



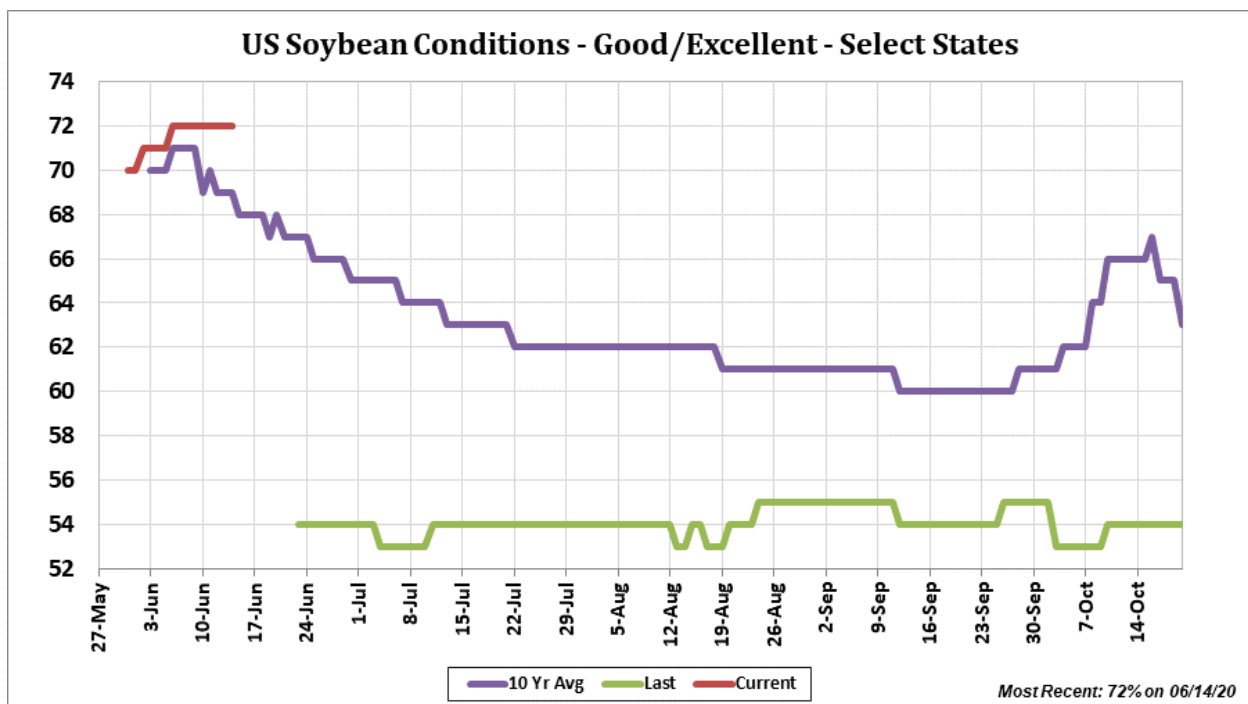
# ADM Investor Services Market View

June 16, 2020 by Steve Freed

Soybeans, soymeal and wheat traded lower. Corn was unchanged. Soyoil traded higher. US stocks were higher. Crude was higher. US Dollar was higher.

## SOYBEANS

Soybean trade was mixed. Recent China buying US soybeans has been offering support. Talk of higher US 2020 supply and a mostly favorable US 7 day weather forecast offers resistance. Talk of more US Fed stimulus and new US infrastructure stimulus helped US stocks but key to soybean prices is China demand and weather. Increase tension between US and China could jeopardize China soybean demand for US soybeans. USDA left US 2020 soybean crop ratings near 72 pct good/ex. Best crops are in MN, IA, NE and SD. Lowest rated crops are in MO, IL, IN and the Delta. Some feel ratings could suggest a US soybean yield near 51.0. This week, One private group estimated US 2020 soybean planted acres near 85.5 million versus USDA 83.5 and 76.1 last year. This implied a crop near 4,324 mil bu versus USDA 4,125, It would also suggest a US 2020/21 carryout near 526 mil bu versus USDA 395. This would offer resistance to soybean prices.

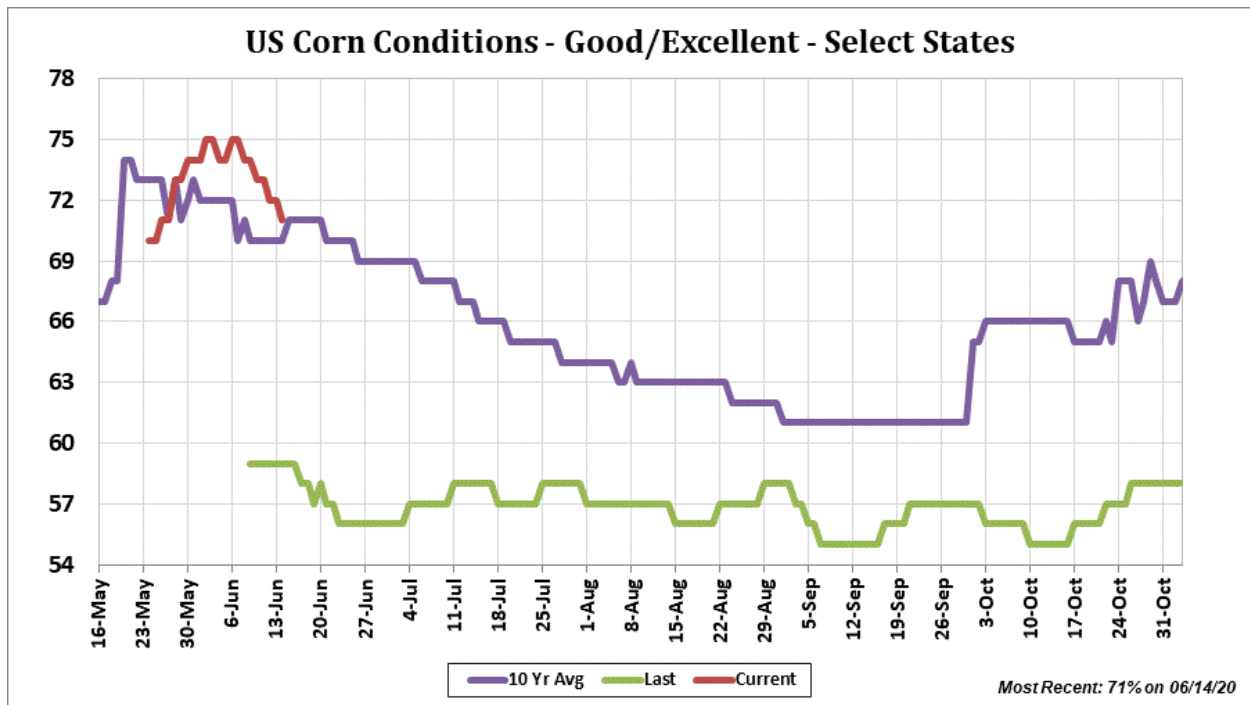




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## CORN

Corn futures were unchanged. Support is from uncertain US summer weather and large net managed fund short. Lack of farmer selling helps cash basis which could also be offering support. Talk of steady but slow increase in corn demand for Ethanol is also supportive to prices. US Midwest 7 day weather outlook and talk of higher World 2020 corn supplies continues to limit the upside in prices. Some are reporting pockets of US Midwest crops that have turned dry and could use a good rain. American model is forecasting good rains for most of the plains and Midwest. European model is drier. US farmer has a lot of old and new crop corn to sell and could increase selling on rallies. Corn market was supported by the fact weekly US corn crops ratings dropped this week versus most guesses that the rating would improve slightly. This week, one private group estimated US 2020 corn acres near 94.1 million versus USDA 97.0 and 89.7 last year. This could produce a crop near 15,405 mil bu versus USDA 15,995. This could also suggest a carryout near 2,853 mil bu versus USDA 3,323. Current crop conditions suggest a US 2020 corn yield near 179.5. Some feel yield will need to drop closer to 165 to push prices higher.



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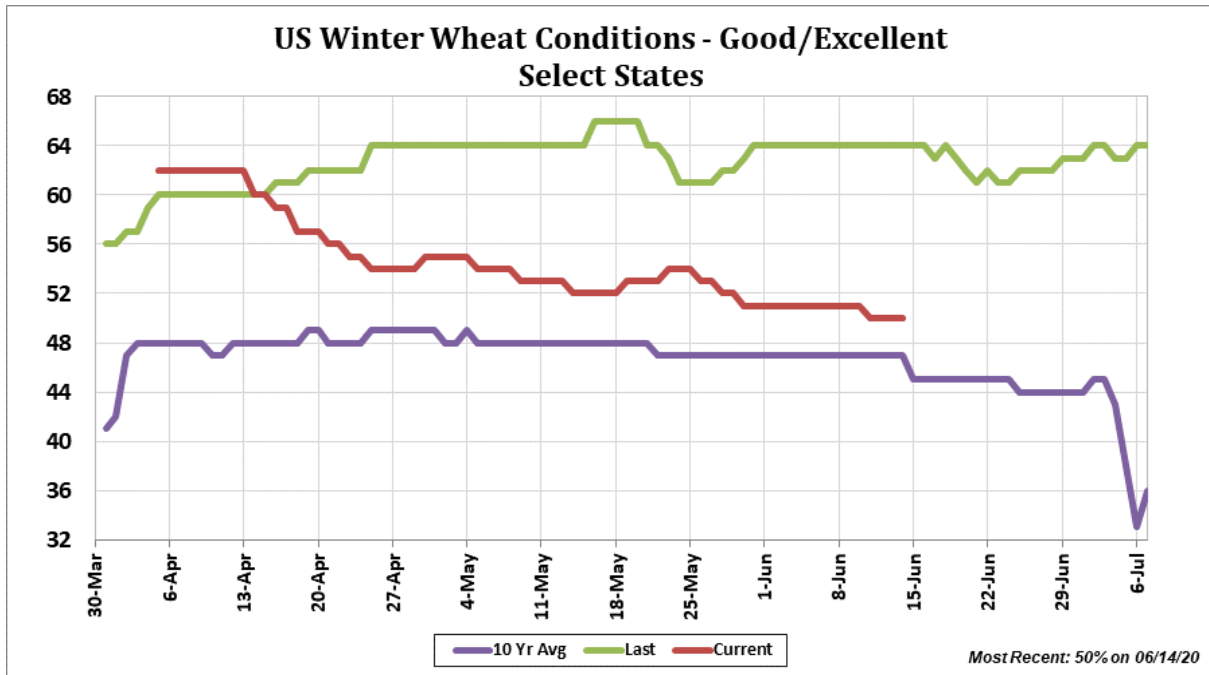


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## WHEAT

Wheat futures traded lower. Rains in parts of Europe has dropped Matif wheat futures to 3 month lows. Despite the fact old crop Russian export prices are trading near season highs, reports that Russia will not extend export quotas in July weighed on futures today. US wheat export prices have become competitive. USDA dropped weekly US winter wheat crop ratings to 50 pct good/ex. Best crops are in WA and OH. Lowest rated crops are in TX, MO, AR, CO and KS. South plains harvest is quickly moving north. USDA estimated US harvest near 15 pct. USDA rated the 2020 US spring wheat crop 81 pct good/ex. This week, one private group estimated US winter wheat crop near 1,266 mil bu versus 1,304 last year. They estimated the spring wheat crop near 596 mil bu versus 562 last year. This suggest a total US crop near 1,915 mil bu versus USDA 1,877. Same group also estimated World 2020 wheat crop near 772 mmt versus 764 last year. This includes a EU crop near 140 versus 154 last year, FSU crop near 130 versus 130 last year and Australia near 26 versus 15 last year. US is estimated near 51 mmt versus 52 ly.



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