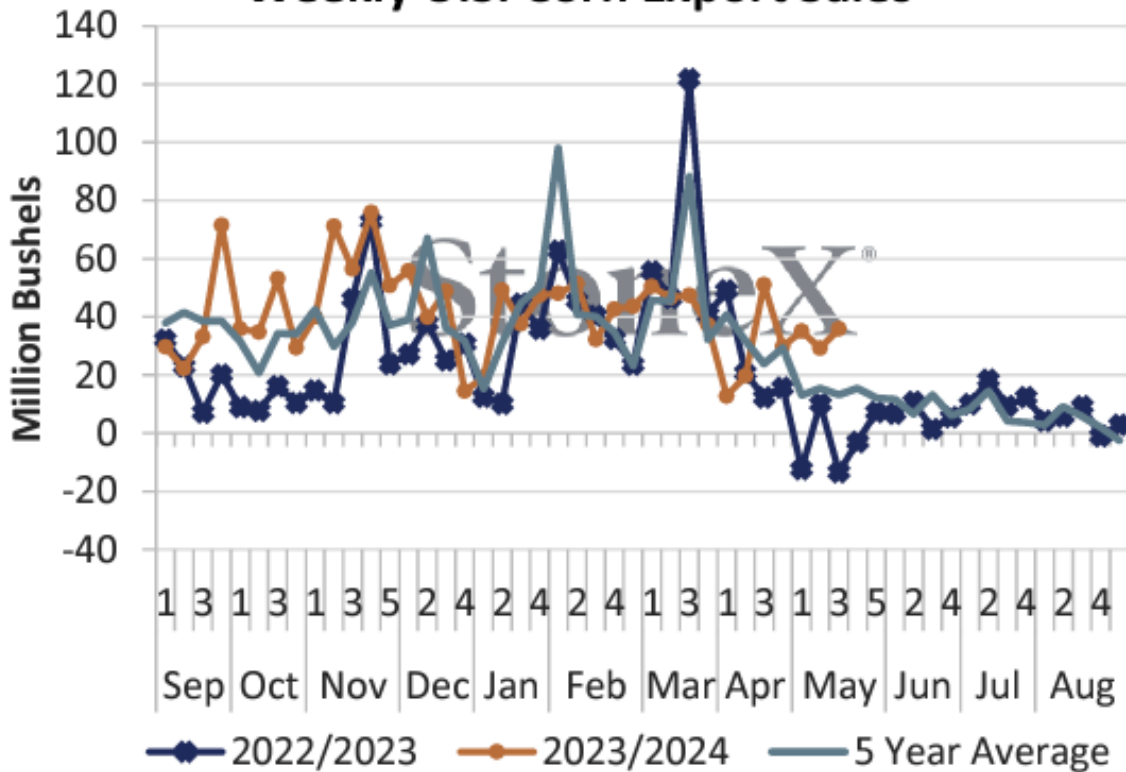


Perdue Grains Commentary



Good morning. Futures are mildly higher this morning, with the July contract currently up 3/4 cent to **\$4.64 3/4**. Traders are likely a bit apprehensive over the long weekend, as some weather rallies in previous years have come to an end over this holiday weekend. The bears would likely feel more comfortable with that if not for the major storm system currently in eastern Nebraska and western Iowa, which could be laying down some heavy water amounts. Some respectable progress has been made in several states this week but Tuesday's planting number might not come in much above the 80% mark. That's still a lot of corn to plant before the calendar strikes June and the seven-day projected is keeping in some heavy amounts for eastern Iowa, Illinois and northern Indiana. The extended maps are leaning to the dampish side as well, which could keep some support under prices when Monday evening rolls around. On the other side of the coin, what is in the ground is thriving in most locations, with side dressing now underway in parts of west central Indiana. As is usually the case, next week's price action is a tough call at this point, especially with a heavy amount of old crop corn still left to put on the buyer's books. Export sales were respectable at **35.9 million bushels** and actually included some Chinese purchases.

Weekly U.S. Corn Export Sales



U.S. Corn Export Net Difference Between 2022 and 2023



Soybean futures are casting a reddish tint this morning, with the November currently down 2 1/2 cents to **\$12.13 1/2**. Unlike corn, there isn't much in the way of bullish support hanging around. The last 20% of this crop will be going in slower than average but the yield implications at this point aren't significant. And like corn, what is up is thriving in most of the Corn Belt states. My opinion on this might change by Tuesday morning though, especially if the current system is more robust than advertised. Export sales of

10.3 million bushels were seasonal, which means they were uninspiring. At the current pace, StoneX is projecting a shortfall of 57 million bushels from the USDA's current estimate.



The equity markets ran into some very rough waters yesterday, especially for the Dow. That index fell 606 points to settle at **39,065**, which I believe was the worst performance of the calendar year. It was another one of those "good news is bad news" type of days, where some supportive manufacturing data led traders and investors down that "oh my, the Fed won't be cutting rates this summer" trail. Call me old fashioned, but if my business was thriving, I'd be okay with the bank raising my loan rate by 1/4 point. Seems like a respectable trade-off. Unfortunately, in our business of production agriculture, we sometimes get stuck with lower (or no) profits and higher input costs and interest rates.



Crude oil futures are down 43 cents this morning to **\$76.44**, with diesel down a penny to **\$2.40**. That puts the lead diesel contract within 3 cents of its calendar year low. The nearby crude oil contract is currently flirting with a two-month low.



The national radar map is a scary looking affair this morning, especially for our friends and family in eastern Nebraska and western Iowa. That system is expected to hold intact as it moves into the eastern Belt later today and tonight. For next week, Iowa could get a four-day reprieve before another round of showers moves in. At this point, four days is not going to be enough to fully dry up the ponds. The extended maps are keeping some water around, which could keep the markets on edge when the CME opens Monday night at 8:00 EST.

That's all for this morning. I hope your day and long Memorial Day weekend are memorable ones. Let us never forget.

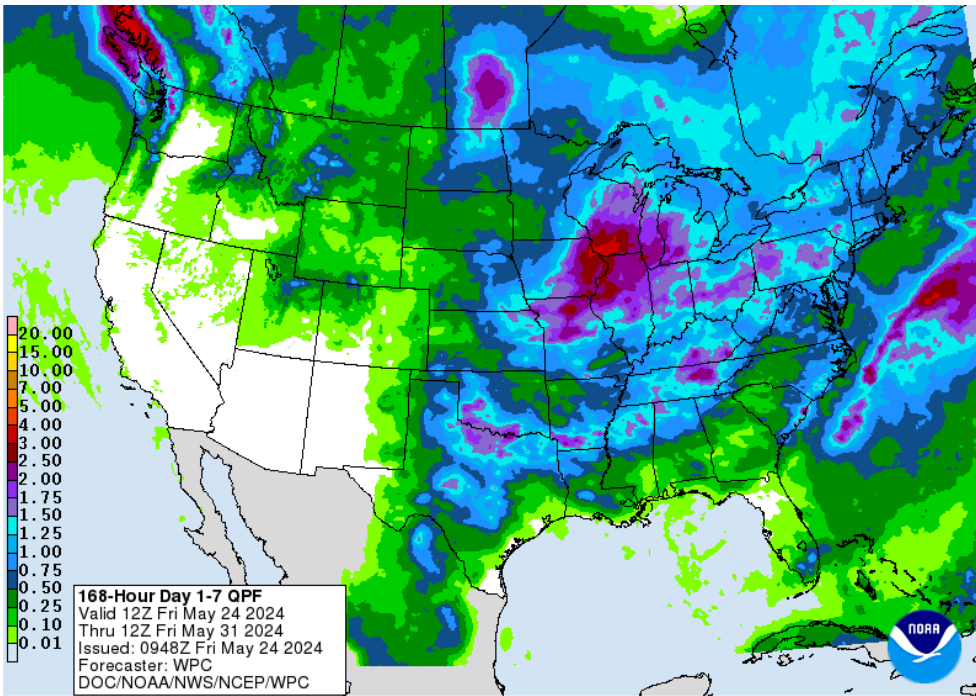
John

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.

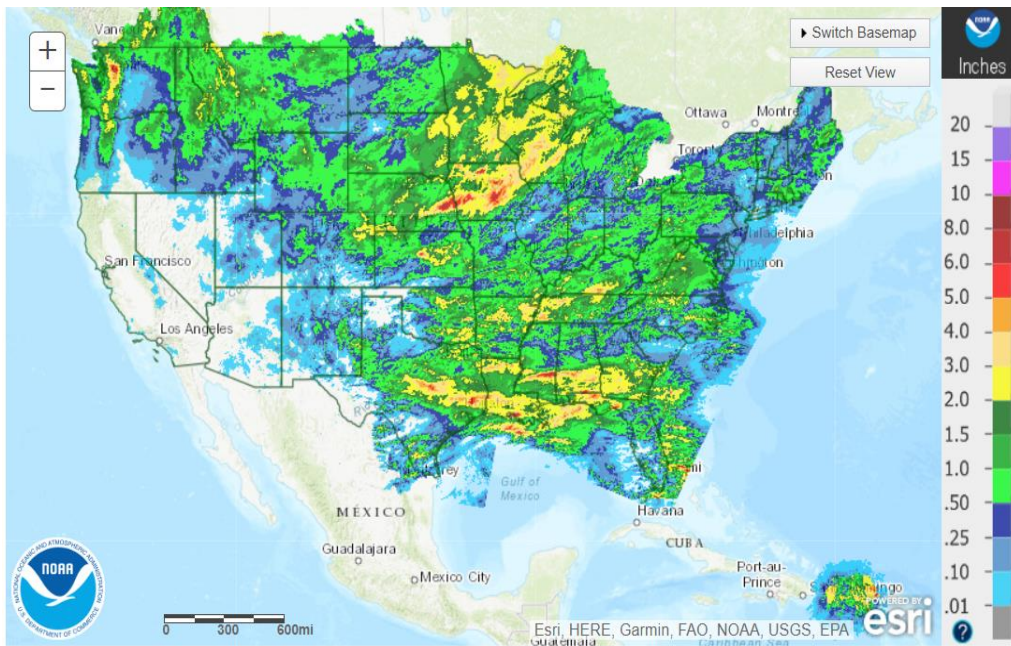
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Seven Day Projected

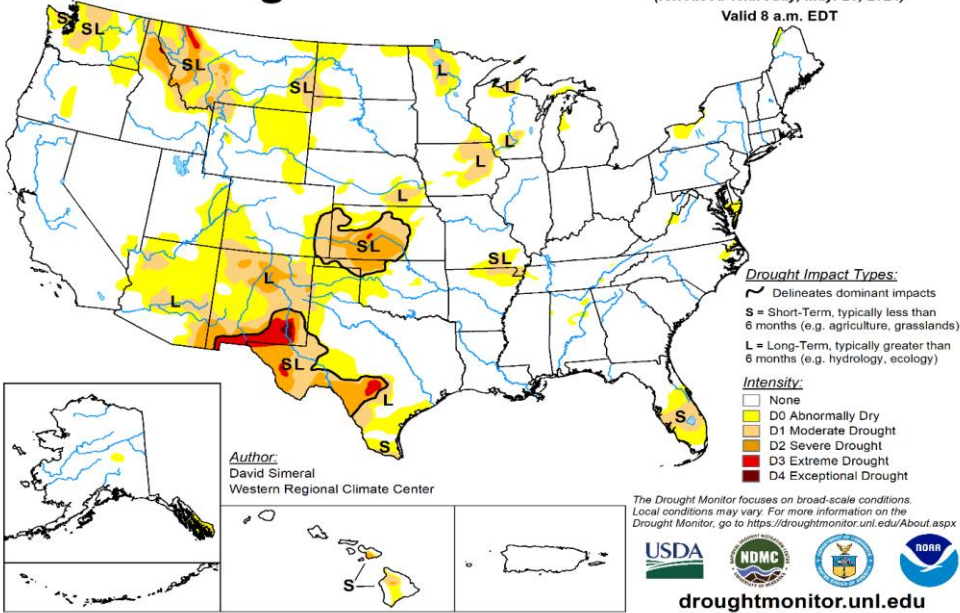


Past Seven Days Precipitation



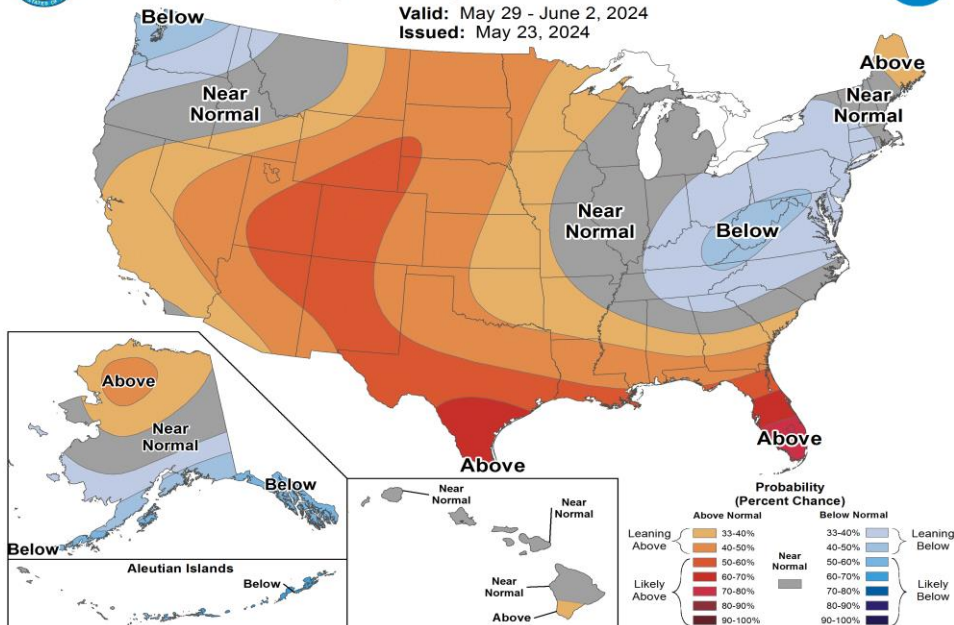
U.S. Drought Monitor

May 21, 2024
 (Released Thursday, May 23, 2024)
 Valid 8 a.m. EDT



6-10 Day Temperature Outlook

Valid: May 29 - June 2, 2024
 Issued: May 23, 2024

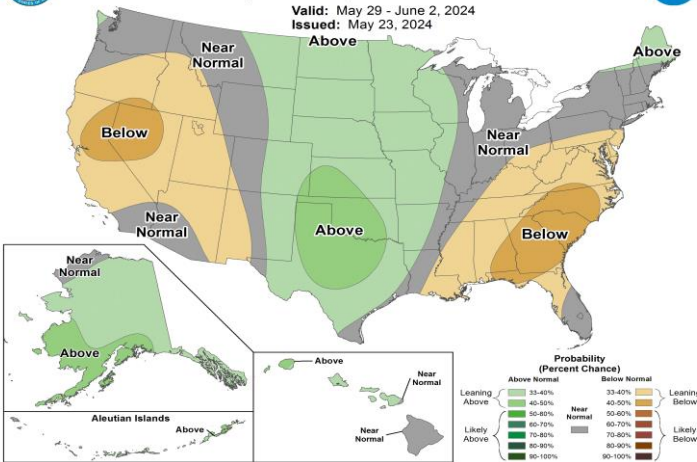




6-10 Day Precipitation Outlook



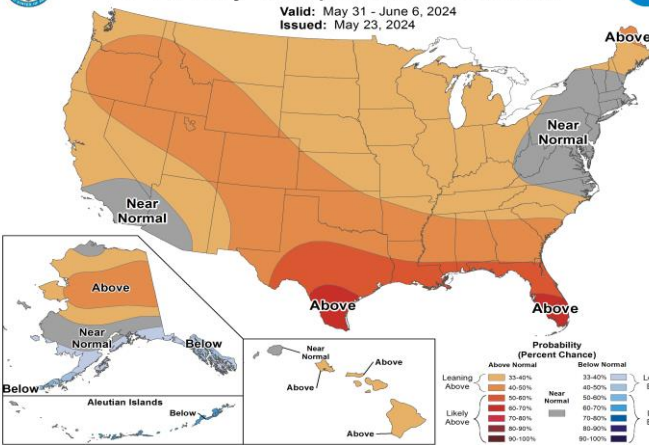
Valid: May 29 - June 2, 2024
Issued: May 23, 2024



8-14 Day Temperature Outlook



Valid: May 31 - June 6, 2024
Issued: May 23, 2024



8-14 Day Precipitation Outlook



Valid: May 31 - June 6, 2024
Issued: May 23, 2024

