



### News this week...

- 2** – Drought footprint spreads after recent heat wave.
- 3** – Recession concerns build as Fed hikes interest rates.
- 4** – Crop ratings, soil moisture decline but still strong.

**Recession concerns fuel long liquidation** – A growing number of economists and investors feel the Fed will be unable to conduct a soft landing while aggressively trying to rein in inflation. As a result, recessionary fears are building, which triggered heavy long liquidation in commodities last week. While recent hot temps stressed crops and there's little moisture relief in the forecast for this week, fundamentals get pushed to the back burner when funds move into mass liquidation mode. At this point, it would probably take bullish report data on June 30 or forecasts calling for extreme heat after the Fourth of July — or both — to recharge bulls. The recession concerns also hit cattle and hog futures, which maintained their discounts to the respective cash markets amid demand concerns.

## Heat breaks, rains limited

Temperatures are expected to be cooler across the Corn Belt this week, providing crops some relief from recent heat stress. But rains will be limited, causing a further drying of topsoil moisture. Warmer temps and scattered rains are expected across the Delta and Southeast this week. World Weather Inc. says forecast models signal a round of rains across the central U.S. July 3-7. Coverage and amounts will be critical for the corn crop ahead of pollination after a couple weeks of drying.

## Acreage, Grain Stocks data June 30

USDA's Acreage and Grain Stocks Reports on June 30 have a history of producing strong market moves that set price tones through the key summer months. We anticipate June 1 stocks at 4.323 billion bu. for corn and 961 million bu. for soybeans. June 1 wheat stocks will be final 2021-22 ending stocks, which we expect to come in at 665 million bushels.

For planted acreage, we feel USDA understated corn acres and overestimated soybean acres in March. We expect USDA's June estimates to be 90.4 million for corn, 89.5 million for soybeans, 11.5 million for other spring wheat and 12.0 million for cotton.

## Corn sales to Canada overreported

We noticed a discrepancy between corn export data reported by the Census Bureau and USDA, which prompted us to seek out the reason. We were told Census Bureau discovered it had been reporting too many exports to Canada, totaling more than 700,000 metric tons (27.6 million bu.) too much since last September. That's what prompted USDA to cut its 2021-22 corn export forecast by 50 million bu. this month.

## China shipping rates falling

Shipping prices have cooled as some U.S. importers temper merchandise orders amid concerns about elevated levels of inventory and uncertainty about continued strength in consumer spending. Freight rates from China to the U.S. West Coast stood at \$9,585 a box last week, down 34% from the start of the year and 50% lower than last year.

## Gas tax holiday faces uphill battle

President Joe Biden's push to get Congress to waive the 18.4 cents-a-gallon federal tax on gasoline and the 24.4 cents-a-gallon tax on diesel fuel for three months faces major hurdles — including from his own party. Sen. John Thune (R-S.D.) said the request was "dead on arrival," while Senate GOP leader Mitch McConnell (Ky.) labeled the gas tax holiday an "ineffective stunt." House Speaker Nancy Pelosi (D-Calif.) and other congressional Democrats have long worried that suspending the gas tax would simply allow oil companies to reap additional profits with no guarantee the savings would be passed along to consumers at the pump.

**PERSPECTIVE:** Based on \$5 per gallon gas, a gas tax holiday would mean savings of less than 4% per gallon — about \$4.60 per week for the driver of a full-size SUV, according to calculations by GasBuddy.

## EPA's 2023 RFS proposal on schedule

EPA will release its proposed rule on the 2023 volume standards for biofuels under the Renewable Fuel Standard (RFS) in September, the same timeline the agency negotiated in a court decision. The agency committed specifically to Sept. 16, but a regulatory agenda from the Biden administration lists the proposed plan as coming in September 2022 with a finalized rule in April 2023.

EPA has not yet determined a timeline for an effort to finalize options on E15 fuel dispenser labels that would modify the text and color of the label and then remove them entirely.

## Logistics snarl grain movement

Logistics issues getting corn, soybeans and cotton to and out of ports raises the likelihood a sizable amount of 2021-22 export commitments won't be shipped until 2022-23. Meanwhile, there are increasing concerns about getting grain railed to California for feed. Union Pacific says it's due to a lack of workers, but others contend it's a labor union problem. Whatever the reason, the poultry sector says the issue must be resolved soon or millions of birds may need to be euthanized.

## Drought footprint spreads amid heat

As of June 21, the U.S. Drought Monitor showed 62% of the country covered by some form of dryness/drought, up five points from the previous week. For the Midwest specifically, the Drought Monitor stated: "One-category degradations — expansion and/or introduction of abnormal dryness (D0), moderate drought (D1), and severe drought (D2) — were warranted across the Middle Mississippi Valley, Ohio Valley, and parts of the Corn Belt. Parts of the Ohio Valley have seen a gradual increase in precipitation deficits in the last 60 days. However, over the last month, there has been a more rapid decline in rainfall, with parts of the Middle Mississippi Valley experiencing three to four inch rainfall deficits in the last 30 days. NASA SPoRT is indicating widespread soil moisture rankings falling below the 20th percentile over a depth of 200 cm (79 inches) and daily USGS stream flows have shown a consistent decline in most areas. This week's hot temperatures also led to very high evapotranspiration rates."

USDA estimates the drought footprint at 19% for corn (up two points from last week), 11% for soybeans (up two points), 22% for spring wheat (unchanged) and 55% for cotton (up three points).

## IGC raises global corn, bean crop pegs

The International Grains Council (IGC) raised its forecast for 2022-23 global corn production, largely driven by an improved outlook for output in Ukraine. IGC now forecasts global corn production this year at 1.19 billion metric tons, up 6 million metric tons (MMT) from last month, though that would still be down 29 MMT (2.4%) from 2021-22 due to severely reduced production in Ukraine amid the war.

IGC increased its forecast for 2022-23 global soybean production by 3 MMT from last month to 390 MMT. It now expects global soybean production to jump 39 MMT (11.1%) from 2021-22, due mostly to an anticipated bigger crop in Brazil.

IGC maintained its forecast for global wheat production in 2022-23 at 769 MMT, which would be down 12 MMT (1.5%) from last year.

## Record Russian wheat crop expected

SovEcon raised its Russian wheat crop estimate by 600,000 metric tons to a record 89.2 MMT. The consultancy says an improved spring wheat outlook due to higher planted acreage and favorable weather will more than offset a lower yield estimate for Russia's winter wheat crop, which was trimmed by hot and dry conditions in the key South region.

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## Producer Crop Comments...

Please send crop comments to [editors@profarmer.com](mailto:editors@profarmer.com).

### Shelby Co. (east-southeast) Illinois:

"Corn looks phenomenal when it's not rolled up. We're OK if we catch some rain, but we've missed several of them. Corn is rolling on black ground, so you know it's getting dry."

### Lake Co. (Northeast) Illinois:

"I drove by a lot of corn and soybean fields that looked pretty darn good from central Illinois, especially west of Springfield."

### Morgan Co. (west-southwest) Illinois:

"Soybeans planted April 12 are closing the rows."

### Clark Co. (west-central) Ohio:

"It was 80° on June 19 and some corn was curling. We have root depth problems from planting in poor conditions."

### Southwest Ohio:

"Drove through Fayette and Pickaway counties (central Ohio) and their crops were as crappy as ours. Still planting, like us. If rains stay away, ours will be planted."

### Winnebago Co. (north-central) Iowa:

"We spray painted the corn and literally watched it grow. The temperatures reached 102° and wind speeds were 20 mph to 30 mph through the day."

### Cedar Co. (east-central) Iowa:

"The 90°-plus heat for four days did wonders for our corn."

### Waseca Co. (south-central) Minnesota:

"Crops around here look good overall. Corn is V7 to V9 and soybeans V3 to V5. We'll need rain eventually, but as long as the brutal heat is short-term, we're good for a while. Storms keep hitting from the Twin Cities north."

### Red Willow Co. (southwest) Nebraska:

"What does corn do when it 100+ degrees for 4 days and the wind blows 20-30 mph? It grows!"

### Adams Co. (south-central) Nebraska:

"Finished the final acres of replant. No more storms, please. Seed is getting next to impossible to find."

### South-central Nebraska:

"Crops are not in good shape. Widespread damage from wind and hail. It's going to be tough to know how much loss there is until harvest. Drove from central part of state to Omaha June 17 and I've never seen such widespread damage to pivots and crops."

### Haskell Co. (southwest) Kansas:

"Our dryland corn looks good, but we're going to need a rain soon."

### Kit Carson Co. (northeast) Colorado:

"Drove through east-central Nebraska and I couldn't believe all of the pivots turned over and crops decimated along I80. Trees even stripped of their leaves."

### West Texas:

"Early planted corn is showing her red head. Gonna be short in stature due to heat and wind but nice ears are developing."

## Powell: Not trying to 'provoke' recession

Federal Reserve Chair Jerome Powell told two congressional panels the U.S. central bank is "strongly committed" to bringing down inflation but not trying to "provoke" a recession. But he acknowledged that a recession was "certainly a possibility" given the global situation, including supply-chain issues and the war in Ukraine. Powell said policymakers would need to be nimble to rein in inflation without doing serious economic damage.

*Pro Farmer* Economic Consultant Dr. Vince Malanga, president of LaSalle Economics, says "The Fed waited too long to begin tightening and now the question is whether it is doing too much... By the time summer ends it will be clear that the economy is immersed in some sort of recession. A mismatch between inventories and sales is on the verge of reverberating through the production process. It is showing up in price markdowns and it is not a brief adjustment. Having misjudged consumer demand so badly, we suspect retailers will be very cautious planners for the back to school and Christmas selling seasons."

He adds, "Housing is already feeling the ill effects of recent interest rate hikes and we suspect it will worsen. Because mortgage rates are now at the highest in over five years, housing turnover will slow; inventory will rise; and home prices will weaken which will adversely affect perceptions of household wealth. In past business cycle downturns, the Fed was quick to support markets with lower interest rates. As rates fell it triggered booms in mortgage refinance which supplemented household spending power. Not so this time as the Fed is tightening into economic weakness... By autumn we fear the Fed will be faced with the difficult choice of accepting somewhat higher-than-targeted inflation or crunching the economy."

## Euro zone business growth slows

Euro zone business growth has slowed significantly this month; far more than expected. Increasing concerns over rising costs has consequently led consumers to stay home and delay shopping to save money. The S&P Global Composite purchasing managers index (PMI), seen as a good indicator of overall economic health, dropped to 51.9 in June from 54.8 in May — the lowest level since February 2021. S&P Global's industry PMI fell from 54.6 last month to a nearly two-year low of 52.0.

## Canadian inflation near 40-year high

Canada's annual inflation rate accelerated to 7.7% in May — the highest since January 1983 — all but assuring the country's central bank will raise interest rates by 75 basis points in July. Economists expect Canadian inflation to surpass 8% this month, and possibly stay above 7% for most of 2022.

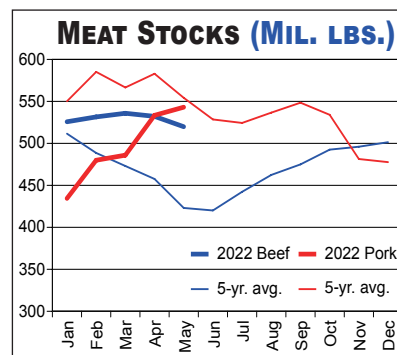
## Gov't backs NPPC, AFBF on Prop 12

The U.S. government filed a brief to the Supreme Court supporting the National Pork Producers Council (NPPC) and American Farm Bureau Federation (AFBF) challenge to California's animal housing law, Proposition 12. In an amicus brief, Solicitor General Elizabeth Prelogar said California "has no legitimate interest in protecting the welfare of animals located outside the state," quoting a previous Supreme Court decision. "Voters in pork-producing States must determine what constitutes 'cruel' treatment of animals housed in those States — not voters in California," the brief said. Prelogar's brief noted "petitioners have plausibly alleged that Proposition 12 will have substantial adverse impacts on the interstate pork market," urging the Supreme Court to reverse the 9th U.S. Circuit Court of Appeals' decision to dismiss the ag groups' challenge, and remand the case to the appeals court.

The Prop 12 case will be heard Oct. 11.

## Record May frozen beef stocks

USDA's Cold Storage Report showed beef stocks declined less than normal in May and were record-large for the month, while frozen pork inventories climbed contra-seasonally. The data signaled demand is not keeping pace with supplies amid near-record retail prices.



Beef stocks in storage as of May 31 totaled 519.8 million pounds. While that was down 12.3 million lbs. (2.3%) from April it was shy of the five-year average decline of 34.5 million lbs. during the month. Beef stocks rose 103.2 million lbs. (24.8%) from year-ago and were 96.8 million lbs. (22.9%) above the five-year average.

Pork stocks totaled 543.1 million lbs., up 9.7 million lbs. (1.8%) from April. Over the past five years, pork stocks declined an average of 28.7 million lbs. during May. Pork inventories rose 80.6 million lbs. (17.4%) from May 2021 but were still 11.2 million lbs. (2.0%) below the five-year average.

Total poultry stocks increased to 1.129 billion lbs., up 26.8 million lbs. (2.4%) from April and 5.8 million lbs. (0.5%) above year-ago.

## Cattle weights signal lots are current

USDA data showed steer carcass weights down to 879 lbs., 3 lbs. below year-ago and the lowest for the week since 2019. The currentness of feedlots should help ease pressure on the cash market with supplies near seasonal highs.



# Heat stresses crops but pushes development

By Editor Brian Grete

The recent string of hot and dry weather stressed crops across the Corn Belt, especially in far west-central and southwestern areas of the region that have dealt with an extended period of abnormal dryness/drought. But while crops withered in the baking heat — even in areas with ample soil moisture — it also promoted more rapid crop growth. After a slower-than-normal start to the growing season, corn and soybean emergence is about average and crop development is rapidly advancing. Spring wheat emergence is still lagging in the Northern Plains, though that will improve with the heat.

## Corn, soybean CCI ratings decline

As of June 19, USDA rated 70% of the U.S. corn crop and 68% of the soybean crop as “good” to “excellent,” both

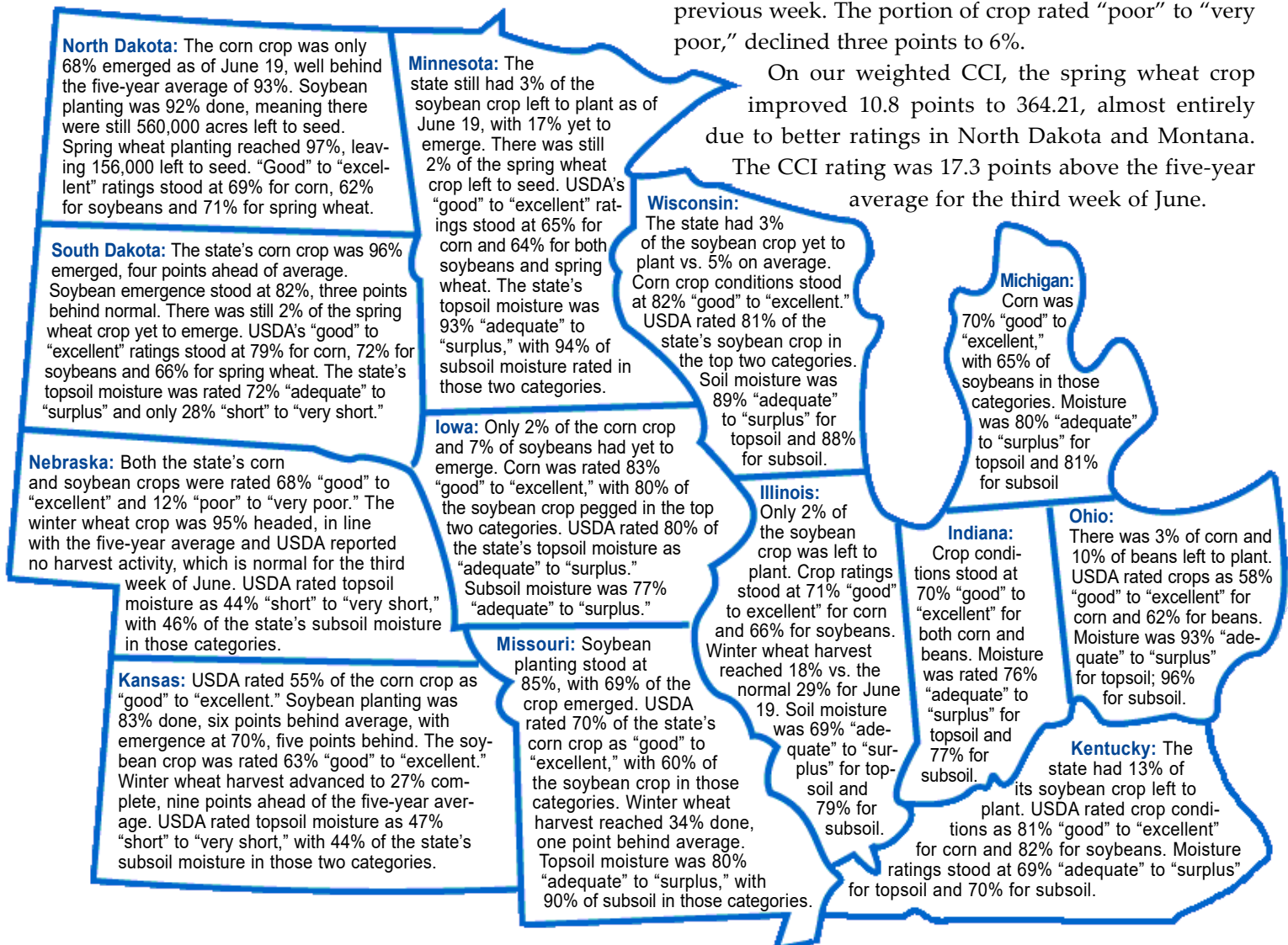
down two points from the previous week. The “poor” to “very poor” ratings each increased one point to 6%.

On the weighted *Pro Farmer* Crop Condition Index (CCI; 0 to 500-point scale, with 500 representing perfect), the corn crop fell 3.5 points to 376.2 and the soybean crop dropped 4.9 points to a 366.0 rating. Declines were relatively widespread with only a handful of states seeing modest improvement in crop condition ratings over the past week. Despite the weekly declines, the CCI ratings were still 4.4 points above the five-year average for corn and 5.5 points above for soybeans.

## Spring wheat crop shows big improvement

USDA rated 59% of the U.S. spring wheat crop as “good” to “excellent,” up five percentage points from the previous week. The portion of crop rated “poor” to “very poor,” declined three points to 6%.

On our weighted CCI, the spring wheat crop improved 10.8 points to 364.21, almost entirely due to better ratings in North Dakota and Montana. The CCI rating was 17.3 points above the five-year average for the third week of June.



## CATTLE - Fundamental Analysis

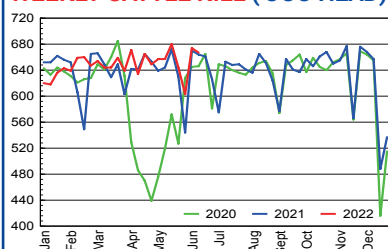
Kansas fed cattle quotes fell back into line with steady Texas-Oklahoma prices around \$138.00 early last week, causing futures to drop as well. This suggests the industry expects little lasting impact from the mid-June heat dome over the western Plains, despite the comparative shortage of market-ready animals in northern areas. The sizeable nearby futures discounts to cash in the latter areas imply pessimism about the summer outlook. Slight annual increases in cattle slaughter indicate normal marketing rates. Tight front-end supplies should support prices, but offer little reason for bullishness.

### Position Monitor

Game Plan:		Feds	Feeders
Be prepared	II'22	0%	0%
to hedge the	III'22	0%	0%
correction in	IV'22	0%	0%
	I'23	0%	0%

December live cattle futures. Near-term hedges are risky with futures trading below the cash market.

### WEEKLY CATTLE KILL ('000 HEAD)



### DAILY AUGUST LIVE CATTLE



## HOGS - Fundamental Analysis

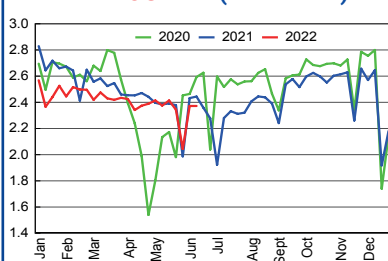
The pork cutout value has recently settled in the \$110.00-\$115.00 range, which has seemingly spurred packer demand for hogs. The CME lean hog index climbed above \$110.00 last week, marking its highest level since last August, but far below the 2021 peak at \$122.68. Seasonal factors and the belated nature of the recent advance suggest cash hog prices could soon reach a 2022 peak. But with hog slaughter currently running about 2% below year-ago levels and spring prices having greatly disappointed producers, we doubt the industry will live up to USDA's forecast for minimal herd reductions this fall.

### Position Monitor

Game Plan:		Lean Hogs
Futures are strength-	II'22	0%
ening seasonally,	III'22	0%
though the price	IV'22	0%
uptrend could be nearing an end.	I'23	0%

Be prepared to add hedges when the upside is exhausted.

### WEEKLY HOG KILL (MIL. HEAD)



### DAILY AUGUST LEAN HOGS



## FEED

### Feed Monitor

#### Corn

II'22	25%
III'22	0%
IV'22	0%
I'23	0%

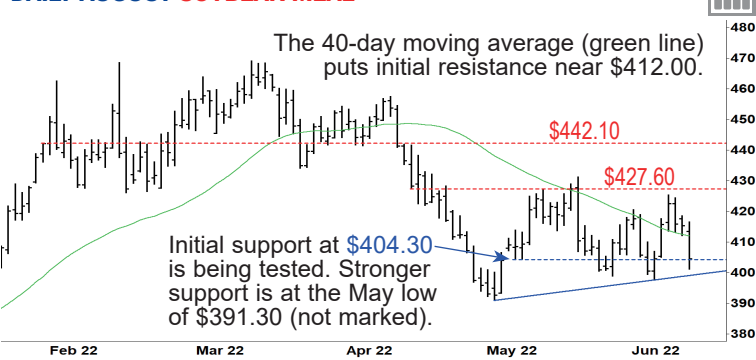
**Corn Game Plan:** You are hand-to-mouth on corn-for-feed needs. With the market showing signs of near-term exhaustion, we're willing to wait on an extended pull-back before extending coverage.

#### Meal

II'22	67%
III'22	0%
IV'22	0%
I'23	0%

**Meal Game Plan:** You are hand-to-mouth on soybean meal needs. A retest of the May low would be an opportunity to extend coverage.

### DAILY AUGUST SOYBEAN MEAL



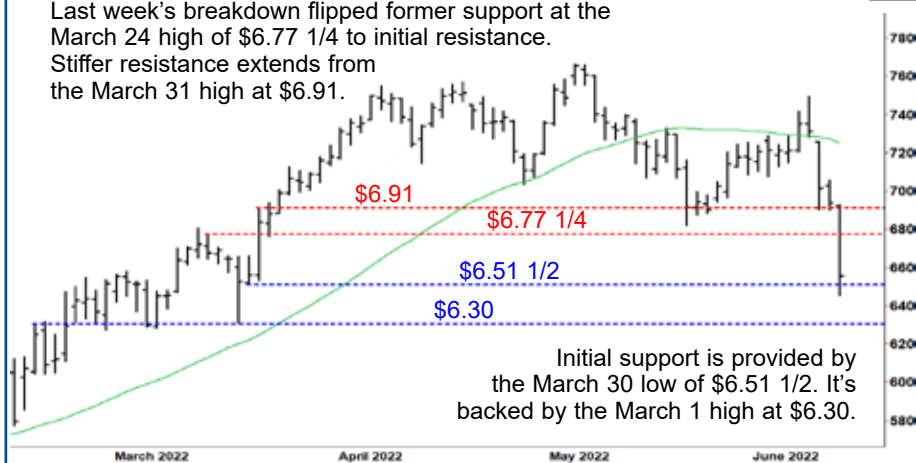
## Position Monitor

	'21 crop	'22 crop
Cash-only:	90%	50%
Hedgers (cash sales):	90%	50%
Futures/Options	0%	10%

**Game Plan:** Get current with advised old- and new-crop cash sales and hedges. Old-crop inventories are down to gambling stocks that will likely be held into summer in case of a strong weather rally. Additional new-crop sales will likely wait until after the crop moves into pollination unless there are signs of a major market top. Short-term hedges may be needed if the June low is violated and weather is favorable.

## DAILY DECEMBER CORN

Last week's breakdown flipped former support at the March 24 high of \$6.77 1/4 to initial resistance. Stiffer resistance extends from the March 31 high at \$6.91.



## DAILY MARCH CORN

The March 22 high of \$6.71 1/4 marks resistance, with backing from the March 31 high at \$6.93 3/4.



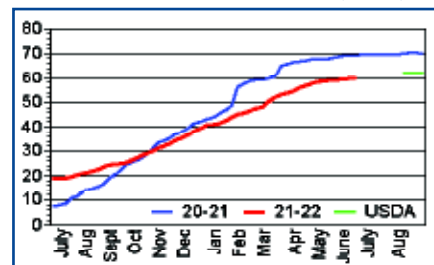
## CORN - Fundamental Analysis

New-crop futures plunged to a three-month low as weather concerns dissipated and escalating recession worries weighed on crude oil and other commodity markets. Much of the Midwest needs rain in the wake of extreme June heat and pollination is still a few weeks away, so there are still prospects for a weather-driven rally, perhaps after the three-day July 4 weekend. Any further deterioration in weekly USDA crop ratings, and/or expansion of the U.S. drought footprint, could encourage short-term buying interest. But barring a bullish surprise in USDA's June 30 quarterly Grain Stocks and Acreage Reports, prices may have more potential downside than upside.

### AVERAGE CORN BASIS (JULY)



### CORN EXPORT BOOKINGS (MMT)



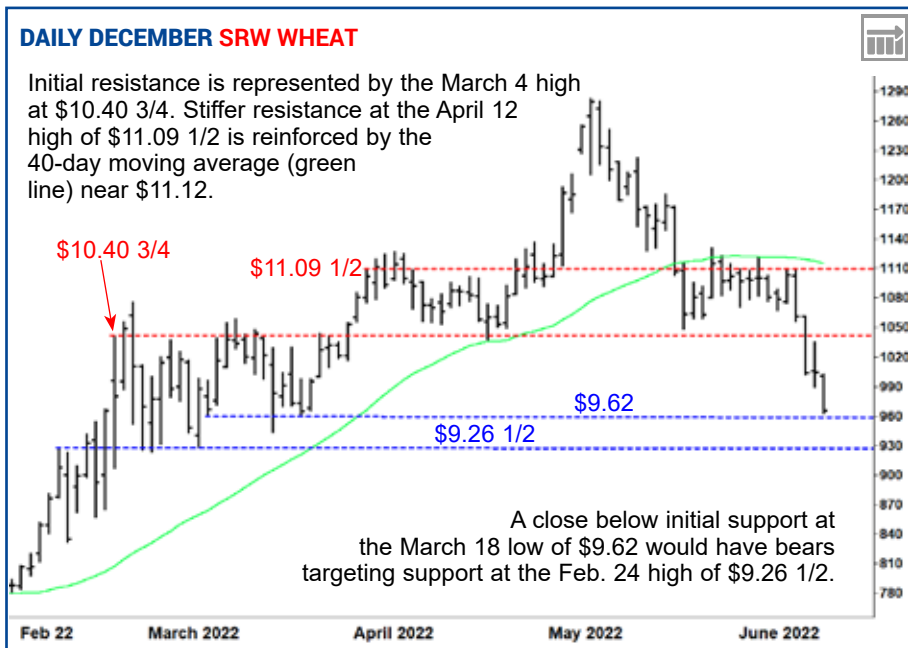
## Position Monitor

	'22 crop	'23 crop
Cash-only:	85%	30%
Hedgers (cash sales):	85%	30%
Futures/Options	15%	0%

**Game Plan:** On June 22, we advised selling another 20% of 2022-crop in cash and added a 15% hedge for hedgers. We also advised selling another 20% of expected 2023-crop for harvest delivery next year. Get current with advised marketings.

## DAILY DECEMBER SRW WHEAT

Initial resistance is represented by the March 4 high at \$10.40 3/4. Stiffer resistance at the April 12 high of \$11.09 1/2 is reinforced by the 40-day moving average (green line) near \$11.12.



## WHEAT - Fundamental Analysis

**SRW** — SRW futures took the biggest losses in the wheat complex last week amid recession concerns and stepped-up harvest pressure. Grain markets appear to have adjusted to a "new normal" with Ukraine supplies cut off for months, meaning further downside below \$10.00 is likely.



## Position Monitor

	'21 crop	'22 crop
Cash-only:	85%	50%
Hedgers (cash sales):	95%	50%
Futures/Options	0%	10%

**Game Plan:** On June 22, we advised hedgers to add a hedge on 10% of expected 2022-crop production in short November soybean futures. Our fill was \$14.73. Get current with advised old- and new-crop marketings as there's near-term downside risk to at least the spring lows. Old-crop bushels are down to gambling stocks that likely will be held into mid-summer in case of a weather scare.

## DAILY AUGUST SOYBEANS

Last week's plunge made the April 1 low \$15.28 1/2 initial resistance. A rebound above that level would face tougher resistance at the March 15 low of \$15.76 1/4.



## DAILY NOVEMBER SOYBEANS

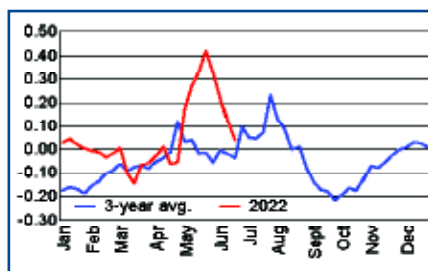
Resistance is now marked by the April 7 low of \$14.38 1/4. Added resistance extends from the March 21 low at \$14.66 1/4.



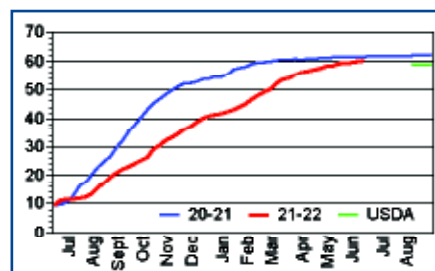
## SOYBEANS - Fundamental Analysis

November futures tumbled to 2 1/2-month lows, signaling the grain and soy complex had reached major tops. Recession fears don't look to abate any time soon, which may further pressure crude oil and other commodities. Export demand is also flagging. New-crop soybeans may hold greater near-term rally potential than corn with key reproductive phases still several weeks away, especially if needed rains don't materialize and/or USDA's June 30 reports produce bullish surprises (we expect a downward revision of about 500,000 acres in soybean plantings). But with the \$14.00 level nearing, we continue watching for opportunities to advance new-crop sales.

### AVERAGE SOYBEAN BASIS (JULY)

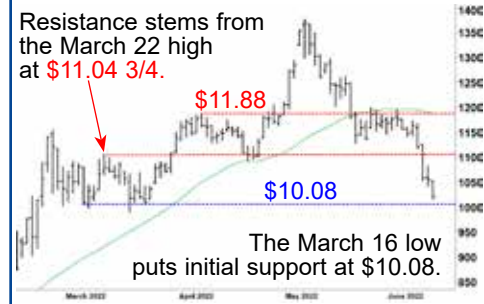


### SOYBEAN EXPORT BOOKINGS (MMT)



## DAILY JULY HRW WHEAT

Resistance stems from the March 22 high at \$11.04 3/4.

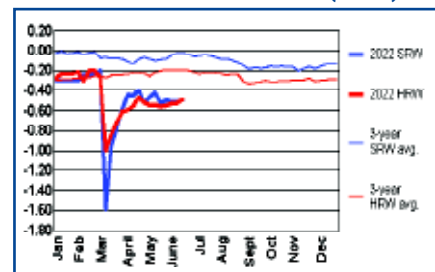


## DAILY JULY HRS WHEAT

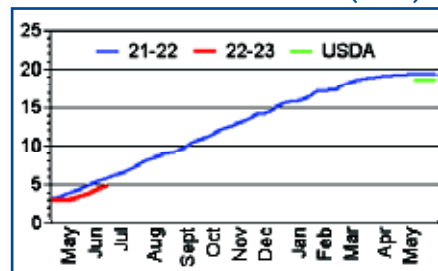
The March 4 high at \$10.84 3/4 now marks initial resistance.



### AVERAGE WHEAT BASIS (JULY)



### WHEAT EXPORT BOOKINGS (MMT)



**HRW** – The Plains winter wheat harvest is running ahead of historical averages and, if that brisk pace continues, HRW futures likely will remain under pressure, poised to join the SRW market under \$10.00. The market appears to be factoring in a worst-case scenario ahead of the June 30 acreage and stocks reports.

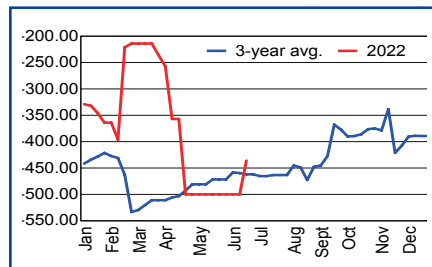
**HRS** – The spring wheat crop is planted, and continued improvement in weekly USDA ratings following a strong jump last week likely will further pressure HRS futures. But traders may prefer to avoid taking big positions on either side of the market ahead of USDA's June 30 acreage update (we expect an upward revision of about 300,000 acres).

## Position Monitor

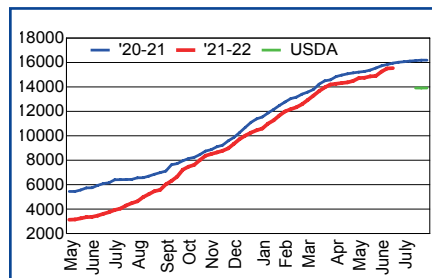
	'21 crop	'22 crop
Cash-only:	100%	50%
Hedgers (cash sales):	100%	50%
Futures/Options	0%	0%

**Game Plan:** On June 22, we advised cash-only marketers to finish 2021-crop marketings with a 10% sale. New-crop sales will wait for now.

## AVERAGE COTTON BASIS (OCTOBER)

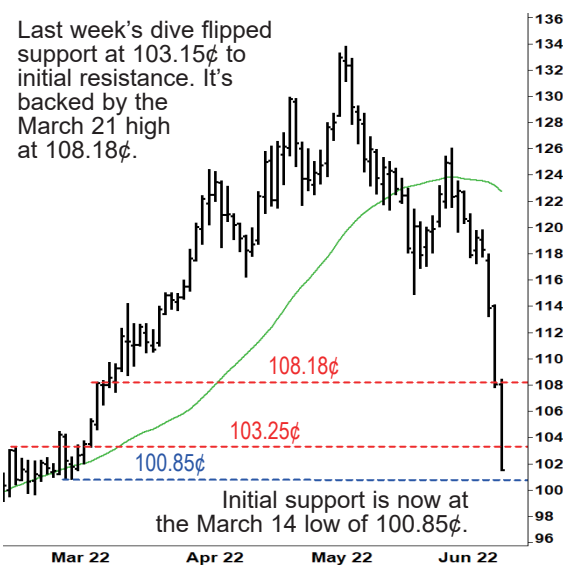


## COTTON EXPORT BOOKINGS ('000 BALES)



## DAILY DECEMBER COTTON

Last week's dive flipped support at 103.15¢ to initial resistance. It's backed by the March 21 high at 108.18¢.



## COTTON - Fundamental Analysis

Cotton futures plunged last week amid rising recession fears. While export demand remains strong and there are uncertainties about the 2022 crop, traders are growing more concerned about recessionary effects on textile demand. That sparked active long liquidation.

## GENERAL OUTLOOK

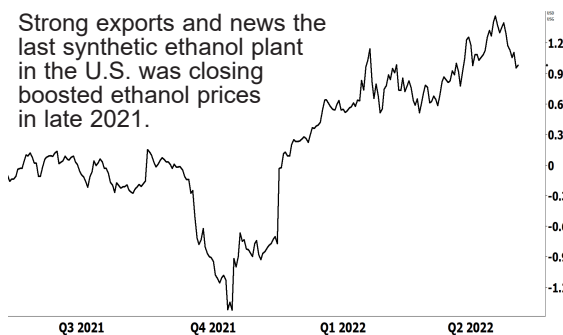
**ENERGY/ECONOMY:** The general marketplace last week had a growing sense the U.S. economy will soon slip into recession. Former New York Federal Reserve Bank President William Dudley stated in a *Bloomberg* opinion story: "A recession is inevitable within the next 12 to 18 months." Growing recession fears hit the crude oil market hard as prices dropped to a five-week low last week. U.S. crude oil futures for January deliv-

ery traded below \$94 per barrel, implying record gasoline prices are crimping consumer demand. The *Wall Street Journal* reported drivers are consolidating trips or filling up their tanks with only as much fuel as they need to get by for a few days.

Ethanol prices fell far below those for gasoline in late May, but the spread has dipped back below \$1.00. E-85 prices are still sharply lower at the pump.

## WEEKLY RBGB GASOLINE/ETHANOL SPREAD

Strong exports and news the last synthetic ethanol plant in the U.S. was closing boosted ethanol prices in late 2021.



## FROM THE BULLPEN By Editor Brian Grete

Bullish factors are built into the wheat and soybean markets as recessionary fears are building. With the markets breaking down technically, there is sharp near-term downside price risk. On June 22, we advised a series of marketing moves given the bearish near-term outlook.

**SOYBEANS:** With near-term downside risk to at least the \$14.00 area, we advised hedgers to hedge 10% of expected 2022-crop production in short November soybean futures. Our fill was \$14.73.

We won't be "married" to this position if a weather market develops in July, but for now, we believe the added downside protection is needed. Be prepared to add to this hedge coverage if forecasts signal favorable weather through mid-summer.

**WHEAT:** We advised all wheat producers to sell another 20% of 2022-crop to get to 85% sold in the cash market. We also advised hedgers to add a 15% hedge in short December SRW futures. Our fill on that position was \$10.22.

In addition, we advised hedgers and cash-only marketers to sell another 20% of expected 2023-crop for harvest delivery next year to get to 30% forward-priced. The opportunity to sell more 2023-crop with a "10 handle" was too good to pass up with the air coming out of bulls' balloon. If the market further breaks down, it could be a long time before futures return to these levels. If these are the worst sales for 2023-crop, it will be a highly profitable year.

## WATCH LIST

- USDA Crop Progress Report** **MON 6/27**  
Focus on crop conditions into July. 3:00 p.m. CT
- USDA Hogs & Pigs Report** **WED 6/29**  
Level of continued contraction key. 2:00 p.m. CT
- USDA Acreage Report** **THUR 6/30**  
Changes from March intentions. 11:00 a.m. CT
- USDA Grain Stocks Report** **THUR 6/30**  
June 1 stocks tend to surprise. 11:00 a.m. CT
- USDA Corn, Soy Crush Rpts.** **FRI 7/1**  
Domestic crush data for May. 2:00 p.m. CT

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