

6/5/2025

Futures Price Changes

Corn up 3 (Jul) @ 4.42

Corn up 3 (Dec) @ 4.47

Soybeans down 3 (Jul) @ 10.42

Soybeans down 1 (Nov) @ 10.24

Wheat up 4 (Jul) @ 5.47



Perdue Grains Commentary



Good morning. Futures are attempting to add to yesterday's moderate gains, which is encouraging. The discouraging part about yesterday's rally was the failure of the July contract to keep up with the deferred months. That's not a good sign for the bulls, given that the crop potential is still strong (with heavier acreage to boot). A strong export sales report again this morning should help tighten the spreads but we're now entering the timeframe where South American supplies will be punching a major dent into the home team's action. I'm also keeping a close eye on the developments in the Ukrainian/Russian war, where the recent heavy gut punch by the Ukes on the Russian bomber force will undoubtedly incite a major response. I don't think we can rule out anything at this point, including a strike on their grain export facilities. We are also seeing some mild hints this morning of a drier stretch starting for the western Corn Belt in particular, with warmer temperatures on the way as well in the 8-15 day timeframe. Both our private forecasters and the NWS have been suggesting the start of a hot and dry stretch in the second half of June, which will undoubtedly strike some fear among the fund bears. They are currently carryout a net short position of **630 million bushels**, which is abnormally large for this point on the calendar.



Soybean futures are not following the lead of corn this morning, with the November contract currently giving back about half of yesterday's mild gains. While futures did finish in the black yesterday, they were well off the session highs, which isn't an encouraging development. Aside from lower acreage, there isn't much out there currently for the bulls to chew on. That reality will remain a concern with the bulls, who remain moderately in charge of the fund position. I'm sure there is some hope for an additional acreage reduction on the June 30 report and I certainly wouldn't rule that out. There haven't been any grand reasons for that to happen, aside from a rapid planting pace in the western Belt.



Wheat futures are leading the grain complex higher this morning but the enthusiasm is bridled. Like soybeans, there isn't much to get excited about from a fundamental perspective, although a warmer and dryer stretch for our spring wheat areas would quickly receive some attention. There have been some moderately good export numbers as of late and hopefully, a strong sales number will be reported at 8:30 EST this morning.



The equities were a mixed affair yesterday, with the NASDAQ gaining .32% while the Dow lost 92 points to settle at **42,428**. The same old fundamental factors remain in play but the tariff concern was exacerbated yesterday by the steel and aluminum tariff going to 50%. While that's a positive for our domestic producers of both metals, it's not a net positive for our economy. Tomorrow, the Labor Department will release its monthly employment report and the early indications are that it won't be a favorable one for job growth potential. There has been some softening of bond and note yields, which is a supportive factor for the equities.



The energy sector continues to quietly bounce off its early May lows and there could be some additional upside in the cards if things start to heat back up between the Iranians and the American/Israeli block. Iran's leaders have said they have no intentions of ending their uranium enrichment, due to their plans of using nuclear energy for electrical power. Given the distrust that exists and for good reason, I suspect the potential for conflict won't be subsiding anytime soon.



The national radar map is mostly quiet this morning, although there is some light action occurring in the far eastern Corn Belt. The seven-day projected is keeping the heavier totals in Missouri and the southeastern Corn Belt, while the extended models are showing some potential heat late in the 14-day period. There isn't a solid hint of any ridging action however, which at this point should keep the bears confidently in control.

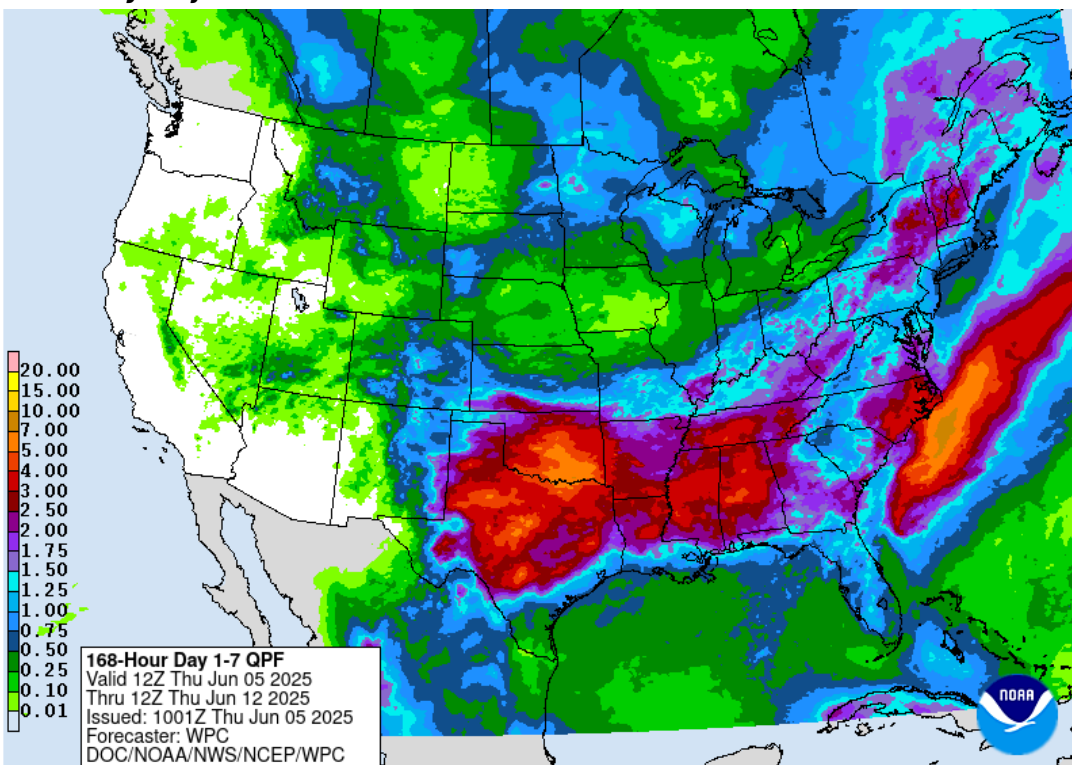
That's all for this morning. I'll catch ya back here tomorrow morning.

John

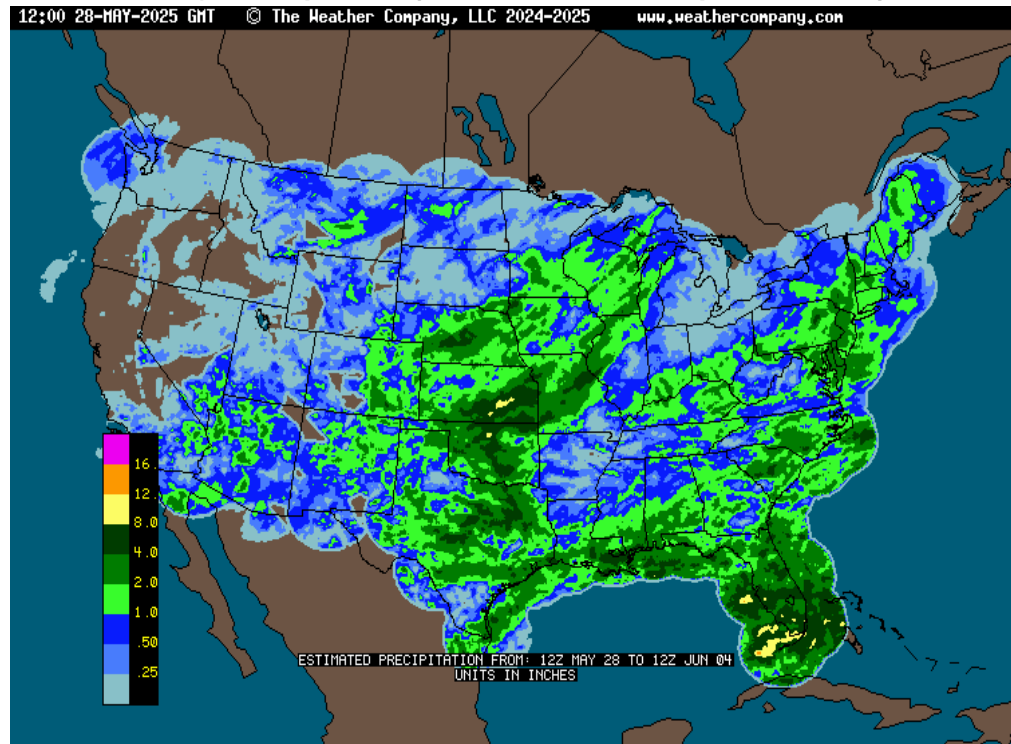
If you're pulling these comments up on a laptop or desktop computer, you'll need to right click on the little window next to "Morning Coffee Comments" at the top to get all the graphics and maps to download.

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Seven Day Projected

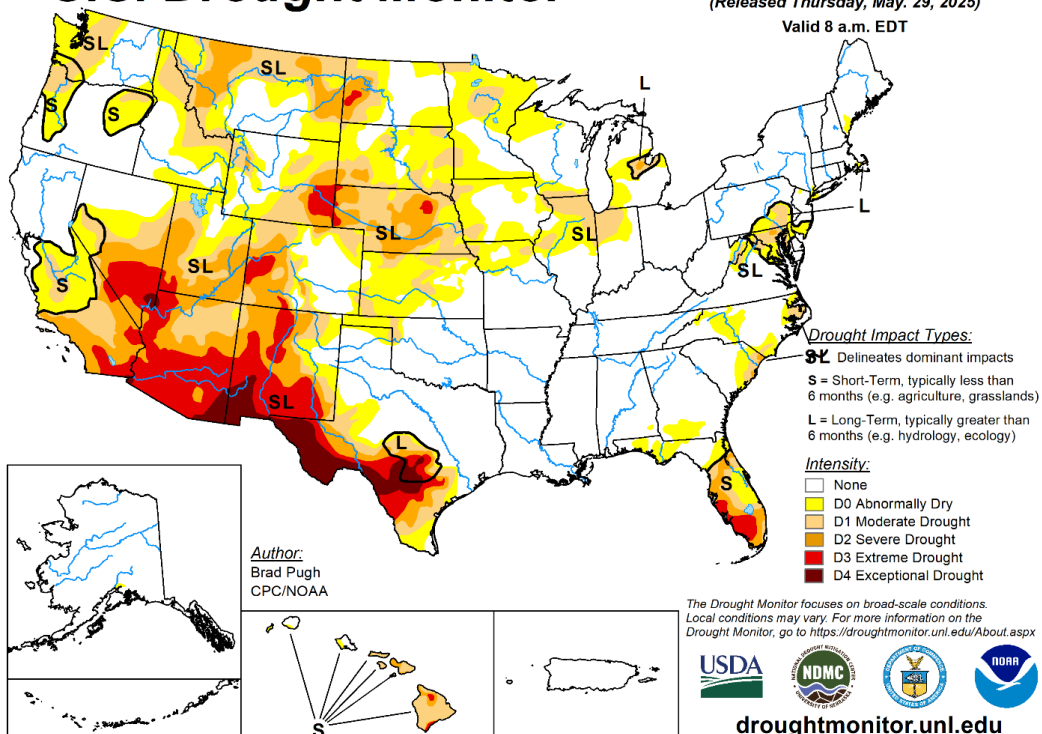


Past Seven Days Precipitation (does not include the past 12 hours)



U.S. Drought Monitor

May 27, 2025
(Released Thursday, May. 29, 2025)
Valid 8 a.m. EDT

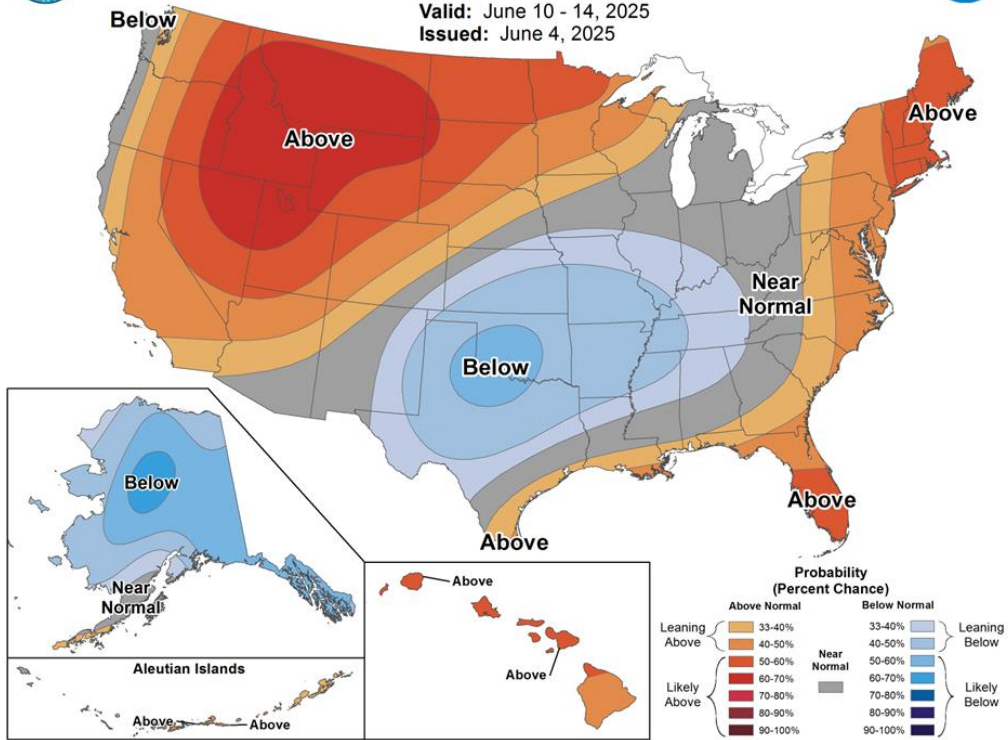




6-10 Day Temperature Outlook



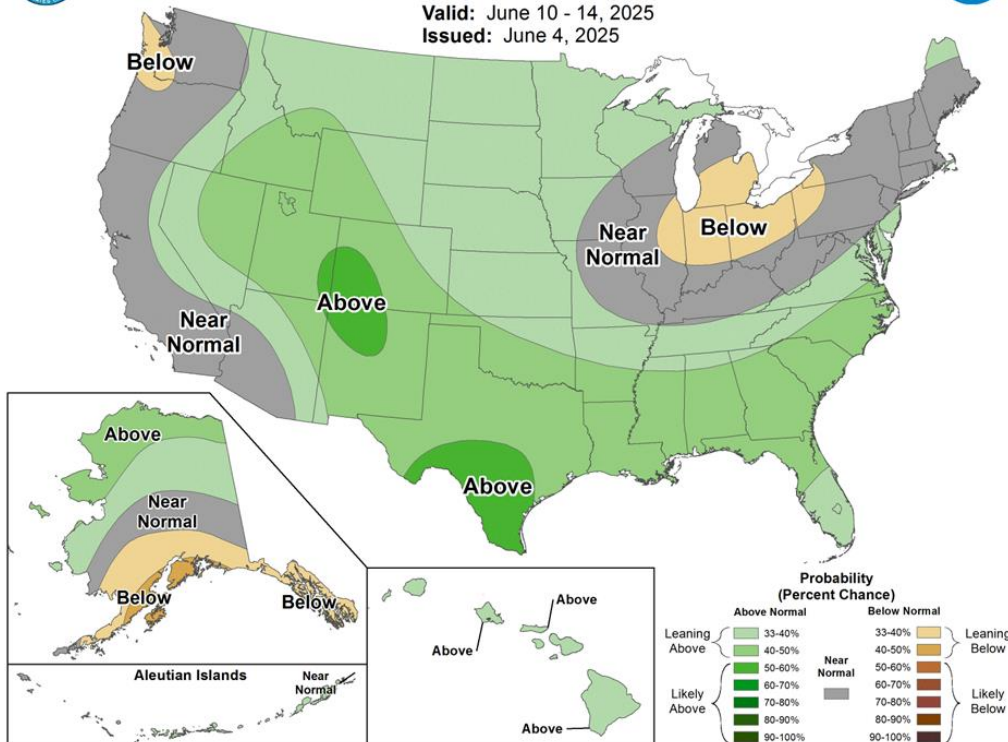
Valid: June 10 - 14, 2025
Issued: June 4, 2025



6-10 Day Precipitation Outlook



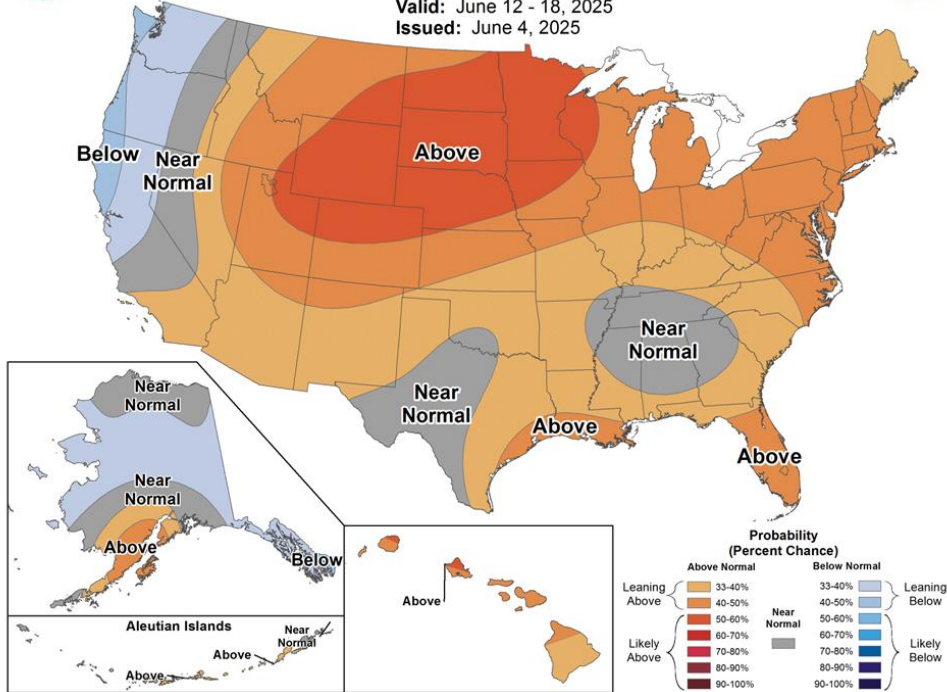
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8-14 Day Temperature Outlook

Valid: June 12 - 18, 2025
Issued: June 4, 2025



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Valid: June 12 - 18, 2025
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