

ArrowStream

Grains

The grain sector was in the gutter again last time out, with the weak price action getting turned up to 11 following the release of the June Planted Acreage and Quarterly Grain Stocks Reports at noon on Friday. We were a bit surprised to see such a poor performance early on in the week in light of all the flooding around the western corn belt last weekend, but the trade nonetheless seems to be running with the notion that any amount of rainfall is bearish for corn and soybeans. If they're going to stick with that idea, eventually one would think the recent resurgence of drought conditions in the eastern corn belt will move to the forefront over the coming weeks. On Thursday, the wheat complex got a nice boost following the release of the weekly Export Sales Report and Stats Canada's report showing the country's wheat acreage falling 1.1% y/y, but by noon EST on Friday though, almost none of what was mentioned above mattered to the marketplace. To summarize, corn planted acreage was up over 100,000 acres vs. the average trade guess while soybeans and all wheat were below expectations. June 1 stocks for each of the big three were all above expectations, however, so corn and the two winter wheat types both sold hard off hard while soybeans were able to stay in the black thanks to the acreage number. Prices USDA, FOB.

Description	Market Trend	Supplies	Price vs. Last Year
Soybeans, bushel	Decreasing	Steady	Lower
Crude Soybean Oil, lb	Increasing	Available	Lower
Soybean Meal, ton	Decreasing	Steady	Lower
Corn, bushel	Decreasing	Steady	Lower
Crude Corn Oil, lb	Increasing	Available	Lower
High Fructose Corn Syrup	Decreasing	Steady	Lower
Distillers Grain, Dry	Increasing	Short	Lower
Crude Palm Oil, lb BMD	Decreasing	Short	Higher
HRW Wheat, bushel	Increasing	Steady	Lower
DNS Wheat 14%, bushel	Increasing	Steady	Lower
Durum Wheat, bushel	Decreasing	Steady	Lower
Pinto Beans, lb	Steady	Short	Higher
Black Beans, lb	Steady	Short	Higher
Rice, Long Grain, lb	Steady	Available	Higher

