

**NWS 6-10 day for July 8 to 12: above normal temperatures across most of US corn growing areas, normal precip in the WCB and above normal precip in the ECB. The 8 to 14 day through July 16 has above normal temps.**

**Have a safe July 4th weekend. Markets re-open Sunday evening.**

**CORN:**

- Corn opened lower on the daily lows before prices stabilized and we drifted mostly sideways into the close in light volume trade ahead of the long holiday weekend.
- Current weather looks favorable for crop development but forecasts for heat and dryness cause some concern. Sunday night weather forecasts will be watched closely for market direction.
- Export sales of 12.8mb are behind the 20.3mb needed to achieve USDA estimates.
- Israel passes on its corn/corn products tender, citing logistical problems.
- Average ethanol margins are negative as a result of the recent run-up in corn prices.

**Basis Comments-** Gulf bids were mainly lower. Processor bids were mixed. Some were weaker on the nearby and stronger for new crop. River bids were steady and the PNW is steady. Farmer movement is slow.

**Spread Comments-** Spreads were mixed. The U/Z settled firmer at a 19 cent carry and the Z/H settled unchanged at a 17 cent carry. The Z8/N9 settled a penny weaker at a 30 ¾ cent carry. The Z8/Z9 settled 6 weaker at a 75 cent inverse.

**SOY COMPLEX:**

- Soybeans rallied into the close, but old crop beans traded higher, supported by large export sales.
- New crop beans traded lower most of session after the overnight session traded to new lifetime highs again last night.
- Current weather is favorable for crop development.
- Export sales of 17.1mb are well ahead of the 1.8mb needed to achieve USDA export estimates.
- Argentina's tax situation remains unresolved.

**Basis Comments-** Gulf bids were mostly unchanged. River bids were firm. Processors bids were mainly steady. PNW was steady.. Brazilian basis was firm.

**Spread Comments-** Spreads were mainly firm. The Q/X settled 9 firmer at a 19 cent inverse. The X/F was ¼ cent firmer at a 13 ¼ cent carry. The F/H closed at a 4 ½ cent carry.

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