



**CURRENT TREND:** Lower      **REASON:** Trade not on board with USDA soybean S&D numbers heading through '18/19

**INFORMA ACREAGE ESTIMATES @ 10:30 AM; NOPA CRUSH FRIDAY @ 11 AM**

**MORNING TRIVIA:** How many states make up the New England Region of the United States?

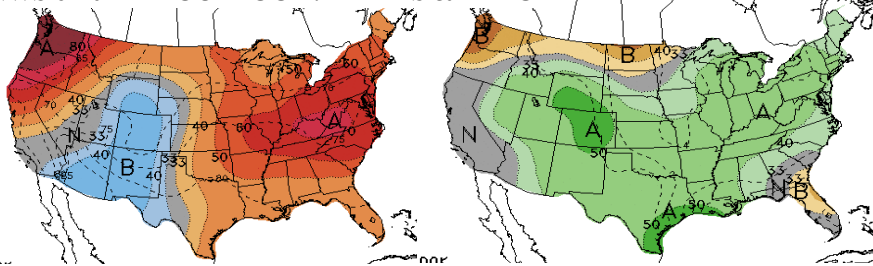
### MARKET HEADLINES

- Quick editorial:** the bears fought back in a big way overnight, posting huge trade volume and taking soybeans to a fresh six-month spot low; save for a weather reversal, the market is confident that soybean supply-side numbers will increase, and skeptical that Chinese demand/export estimates will hold up
- Egypt's GASC yesterday bought 420k tonnes of wheat for July 15-25 shipment, including 300k tonnes from Russia and 120k from Romania, with prices ranging from \$224-225/tonne cost plus freight.
- Ukraine's Ag Ministry reported cumulative grain exports since July 1 at 38.2 MMT, down from last year's 42.4 MMT pace.
- FranceAgriMer left their estimate for '17/18 French wheat exports outside the E.U. steady this month at 8.4 MMT, though their forecast for shipments inside the Union fell slightly from 9.1 to 9.0 MMT—still a 12-year high.
- Brazilian crop supply agency Conab yesterday cut their 2017/18 safrinha corn estimate from 62.95 to 58.2 MMT, with total corn output down from 89.2 to 85.0 MMT this month; '17/18 soybean production rose from 117.0 to 118.05 MMT, with total grain output down from 232.6 to 229.7 MMT this month.
- Australia's ABARES reduced their 2018/19 wheat production estimate from 23.7 to 21.9 MMT this month, with further losses possible if no rains arrive...
- A USDA attaché in India yesterday pegged 2018/19 wheat production at 98.0 MMT due to stronger yields, up a million from the June WASDE figure.
- Reuters reported that Brazilian truckers have yet to agree with the government on freight pricing, and transportation of good remains slowed; the country's Ag Minister says at least 60 ships at BRZ ports are still facing loading delays.
- '17/18 U.S. Carryout (bln bu):      **June USDA / Avg Est / May USDA**  
Corn: **2.102** / 2.166 / 2.182      Beans: **0.505** / 0.522 / 0.530  
Wheat: **1.080** / 1.079 / 1.070
- '18/19 U.S. Carryout (bln bu):      **June USDA / Avg Est / May USDA**  
Corn: **1.577** / 1.663 / 1.682      Beans: **0.385** / 0.417 / 0.415  
Wheat: **0.946** / 0.958 / 0.955
- '17/18 World Carryout (MMT):      **June USDA / Avg Est / May USDA**  
Corn: **192.7** / 193.4 / 194.9      Beans: **92.5** / 91.35 / 92.2  
Wheat: **272.4** / 270.0 / 270.5
- '18/19 World Carryout (MMT):      **June USDA / Avg Est / May USDA**  
Corn: **154.7** / 157.6 / 159.2      Beans: **87.0** / 86.7 / 86.7  
Wheat: **266.2** / 263.0 / 264.3

### WEATHER UPDATE

- Midwest rains look lighter up into the weekend as temperatures spike, but better rains are on the way late this weekend into early next week and the 6-10 day time frame; the SW Midwest will remain the hottest and driest.
- Stressful weather in southern Ukraine and Russia will remain a problem.

### NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



### CFTC MANAGED MONEY & RECORD (Since June 2006) POSITIONS:

	Corn	Beans	Meal	Oil	Chi Wheat	KC Wheat
<b>Daily</b>	22,000	-3,000	4,000	-7,000	13,000	0
<b>Est Net</b>	48,696	16,177	90,380	-68,339	38,058	57,167
<b>Rec +</b>	409,444	260,433	132,126	125,722	73,662	72,845
<b>Rec -</b>	-242,884	-101,752	-54,855	-63,489	-171,269	-30,005

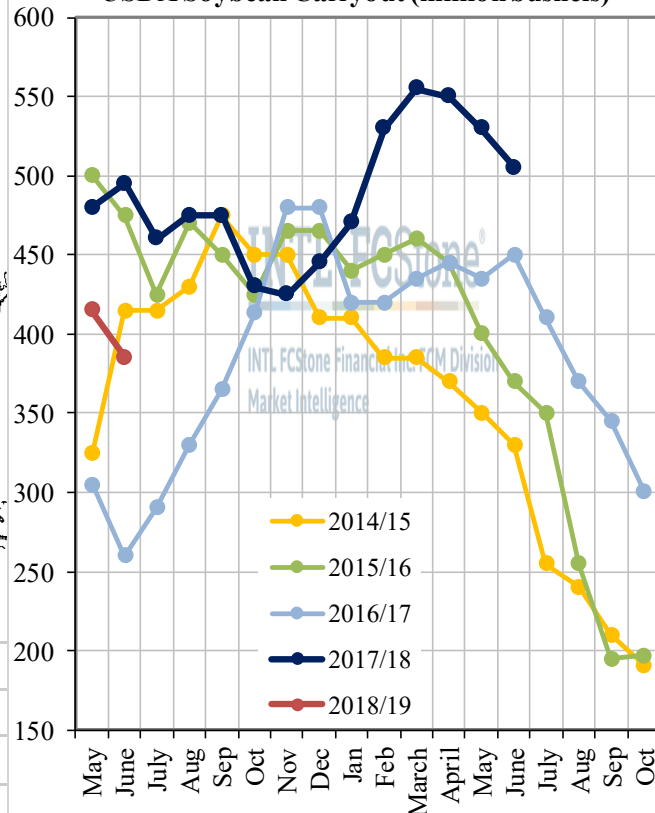
### NIGHT SESSION (to 7:00 AM): Grain Volume: **233,492**

Symbol	High	Low	Last	Chg	Vol
CN8	379.75	374.50	<b>375.25</b>	<b>-2.25</b>	23,414
CU8	389.00	384.00	<b>384.50</b>	<b>-2.25</b>	14,274
CZ8	400.50	395.50	<b>396.00</b>	<b>-2.25</b>	15,669
WN8	538.75	525.75	<b>526.50</b>	<b>-8.00</b>	20,605
KWN8	558.00	545.25	<b>546.50</b>	<b>-7.00</b>	6,253
SN8	958.50	942.00	<b>944.75</b>	<b>-9.25</b>	28,674
SU8	969.75	953.50	<b>955.75</b>	<b>-9.50</b>	2,271
SX8	979.25	962.75	<b>965.75</b>	<b>-8.75</b>	21,660
SMN8	354.40	349.90	<b>350.40</b>	<b>-3.10</b>	9,224
BON8	30.21	30.01	<b>30.19</b>	<b>+0.14</b>	18,356
CLN8	66.34	65.52	<b>65.97</b>	<b>-0.39</b>	130,532
DXY	93.98	93.74	<b>93.84</b>	<b>+0.03</b>	9,898

### FUNDAMENTAL UPDATE

The USDA again this month came through with lower old and new-crop soybean carryout numbers than the trade was expecting, cutting '17/18 ending stocks by 25 mbu to 505 mbu, and '18/19 inventories by 30 mbu to 385 mbu. That's due to the government getting (justifiably) aggressive on crush expectations but punting again on export declines, and with a decent likelihood of increased 2018 production numbers if the current beneficial weather pattern continues, and if/when more bean acres are discovered on June 29th...

USDA Soybean Carryout (million bushels)



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