MORNING COMMENTS

July 21, 2026

What caught my eye

There was marked deterioration in corn, soybean and spring wheat crop condition ratings this week in North Dakota and South Dakota on the heels of record-breaking heat recently. Combined, those two states accounted for 11%, 11% and 62% of corn, soybean and other spring wheat production in 2025, respectively. While a break in the heat is forecast through Thursday, much above normal readings are forecast to re-develop over the upcoming weekend with little rain projected through the rest of July.

TRENDS

CZ, -$.0150; SX, $.0000; SMZ, +$.0150; BOZ, -$.0006; WU, -$.0150; KWU, -$.0225

Dalian: CU, -$0.0200; SU, +$0.0862; SMQ, +$5.23; BOQ -$0.0002; POU -$0.0031

Bursa Malaysia October Palm Oil: KPOV +46 @ 4,643 ringgit

Macro

Stock futures climb as investors shift focus to earnings

WALL STREET FUTURES - Firmer:
Dow, +179; S&P, +40.25; NAS, +401

Asia - Mixed:
Nikkei, +3.26%; Shanghai, +1.79%;
Hang Seng, -0.04%

EUROPE - Firmer:
DAX, +0.45%; FTSE, +0.13%; CAC +0.29%

Other Markets

August Gold: +$57.7 @4,074
September CRUDE: +$0.42 @$82.90
Sep U.S. Dollar Index: -0.056 @100.781

WEATHER

CORN

SOYBEANS

WHEAT

ENERGY / ETHANOL

LIVESTOCK

POULTRY

WEATHER

In the U.S., a strong cool front arrives on Tuesday, lowering temperatures into the 70s-80s and 50s-60s across much of the Corn Belt and Plains for several days. Heat then rebuilds across the Plains and western Corn Belt Friday-Sunday as upper-level high pressure returns, bringing mid-90s highs and mid-70s lows to western corn, soybean and spring wheat production areas for at least a week. Eastern crop areas should remain closer to seasonal temperature levels over July 27-Aug. 3. Thunderstorms will bring rainfall totals of 0.25"-0.75" to portions of MN-WI, IL-IN-IA into Tuesday and 0.50"-1.50" from NE into MO over Wednesday-Thursday. Most areas trend drier afterward, with below-normal 10-day rainfall of 0.25"-0.75"

CORN / SORGHUM

- Corn futures posted multi-week highs on Monday
    - new-crop December closed $0.055 higher at $4.73, which is the highest settlement price for the contract since May 29
- *ATI Research*: 25/26 U.S. corn ending stocks est. unch at 2.052 bbu (USDA: 2.020), while 26/27 ending stocks est. at 1.747 bbu (USDA: 1.790)
- USDA *Crop Progress* report highlights
    - corn Good/Excellent ratings were pegged at 67%, which is one point lower compared to last week and below 74% last year
        - silking at 59% compared to 53% last year & the 5-yr avg. of 54%
        - dough at 13%, unch compared to 2025 but above the 11% avg.
- Funds: bought 12 K; Black Sea and Middle East tensions; U.S. crop risk

SOYBEANS

- November 2026 soybean futures posted a multi-year high on Monday
    - November closed $0.2325 higher at $12.2625, which is the highest settlement price since Jan. 6, 2023
- *ATI Research*: 25/26 U.S. bean ending stocks est. unch at 0.325 bbu (USDA: 0.330), while 26/27 ending stocks est. at 0.343 bbu (USDA: 0.310)
- USDA *Crop Progress* report highlights
    - bean Good/Excellent ratings were pegged at 66%, which is one point higher compared to last week but below 68% last year
        - setting pods at 32% versus 24% for both last year and the avg.
- Funds: bought 10 K SB; 7 K SBM; sold 4 K SBO. Aug Crush: -$.157 @ $3.072

WHEAT

- USDA *Crop Progress* report highlights
  - Good/Excellent ratings for spring wheat were pegged at 53%, dn 5 points compared to last week but above 52% last year
    - *ATI Research*: updated model pegs HRS crop at 0.415 bbu, or dn 8 mbu from last week
    - winter wheat harvest: 74% vs. 72% last year & the avg. of 71%
- A total of 12% of Australia wheat drier than normal last 60 days, including 10% in Western Australia and 19% in eastern Australia
  - however, 99% is forecast is be drier than normal over next two weeks
- Funds sold 5 K; Black Sea shipping conditions continue to deteriorate

ENERGY / ETHANOL

- Chicago ethanol was +$.00850 higher @ $1.895/gallon
- Ethanol basis - firmer
- New York, +$.0050 @ $.1050; Gulf, +$.0200 @ $.0900; Dallas, +$.0100; @ $.0800; Tampa, +$.0050 @ $.1700; L.A., +$2.0150 @ $.1200
- RINS: -7.00 weaker: 24's, 224.5-231; 25's, 227-232; 26's, 227.5-232.5
- The September RBOB/September ethanol spread is down .0104 @ $1.2612
- CLQ, +$0.26; EBU, unch; RBU, +$0.0071; HOQ, +$0.0544; NGQ, +$0.0190

LIVESTOCK / POULTRY

- Choice boxed beef was $3.29 higher on Monday at $370.10, and is down $3.85 compared to a week ago
- The USDA 5-Area Weekly Weighted Average Steer Price was dn $9.73 last week at $238.28/cwt, but was up $0.50 versus last year
- The CME Lean Hog Index Increased $0.51 to $96.164. August lean hog futures fell $0.375 on Monday to $101.275, and are $0.88 above the index
- USDA mandatory pork carcass cutout value was $0.74 lower on Monday at $103.82 and is $2.17 higher versus the previous week
- *ATI Research*: The current nearby crush value of $49.70/cwt lean hogs compares to the previous week's value of $47.25, one month earlier of $44.67 and last year's level of $54.92

INFO@ADVANCE-TRADING.COM

Phone: 309-664-2300