

**Better weather and Biofuel concerns push markets lower.**

Corn and soybean futures took a hit on Sunday night as the latest forecasts put some rains and cooler temperatures in Iowa and S Minnesota in the 8-to-14-day forecast. This coupled with the rhetoric on biofuel relief to refiners from the Biden administration is giving the market pause. If this forecast materializes it is much needed but more will have to follow and the Dakotas and much of Minnesota and Wisconsin get missed. The biofuel news goes against the green agenda of the Biden administration's green mandate so we believe there will be no wide spread relief considering what happened in court with the SRE waivers being denied recently. Crop ratings will be lower this afternoon so we will see if the market will bottom out here today.

**Today's Corn Outlook:** Corn lost 6.75 cents on Friday and another 34 cents Sunday night. Funds were back to selling corn last week selling 14k leaving them with 275,600 net long contracts. The market needs to digest this new forecast and concerns about the weather pattern changing but that is not the case yet. Estimates for today's corn crop rating is 68% so a pretty good drop that will be supportive price.

**July Corn Technicals :** Corn market came in with bullish sentiment but trading below 6.80 has the bears trying to turn the market over. A close under 6.70 could open a move back to 6.20.

**Today's Soybean Outlook:** Beans lost 20.75 cents in November on Friday and are off another 45 cents overnight. The biofuel news has hit the soybean market harder than the corn as the soyoil was down limit on Friday and of another 25 ticks today. Funds bought 2700 contracts on the last report moving net longs to 141.5k. If we get more clarification on the biofuel situation we could see a big bounce in the soybeans.

**July Soybean Technicals:** The soybeans turned short term negative and look to challenge the 14.74 level. Bulls need a move back over to get back over 15.15.

**Exports: None to report.**

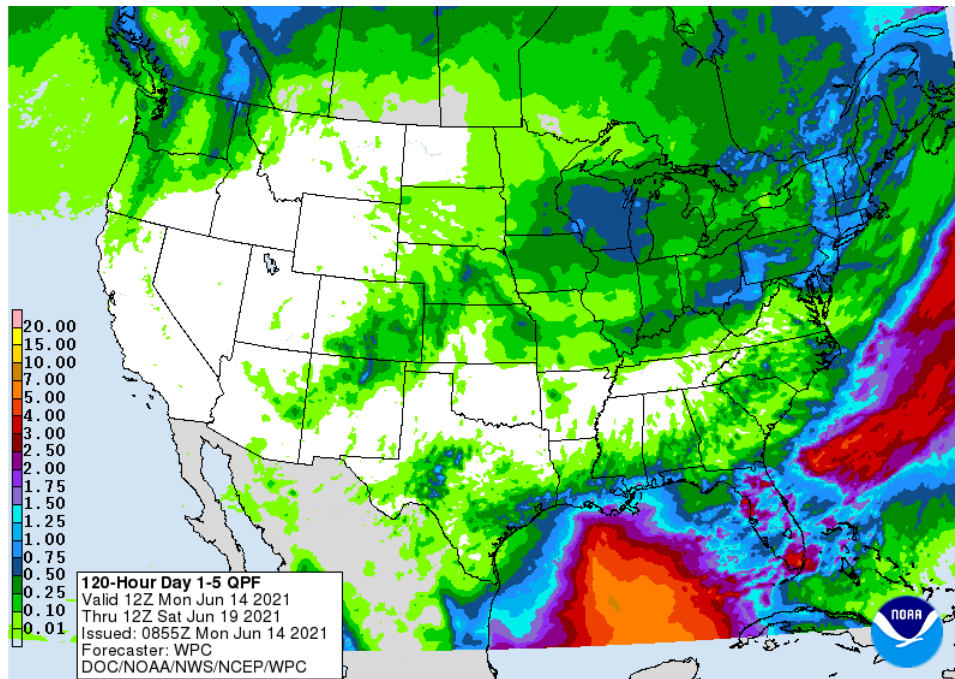
**Weather:** Some rains for Iowa and S Minnesota in the 6 to 10 day will give some needed relief to very dry areas.

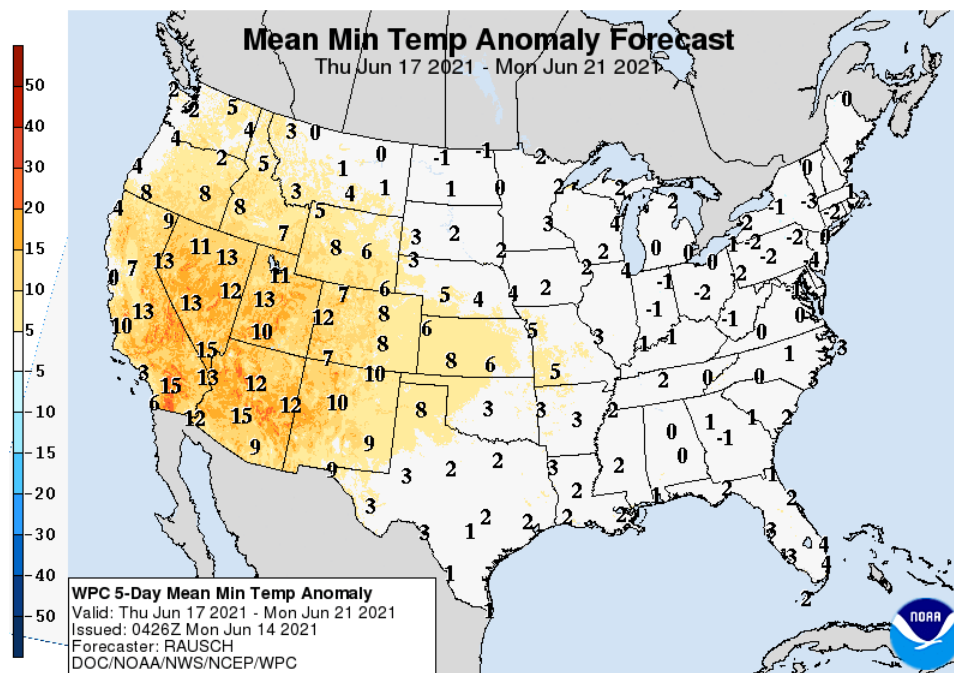
**Dollar Index:** The dollar is trading **8 ticks lower** this morning at 90.48.

**Brazilian Real:** The Real is trading **13.5 ticks higher** this morning at 1965.

***Additional Comments:***

5 Day Rainfall Accumulation Forecast





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