

**More weather more problems**

The new weather models keep wreaking havoc on the grain markets. Corn and soybeans are getting hit again overnight as some rain makes its way across Iowa. No major accumulation but some verified rains and the markets concern over a biofuel relief measure has caused a painful week so far for grain prices. A group of Democratic congress members sent a letter to the EPA urging the agency not to touch the biofuels mandate. This may take a while before we have a conclusion to this topic. Weekly export sales were disappointing and well below estimates. So you can add that on top of the selling pressure to start the day. The downside momentum is mounting and the market is taking out all weather premium on what is fairly limited rainfall in the areas that really need it. One would think the bottom is near unless some follow up rains come in behind these storms but the market continues to push lower.

**Today's Corn Outlook:** December corn finished down 1.25 cents but is off 23 cents overnight as weather looks to be better for the short run. Some light rains in Iowa has the market on edge and the high volatility has longs getting out of the market. Corn open interest is down 34k this week and will likely drop again today. Watching the 540-545 area in December corn for a support level.

**July Corn Technicals:** Corn market has turn bearish in the short term and a move below 6.46 will open up 6.20. Bulls need a close back above 6.85.

**Today's Soybean Outlook:** November soybeans lost another 30.25 cents on Wednesday and is off 95.25 cents for the week. You can add another 35 cents from the overnight trade. Soyoil led the way up and is leading the way down. It was the darling of the biofuel camp for the first half of the year and now is getting smoked on worries of refinery relief. There will be some stern rhetoric if the Biden Administration tries to pull this off especially with the current green mandate it took to office.

**July Soybean Technicals:** The soybeans turned short term negative and now is looking to challenge 14.12 on the downside. Bulls need a close above 15.00.

**Exports:** 135K tons of soybean meal to the Philippines.

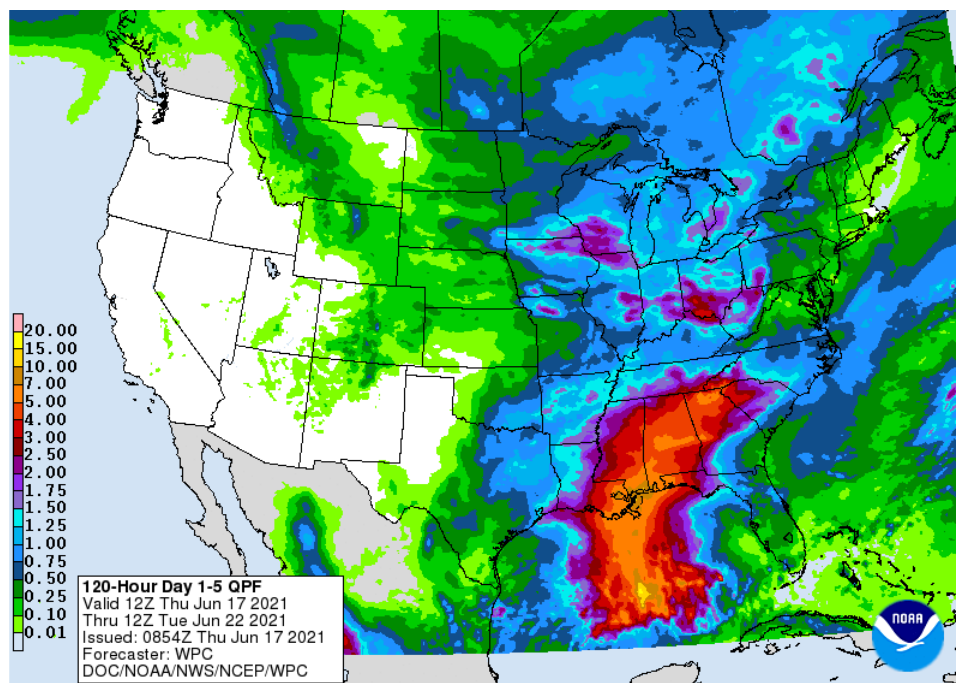
**Weather:** Minor rains across Iowa this morning with more Midwest coverage coming this weekend along with cooler temperatures.

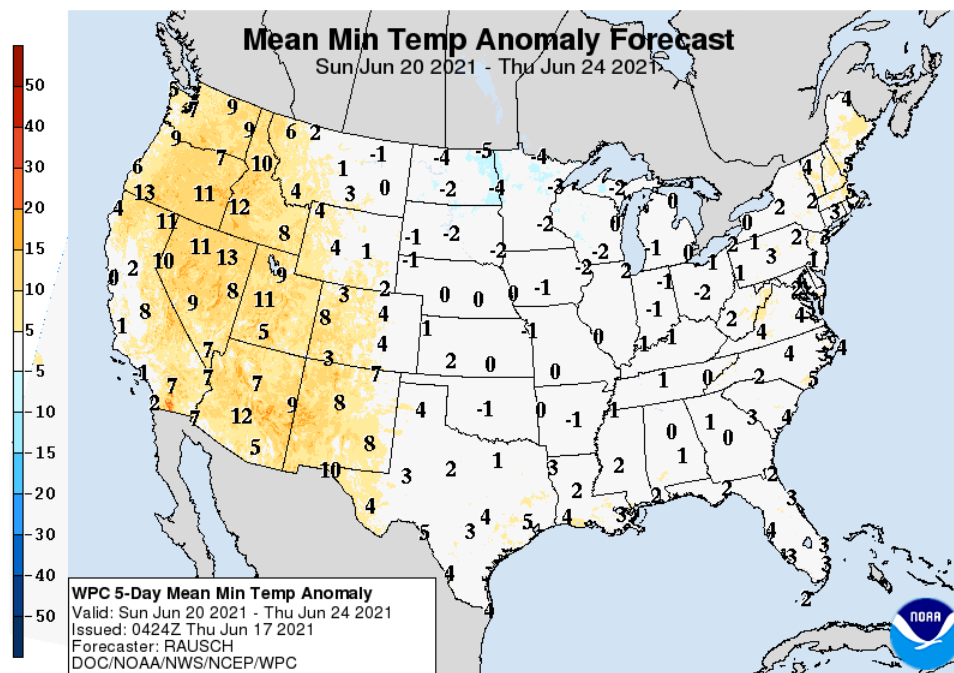
**Dollar Index:** The dollar is trading 49 ticks higher this morning at 91.69.

**Brazilian Real:** The Real is trading 7.5 ticks higher this morning at 1981.

***Additional Comments:***

**5 Day Rainfall Accumulation Forecast**





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