

Matt Ammermann

Commodity Risk Manager- Vice President Eastern Europe/Black Sea Region



FCM Division of StoneX Financial Inc.

www.stonex.com | **Nasdaq: SNEX** | matt.ammermann@stonex.com

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May 28th Quick Comments

Ticker	Description	Last	Change	High	Low	%	Ticker	Description	Last	Ch...	High	Low	%
@CN21	CORN July 2021	665' 6	1' 2	672' 6	664' 4	0.19	@SN21	SOYBEANS July 2021	1542' 0	5' 0	1555' 6	1535' 0	0.33
@CU21	CORN September 2021	581' 6	-3' 6	589' 0	581' 0	-0.64	@SQ21	SOYBEANS August 2021	1492' 4	5' 2	1505' 4	1486' 4	0.35
@CZ21	CORN December 2021	552' 0	-3' 0	557' 6	550' 4	-0.54	@SU21	SOYBEANS September 2021	1416' 2	4' 6	1426' 6	1411' 4	0.34
@CH22	CORN March 2022	558' 2	-3' 2	564' 0	557' 2	-0.58	@SX21	SOYBEANS November 2021	1381' 0	2' 6	1392' 4	1374' 6	0.20
@CK22	CORN May 2022	561' 4	-2' 4	566' 2	560' 2	-0.44	@SF22	SOYBEANS January 2022	1380' 2	2' 0	1391' 2	1375' 0	0.15
@CN22	CORN July 2022	560' 4	-2' 4	565' 0	559' 2	-0.44	@SH22	SOYBEANS March 2022	1356' 2	2' 0	1367' 6	1353' 2	0.15
@WN21	WHEAT July 2021	672' 0	-4' 2	679' 6	669' 6	-0.63	@SMN21	SOYBEAN MEAL July 2021	391.2	0.9	393.6	390.3	0.23
@WU21	WHEAT September 2021	675' 6	-3' 6	683' 0	673' 4	-0.55	@SMQ21	SOYBEAN MEAL August 2021	393.1	1.3	395.2	391.9	0.33
@WZ21	WHEAT December 2021	682' 4	-3' 6	688' 6	680' 4	-0.55	@SMU21	SOYBEAN MEAL September 2021	393.2	1.5	395.0	391.7	0.38
@WH22	WHEAT March 2022	689' 6	-3' 2	692' 6	687' 0	-0.47	@SMV21	SOYBEAN MEAL October 2021	391.3	1.3	392.8	389.9	0.33
@WK22	WHEAT May 2022	691' 2	-1' 2	693' 4	690' 4	-0.18	@SMZ21	SOYBEAN MEAL December 2021	392.4	0.7	395.0	391.7	0.18
@WN22	WHEAT July 2022	668' 6	-2' 4	672' 4	667' 2	-0.37	@SMF22	SOYBEAN MEAL January 2022	391.0	0.4	392.7	390.7	0.10
@KWN...	HARD RED WINTER WHEAT July ...	622' 2	-4' 0	629' 4	619' 6	-0.64	@BON21	SOYBEAN OIL July 2021	66.75	-0.06	67.39	66.48	-0.09
@KWU...	HARD RED WINTER WHEAT Sept...	629' 0	-4' 6	637' 0	627' 2	-0.75	@BOQ21	SOYBEAN OIL August 2021	63.43	0.20	63.87	62.95	0.32
@KWZ21	HARD RED WINTER WHEAT Dec...	641' 0	-4' 2	647' 2	638' 6	-0.66	@BOU21	SOYBEAN OIL September 2021	61.96	0.31	62.21	61.40	0.50
							@BOV21	SOYBEAN OIL October 2021	60.42	0.10	60.86	60.06	0.17
@MWN...	HARD RED SPRING WHEAT July ...	718' 6	1' 4	724' 0	713' 4	0.21	@BOZ21	SOYBEAN OIL December 2021	59.47	0.09	59.89	59.15	0.15
@MWU...	HARD RED SPRING WHEAT Sept...	724' 4	0' 6	730' 0	719' 6	0.10	@BOF22	SOYBEAN OIL January 2022	58.34	0.10	58.65	58.21	0.17
@MWZ...	HARD RED SPRING WHEAT Dec...	734' 0	5' 4	734' 0	728' 0	0.75							
							KPOM21	CRUDE PALM OIL June 2021	4300	34	4378	4300	0.80
PMU21	MILLING WHEAT NO. 2 Septembe...	211.75	-0.25	212.50	211.00	-0.12	KPON21	CRUDE PALM OIL July 2021	4158	75	4210	4144	1.84
PMZ21	MILLING WHEAT NO. 2 Decembe...	209.75	-0.50	210.75	209.50	-0.24	KPOQ21	CRUDE PALM OIL August 2021	4001	85	4061	3988	2.17
PMH22	MILLING WHEAT NO. 2 March 2022	210.50	-0.75	211.00	210.25	-0.36	KPOU21	CRUDE PALM OIL September 2021	3887	101	3929	3865	2.67
PMK22	MILLING WHEAT NO. 2 May 2022	211.00	-1.00	212.00	210.75	-0.47	KPOV21	CRUDE PALM OIL October 2021	3810	107	3836	3781	2.89
PMU22	MILLING WHEAT NO. 2 Septembe...	---	---	---	---	---	KPOX21	CRUDE PALM OIL November 2021	3763	111	3787	3731	3.04
PGQ21	RAPESEED August 2021	516.75	-3.50	523.25	515.25	-0.67	QCLN21	CRUDE OIL July 2021	67.17	0.32	67.45	66.74	0.48
PGX21	RAPESEED November 2021	509.50	-3.25	515.75	508.50	-0.63	DX	US DOLLAR INDEX	90.11...	0.1...	90.16...	89.98...	0.15
PGG22	RAPESEED February 2022	499.25	-2.50	510.00	499.25	-0.50	@EUM21	EURO FX June 2021	1.218...	-0.0...	1.220...	1.217...	-0.11
PGK22	RAPESEED May 2022	495.00	-3.50	497.75	495.00	-0.70	@YMM21	E-MINI DOW JONES \$5 June 2021	3460...	16...	34639...	3454...	0.48
DCCN21	CORN July 2021	2742.00s	8.00	2780.00	2722.00	0.29	DCAN21	SOYBEANS NO. 1 July 2021	5703...	28...	5760...	5639...	0.49
DCCU21	CORN September 2021	2686.00s	15.00	2722.00	2662.00	0.56	DCAU21	SOYBEANS NO. 1 September 2021	5730...	23...	5795...	5660...	0.40
DCCX21	CORN November 2021	2647.00s	3.00	2680.00	2628.00	0.11	DCAX21	SOYBEANS NO. 1 November 2021	5765...	22...	5823...	5699...	0.38

EARLY TRADING remains mixed. Corn remains slightly lower, Chi wheat 4 cents lower, KC wheat 5 cents lower, Minny wheat 2 cents higher, MATIF wheat .5 euros lower, Rapeseed 3 euros lower, Soybeans 5 cents higher, meal 1.3 higher, oil 20 pts higher, palm oil 50 pts higher, crude oil +.5% higher, Euro 1.2190, USDRUB 73.50, USDUAH 27.50, USDLIRA 8.56, USD PESO 94.44, USDREAL 5.23.

Economic data reported remains supportive of strong economic data, USD continues to ease lower and that inflationary tail still remains. All this keeps strength in crude, which keeps strength in ethanol prices as well- gasoline demand is well above pre-pandemic levels- this summers driving season is expected to keep this demand trend.

A REMINDER THAT U.S. MKTS ARE CLOSED ON MONEY FOR MEMORIAL DAY- trading resumes per Mondays overnight session- Matif operates as normal.

SOYBEANS remain higher in early trade, soy finally was able to trade higher yesterday after the near past 2 weeks of straight declines. Momentum is favoring the bulls and if we get a close above 15.74 seems we off to 16.00+ again. We have a 3 day weekend and the legit focus back on weather will be as Memorial day weekend starts the kickoff to summer!

- Weather starting to get the legit focus, and if corn busts higher soybeans has to follow along with it. Some cold temp risk, but I think its more about finding value in the near recent \$1.80 price drop vs the weather risks that remain ahead of us—its still early and end of day c/o at 140 mbu for new crop does not give much wiggle room in any direction.
- Export sales remained positive- and thus simply that keeps the old crop soy market asking questions of when we will run out of it. That late July/August trade shall be an interesting one indeed. New crop export sales also reached a 4 week high of 9 mbu.
- Per soy yields, interesting to note that the USDA has not adjusted yields from June to July, actually only 2 times over the past 28 years- so likely they keep it at 50.8 in 2 weeks.
- Vegoils bouncing back yet again today.. bean oil and palm oil higher, do we want to work back and make fresh bean oil highs again? Rapeseed put in a nice bounce yesterday, will see how that momentum finishes the week.
- Here we are with SX well above that 13.50 again, with a higher close today a key reversal would be noted there from Wed doji.

CORN remains mixed in early trade, July higher while the rest slightly lower. Well Limit was hit yesterday, just two days after limit down on Tuesday- what a week! Corn demand has yet to disappoint. With a higher close today, it would validate a key reversal and negate that head and shoulders.

- Weather risks remain present- possible freezing temps in the Dakotas would not be good for corn that is out of the ground, also the threat of the extended forecast showing warmer/drier weather poses that weather risk for the growing season- especially when the recent sell off equates to virtually zero weather risk premium in the markets.
- Still plenty rumors flying around per China demand since Tuesdays drop- seems they indeed tricked the market! Still hearing chatter of both old and new crop buying from them this week.
- Export sales yesterday were impressive for old crop (still positive), and remained a massive 224.1 mbu for new crop- nearly all going to China and was nearly all communicated via the flash sales last week, but this all keeps demand thoughts fully active and the new crop book at record levels. Argentina remains roughly \$10/mt cheaper into Asia vs U.S. right now, but U.S. is the one that has size. U.S.-China talks continue as well- seems the big idea is that they should be buying more Ag goods from us- but again this them exporting inflation right now!
- As noted in the past, the Dakotas will likely find a massive plantings increase, but here the drought issues can still be seen- and of course this brings into question if the acreage expansion has any significance in reality? Many forecasters still lean on a warmer/drier summer, and this would only hurt the Dakotas even more amid their current state of drought.
- Looking forward on the SnD's, yes the thought remains that we find 2-3 mln more plantings, but what about yields? USDA started out with a lofty goal of 179.5- which assumes a lot right now. USDA has only changed their yeild from May to June only 6 times in the past 28 years- of which each time was lower due to adverse weather conditions.
- Still nice rains moved across the Midwest- this helps ease some of those drought fears a bit... but we are still early and a flip to hot/dry can erase the benefits of the recent rains. Crop conditions start on Tuesday.
- Will Brazil be brought back into focus per the June WASDE? Mid to low 90's crop still the thought.
- U.S. basis largely holding firm- yes earlier this week the panic selling found basis weaken, but it has bounced back and the goal is to still get the farmer to sell what he has- ethanol margins are fully good, livestock as well.

WHEAT remains lower in early trade, with corn mixed it gives wheat a reason to ease on some profit taking from yesterdays move. Still if that USD continues to work lower, expect this influence to get funds to revert back long the market.

- First off, when corn panics higher, wheat here has no choice but to follow... it should be noted though that in yesterdays early mkt, wheat was leading corn! You still have a wheat-corn spread that says wheat might be too cheap here. Seems some demand taking notice of this- Saudi/GASC earlier as well. If corn keeps its premium, expect more feed demand to surface once harvest supplies become available, thus can find a bit of wheat support.
- Is the thought of food inflation/protectionism behind us? I don't think so. Russian prices stable, just off the highs more or less, Brazil record highs, Argentina far from clear.. the inflation story still remains- will have a long tail to it. Any weather issues will quickly bring back protectionism efforts by some nations.
- Some frost fears remain in most of North Dakota (this not good), and yet excessive rain amount might cause issues in Southern HRW country as well- we have some bizarre weather right now. Black Sea temps/veg maps still watched right now, Ukraine/Southern Russia looks fine, but it's the spring wheat areas of Russia that remains the areas to watch.

CHART OF THE DAY: Crude keeps silently moving higher- we are just a few cents away from pushing to fresh short term highs, but then beyond that it be the highest level since late 2018. Still most expect crude to move to \$70/80.. so what that mean for ethanol margins?



BOTTOM LINE: Yes the Midwest gets good rains right now, but still many forecasters lean that warmer/drier weather will be the theme this summer and the set up is there as the Northern Midwest already leans dry. We are entering the legit start of weather/crop ratings focused market- 2021 crop year has many moving parts but end of day requires mother nature to be nearly perfect, otherwise the bulls will be fed. Corn was the leader yesterday. It's a 3 day weekend in the U.S. and typically traders will want to go home long if anything. Stay hedged up!

RANDOM HEDGE FACT: What is the delta of your cash + futures book? You should know this.

U.S. New-Crop Corn Export Sales



