



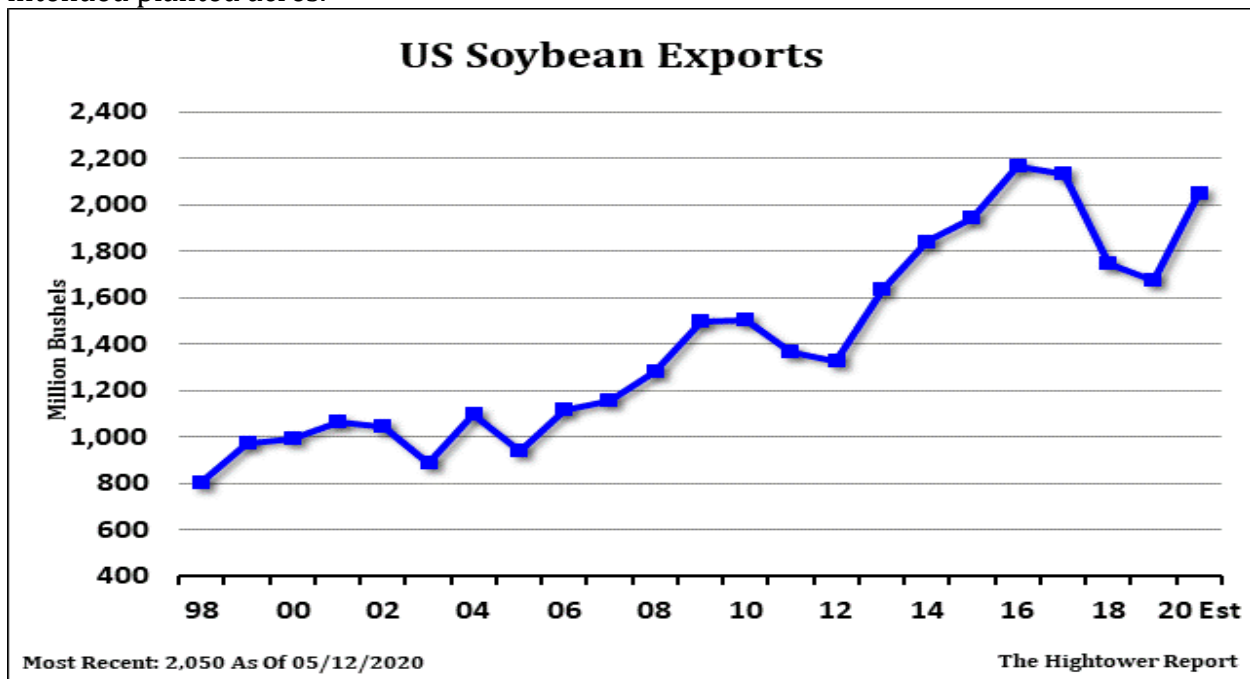
ADM Investor Services Market View

June 1, 2020 by Steve Freed

Soybean traded unchanged. Soyoil gained on soymeal. Corn and wheat traded lower. US dollar was lower. Crude was lower.

SOYBEANS

Soybean traded both sides of unchanged. Fact China told their buying companies to halt buying US Ag goods offered resistance. News that China crushers had bought US soybeans offered support but added to confusion. Weekly US soybean exports were only 14 mil bu versus 18 last year. Season to date exports are near 1,300 mil bu versus 1,258 last year. USDA goal is 1,675 mil bu versus 1,748 last year. Record Brazil exports to China has reduced US exports to China. Some feel without increase China buying, final US soybean crops could drop below USDA goal. USDA estimates US 2020/21 soybean exports near 2,050. Continued friction between US and China could reduce US 2020/21 exports. Trade expects that US soybean planting is 79 pct done versus 65 last week. They should be rated 68 pct good/ex. This could support USDA estimate of US 2020 soybean crop near 4,125 mil bu versus 3,547 last year. Final crop could be higher if US farmers add to the 83.5 million intended planted acres.

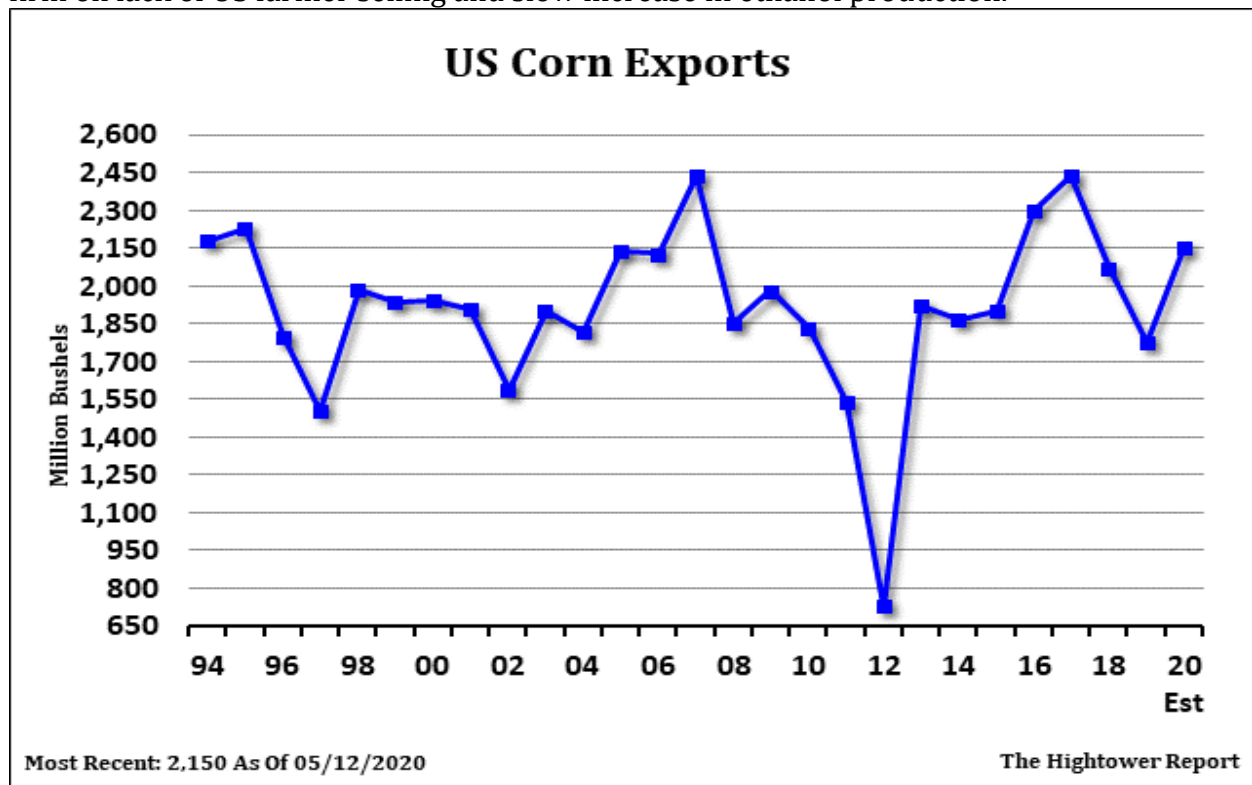




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CORN

Corn futures traded lower. Talk of increase export competition from South America weighed on prices. Ongoing concern about a drop in US domestic demand and of a higher US 2020 supply also offered resistance. Managed funds remain large net short corn futures. It will take a weather problem to push prices higher. Weekly US corn crop rating should increase 1-3 pct to 71-73 pct good/ex. Most feel the current crop conditions support USDA estimate of the US 2020 corn crop near 15,995 mil bu. This despite talk US farmers may have planted less than 97.0 million acres. Weekly US corn exports were only 44 mil bu versus 29 last year. Season to date exports are near 1,121 mil bu versus 1,548 last year. USDA goal is 1,775 mil bu versus 2,065 last year. South America and Black Sea new crop corn prices are below US. USDA estimates US 2020/21 corn exports near 2,150. Despite the forecast of increase in export demand, US 2020/21 corn carryout was estimated to increase to 3,318 mil bu. This should weigh on corn futures. US cash corn basis remains firm on lack of US farmer selling and slow increase in ethanol production.



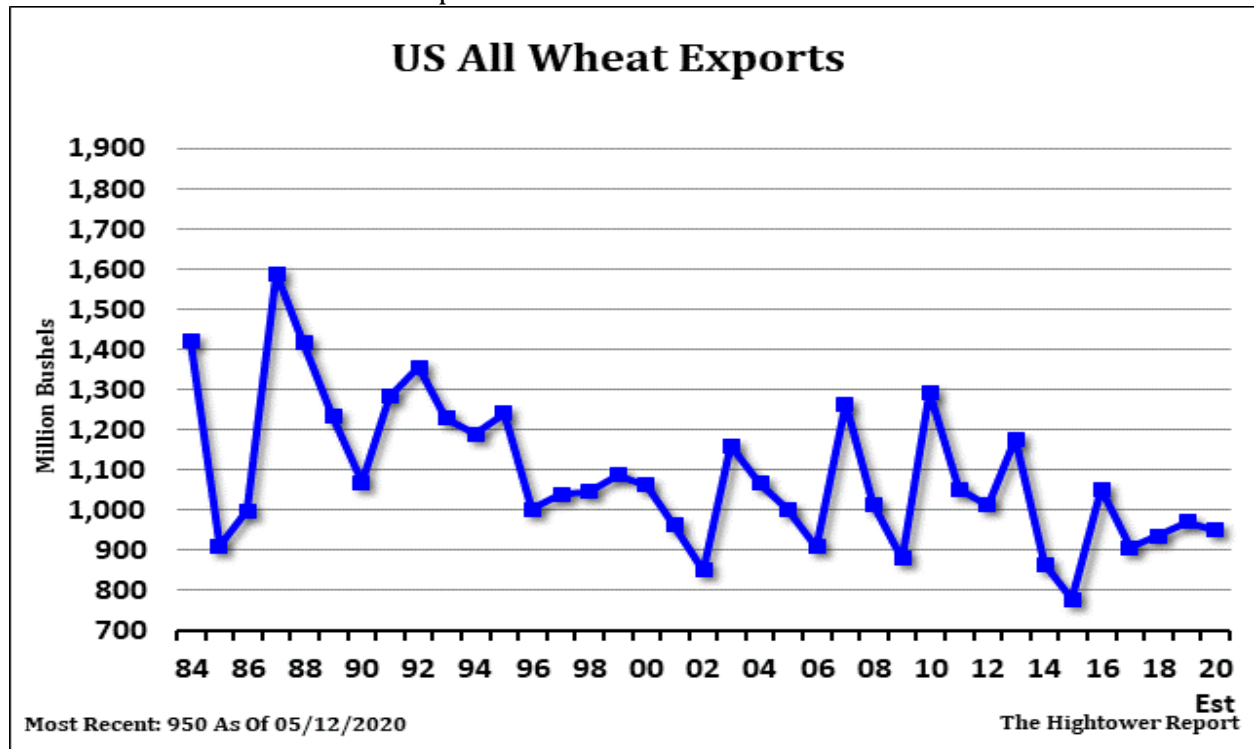


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WHEAT

Wheat futures traded lower. Forecast of better Europe and Black Sea weather weighed on French wheat prices which offered resistance to US futures. Trade estimates US winter wheat harvest near 5 pct done. Trade also estimates US winter wheat crop rating to remain near 54 pct good/ex. This would support USDA estimate of the US 2020 wheat crop near 1,866 mil bu and carryout near 909 mil bu. Trade estimates US spring wheat 91 pct planted and rate the crop 66 pct good/ex. Weekly US wheat exports were 18 mil bu versus 21 last year. Season to date exports are near 914 mil bu versus 911 last year. USDA goal is 970 mil bu versus 936 last year. Black Sea new crop wheat prices are below US. USDA estimates US 2020/21 wheat exports near 950. USDA estimate of World wheat stocks at record 310 mmt continues to offer resistance to prices.



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