



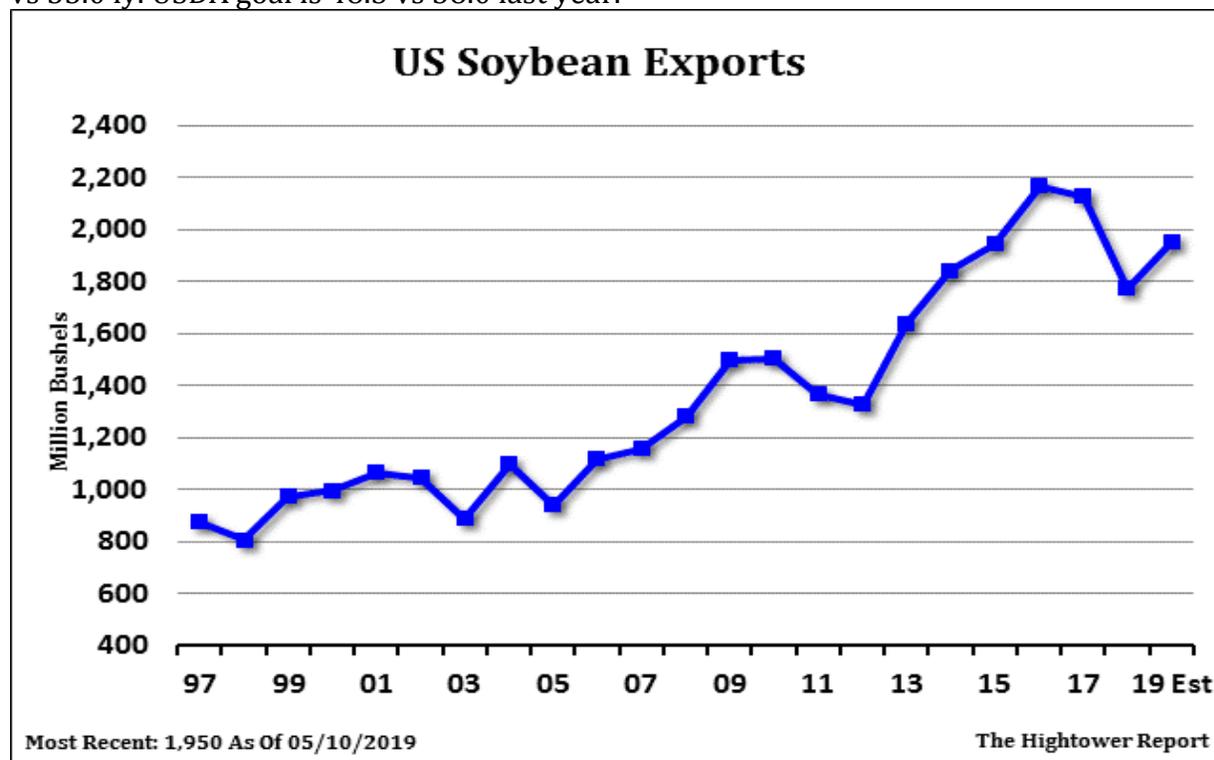
# Market View

**May 15, 2019**

Soybeans, soymeal, soyoil, corn and wheat traded higher. US stocks, Dollar, Crude and meats were also higher.

## SOYBEANS

Soybeans traded higher. SN tested 8.48 before backing off into the close. So far this week, SN has rallied from Fridays low near 7.91 to today's high near 8.48 on Managed fund short covering due to wet US Midwest weather. Noon weather maps suggested US Midwest could see above normal rains through the remainder of May. Grains are now trading a supply market. Late last week funds were adding to record shorts because demand was slowing and USDA May estimate of World 2019/20 corn, soybean and wheat supply and demand was bearish. Bullish supply led markets can be fickle. If on Monday the forecast is for wet US Midwest weather soybeans could trade another 50 cents higher. If the forecast is normal soybean could go back to contract lows. Today July soybean filled a gap from May 6. Weekly US soybean export sales could be 100-300 mt. Total commit is near 45.0 mmt vs 55.0 ly. USDA goal is 48.3 vs 58.0 last year.



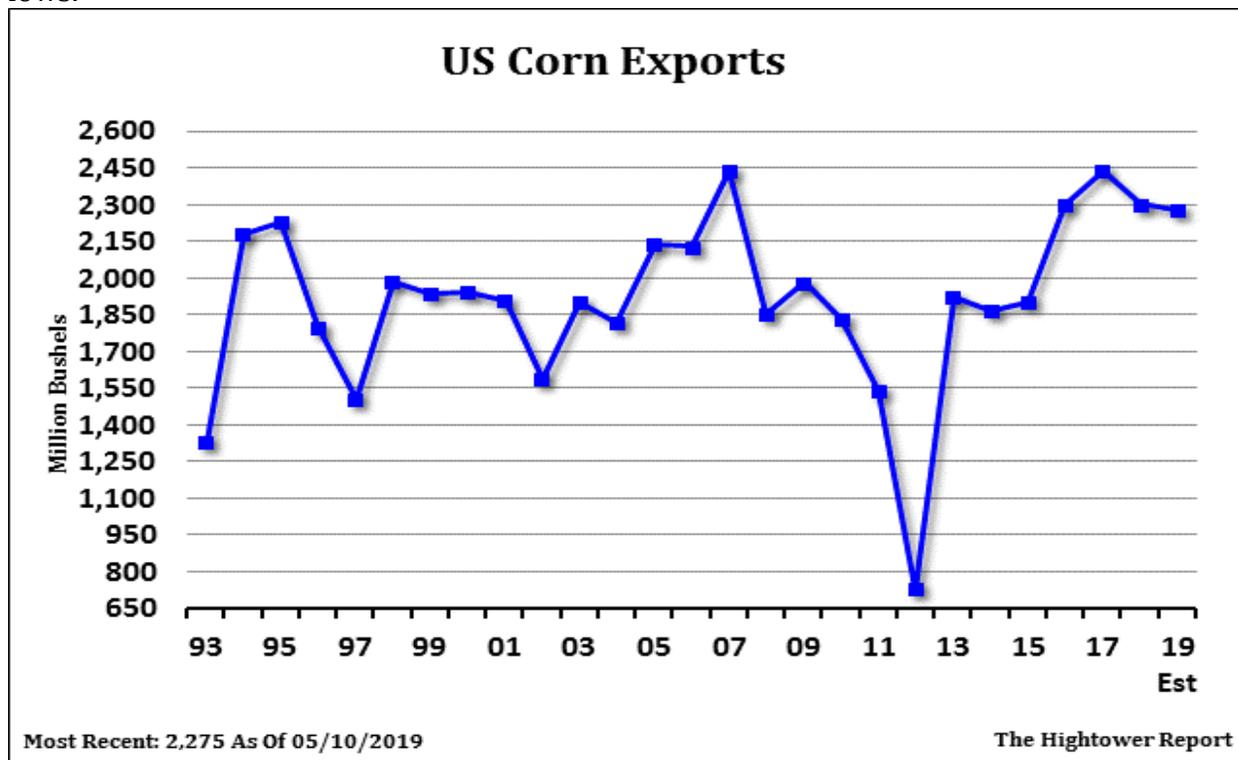
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# Market View

## CORN

Corn futures traded higher. July corn tested 3.80. Much if the rally is fund short covering after USDA estimated US corn planting pace below trade expectations and well below average. Some feel that west US corn farmers will get more corn planted this week but East soils remain wet. Noon forecast calls for more Midwest rains through the end of May. Weekly US ethanol production was up from last week but still down from last year. Stocks were down from last week but up from last year. Weekly US corn export sales could be 200-500 mt Total commit is near 46.3 mmt vs 51.6 ly. USDA goal is 58.4 mmt vs 61.9 last year. US farmer was active seller of old crop corn overnight. Some feel he still has 50-55 pct of the 2018 corn supply yet to sell. He has sold little 2019 corn crop. Especially considering that they still have to plant 70 pct of the corn crop. Grains are now trading a supply market. Late last week funds were adding to record shorts because demand was slowing and USDA May estimate of World 2019/20 corn supply and demand was bearish. Bullish supply led markets can be fickle. If on Monday the forecast is for wet US Midwest weather corn futures could trade another 30 cents higher. If the forecast is normal corn could go back to contract lows.



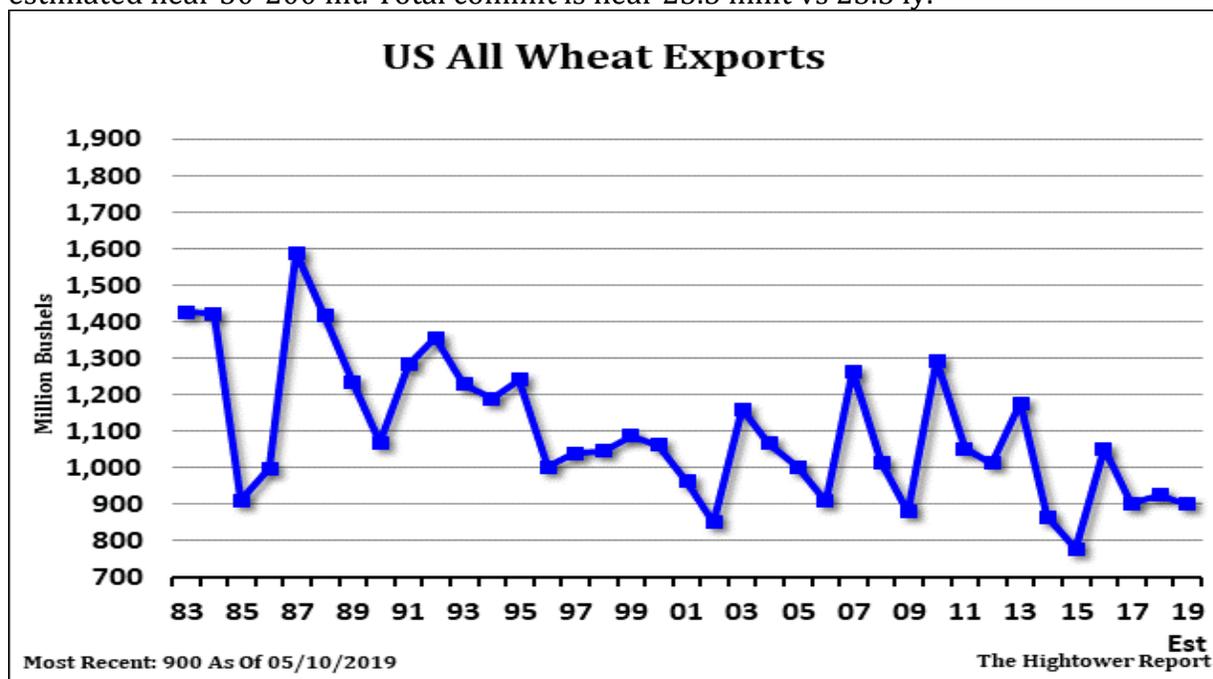
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# Market View

## WHEAT

Wheat futures are staging a mini rally. Last Friday the USDA issued their first estimate of the US and World 2019/20 wheat supply and demand. The report was bearish with USDA increasing World 2019/20 wheat end stocks to a record 293.0 mmt and estimating the crop at 777.5 mmt versus 731.5 last year. Managed funds added to their net short and July Chicago wheat futures dropped to near 4.18. A wet US Midwest weather pattern helped trigger a rebound in prices. Some link this to a lower US 2019 corn crop and raised concern over the quality of the US winter wheat crop. July Chicago wheat has tested 4.64 on fund short covering. Key now is the US 2-3 week weather forecast. Wet forecast could send wheat futures higher. Normal forecast could send futures back to near contract lows. Minneapolis wheat has not bounced as much as better weather has allowed US spring wheat farmers to catch up plantings versus normal. Weekly US wheat export sales are estimated near 50-200 mt. Total commit is near 25.5 mmt vs 23.5 ly.



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