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Commodity Consulting/Brokerage

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The market bid farewell to Tuesday's crop reports and focused squarely on the weather forecasts. 7-10 day upper air maps showed huge higher pressure setting in over the Corn Belt, in one of the biggest dome of doom forecasts in decades. Of course, a lot of the trade also realizes a forecast out past 7 days has very little merit, so the gains were good in corn and beans, but not great. It will take that forecast staying in the picture to keep the rally going.

Last night's 6-10's showed above normal temps for the entire US, minus cooler temps in the PNW. Precip was below normal everywhere except in the far Northern Plains. Upper air forecast maps last night accelerated the arrival of the heat a little bit, bringing it in before the 7 day window and that got my attention. The day 4 map has the 594mb heat creeping in to the Southern Corn Belt already and into SW Iowa by day 5. Day's 6-10 got even worse, meaning hot and dry is solidly in the forecast for everyone starting early next week.

A true weather market is only as good as the next forecast...

Weekly export sales data showed the pace slowing down considerably for everything. Corn sales were 26.3 mln bushels of old crop and 27.1 new. Milo was 1.7 old and 500k new. Soybean sales came in at 13.4 mln old and 20.1 new. That's a lot smaller old crop number than we've seen recently, but still friendly considering the calendar date and the fact we're usually seeing single digit sales now. Wheat had a couple of good weeks and then dropped like a rock this week to 11.7 mln. The wheat number is bearish.

Some analysts were calling everything a little bearish across the board, but I would keep beans in the neutral/friendly category and corn neutral. These sales won't matter today though, because the focus is solely weather.

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