

What caught my eye

April corn-for-ethanol grind came in at 427.68 mbu, 21.8 mbu below the trade average and 18 mbu below a year ago, missing even the low end of the trade range. March was revised slightly higher to 474.9 mbu, but April usage was still up just 1.0% from last year. Sep.-Apr 2025/26 YTD usage reached 3.653 bbu, only 25 mbu above last year and below the pace needed to hit USDA's 5.6 bbu forecast. The YTD grind suggests USDA's June corn demand estimate is too high, and a 50-70 mbu cut looks likely.

TRENDS

CN, $-\$0.0050$; SN, $+\$0.0425$; SMN, $-\$0.0080$; BON, $+\$0.0103$; WN, $-\$0.0075$;

KWN, $-\$0.0225$

Dalian: CN, $-\$0.0200$; SN, $+\$0.1799$; SMN, $-\$1.52$; BON $-\$0.0007$; POU $+\$0.0003$

Bursa Malaysia August Palm Oil: KPOQ -2 @ 4,535 ringgit

Macro

Stock futures trade little changed after record-setting session



WALL STREET FUTURES - Mostly weaker:

Dow, -171; S&P, -8.5; NAS, +40

Asia - Mixed:

Nikkei, +2.5%; Shanghai, +0.22%;

Hang Seng, -1.56%

EUROPE - Mixed:

DAX, +0.92%; FTSE, -0.36%; CAC +0.29%

Other Markets



August Gold: $\$-31.3$ @ 4,489

July CRUDE: $+\$2.55$ @ $\$96.31$

Jun U.S. Dollar Index: $+0.121$ @ 99.184

WEATHER



CORN

SOYBEANS



WHEAT



ENERGY / ETHANOL



LIVESTOCK

POULTRY



WEATHER



Central U.S. temperatures should stay warmer than normal across the northwest two-thirds of crop production areas, with highs mainly in the 80s and 90s and lows in the 50s to 60s, while the southeast third stays seasonable. Thunderstorms are expected across the Plains each day next week, bringing the most likely rainfall of 0.50"–1.50", including HRW and spring wheat growing areas. In the Corn Belt, totals look lighter eastward, with 0.50"–1.50" in the west and 0.25"–0.75" in the east. Better rain chances may return in 1 to 2 weeks as the upper high weakens. Brazil *safrinha* corn production stays mostly dry for 10 days, while Argentina turns wetter, slowing wheat planting and bringing 0.50"–1.50" of rain

CORN / SORGHUM



- Ethanol grind at 9:30 am CDT. Grind last week was 1,089,000 barrels/day vs. 1,105,000 on this date last year. Ethanol stocks last week were 24.968 mil. and last year for this week were 24.440 mil.
- Consultant: Argentina 25/26 corn production estimate is unchanged this week at 63.0 MMT; neutral bias
 - harvest was at 34.7% as of late last week, up 1.8% from the previous week and below last year's pace of 40.5%
- The USDA will survey producers during the first two weeks of June for estimates of planted and harvested acreage to be included in its *Acreage* report on June 30
- Funds sold 8 K; market continues watching the U.S. weather

SOYBEANS



- *ATI Research*: model is forecasting near-term U.S. bean exports to range from 18.0–22.0 mbu per week, with a midpoint of 20.3
 - the recent shipment pace of 21.1 per week is 11.0 above last year's pace and 7.0 million above the seasonal average
- The USDA will survey producers during the first two weeks of June for estimates of planted & harvested acreage in its *Acreage* report on June 30
- On average, U.S. beans emerged increase ~14% from May 31–June 7; emerged pace on June 7 last year was ~73% and the 5-year avg. is ~71%. Emerged was estimated at 65% as of May 31 this year
- Funds: sold 8 K SB, 1 K SBM, 4 K BO. Jul Crush, +\$.074 @ \$4.149

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WHEAT



- A total of 62% of U.S. HRW production is forecast to receive near normal precipitation over the next 14 days
 - 93% of SRW production to receive near normal precip
- ABARES report released this week estimated Australia's 26/27 wheat production at 26.7 MMT, which is 23% below the 5-year average and 8% below the 10-year average; the current USDA estimate is 30.0 MMT
 - ABARES is pegging planted acreage at a 7-year low
- Only 10%, 1%, 1% of Russia's wheat was drier than normal over the last 30, 60, 90 days (ending May 31)
- Funds sold 5 K; liquidation persists amid stalled Iran, China talks

ENERGY / ETHANOL



- Chicago ethanol was $-\$0.03250$ weaker @ $\$1.9475/\text{gallon}$
- Today's EIA weekly report estimates (API): Crude, -4.007 (-6.80); Gasoline, -0.513 ($+3.50$); Distillates, -0.319 (-0.21). Average ethanol production: 1.088 (range: 1.056-1.120). Average ethanol inventories: 24.834 (range: 24.268-25.400), which is dn 0.134 vs. last week
- RINS: 0.875 firmer: 24's, 227-229.5; 25's, 230-232; 26's, 230.5-234
- The July RBOB/July ethanol spread is up .0846 @ $\$1.1693$
- CLN, $+\$2.55$; EBN, unch; RBN, $+\$0.0450$; HON, $+\$0.0593$; NGN, $+\$0.0690$

LIVESTOCK / POULTRY



- Choice boxed beef was $\$1.24$ higher on Tuesday at $\$394.07$, and is up $\$0.65$ compared to a week ago
- November feeder cattle closed $\$3.45$ lower on Tue. at $\$338.300$, which is the lowest settlement price for the contract since March 13
- The CME Lean Hog Index Increased $\$0.14$ to $\$91.65$. June lean hog futures was up $\$0.675$ on Tuesday to $\$95.7$, and are $\$-0.53$ below the index
- USDA mandatory pork carcass cutout value was $\$0.89$ higher on Tuesday at $\$100.58$ and is $\$2.47$ higher versus the previous week
- The pork carcass cutout value has staged a recovery over the past four weeks. Since May 6, cutout has increased $\$5.80$ (6.1%), and is now at the highest level since March 12

INFO@ADVANCE-TRADING.COM

Phone: 309-664-2300

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