



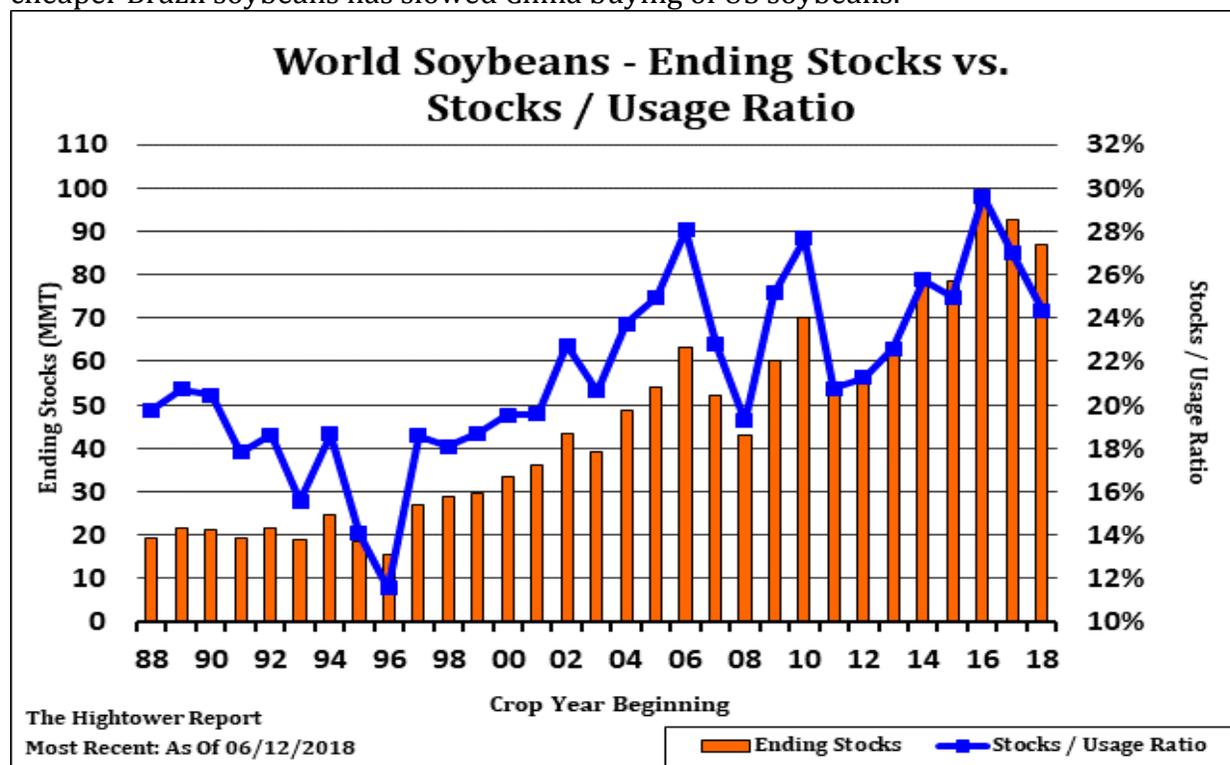
ADM Investor Services Market View

June 13, 2018

by Steve Freed, VP of Grain Research

Soybeans and soymeal closed lower on talk US could impose tariffs on China. Wheat and corn followed. US Dollar was lower. Crude was higher.

Soybeans closed lower. Concern that US could impose tariffs on China weighed on prices. China has warned they would retaliate if US imposes new tariffs. Some fear they could take less US soybeans. July soybeans has now dropped 156 cents from the March high on concern over lower demand for US soybeans and higher 2018 supply. USDA June World supply and demand numbers were positive. USDA est that 2018/19 soybean demand will increase 16 mmt from this year and stocks will drop 5 mmt. That include an increase in South America supplies (Argentina) by 19 mmt in 2019. Informa est US 2018 soybean acres near 89.9 vs USDA 89.0. Informa est US 2018 soybean crop near 4,409 mil vs USDA 4,280. If realized this would be negative to prices. Weekly US soybeans export sales are est near 200-400 mt. Negative soybean crush margins, uncertainty over US/China trade policy and cheaper Brazil soybeans has slowed China buying of US soybeans.

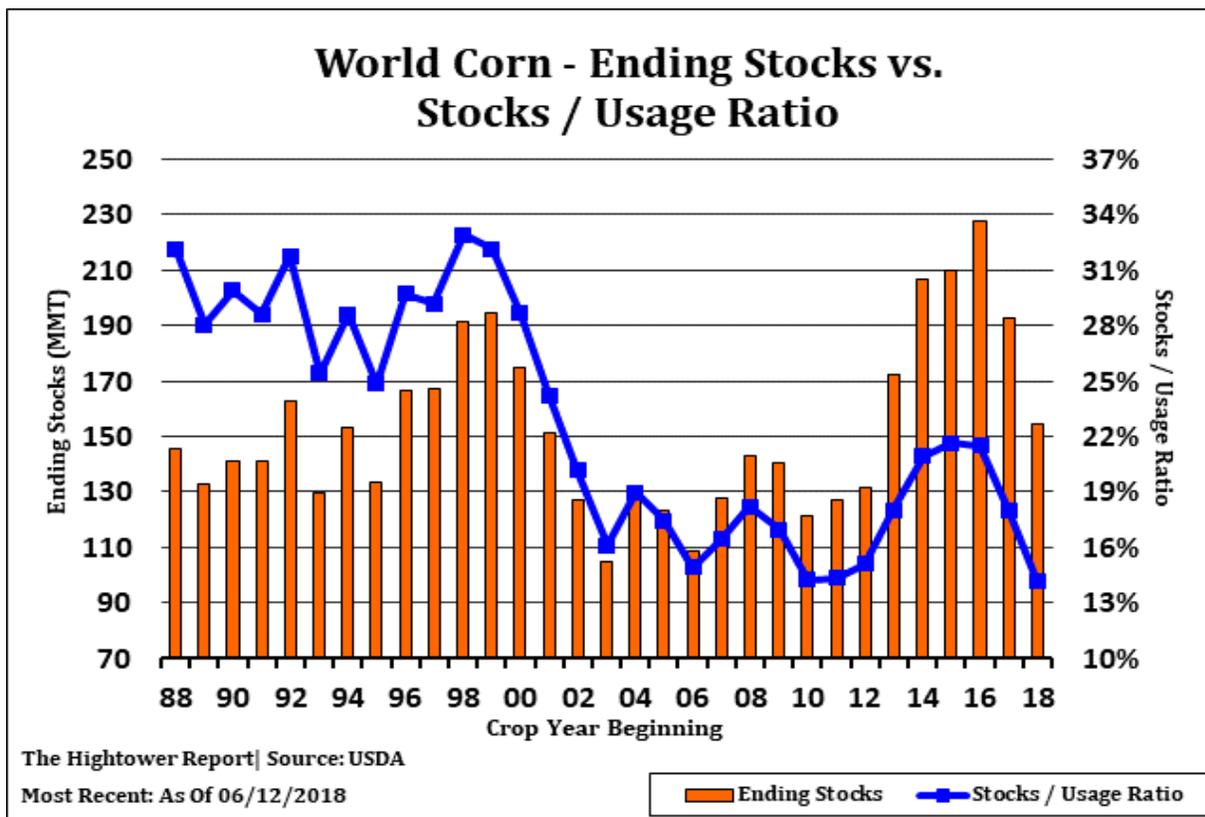


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Market View

Corn futures closed slightly lower. This despite sharp losses in Wheat and soybeans. CN is trying to hold near the 3.70-3.75 area until more is known about US summer weather. USDA June World supply and demand numbers were positive. USDA est that 2018/19 corn demand will increase 20 mmt from this year and stocks will drop 38 mmt. That include an increase in South America supplies by 20 mmt in 2019. Informa est US 2018 corn acres near 88.7 mil vs USDA 88.0. Informa est US 2018 corn crop near 14,216 mil vs USDA 14,040. If realized this could offer resistance to prices. Over the next 4 days US Midwest should see limited rains and above normal temps. Given high rating of this years US corn crop and recent rains this should not stress the crop. One 6-10 day maps suggest warm temps and below rains could continue. The other calls for normal rains. Weekly US ethanol production was above last week and last year. Stocks were also up from last week but still below last year. Margins remain positive. Weekly US corn export sales are est near 700-1,000 mt.

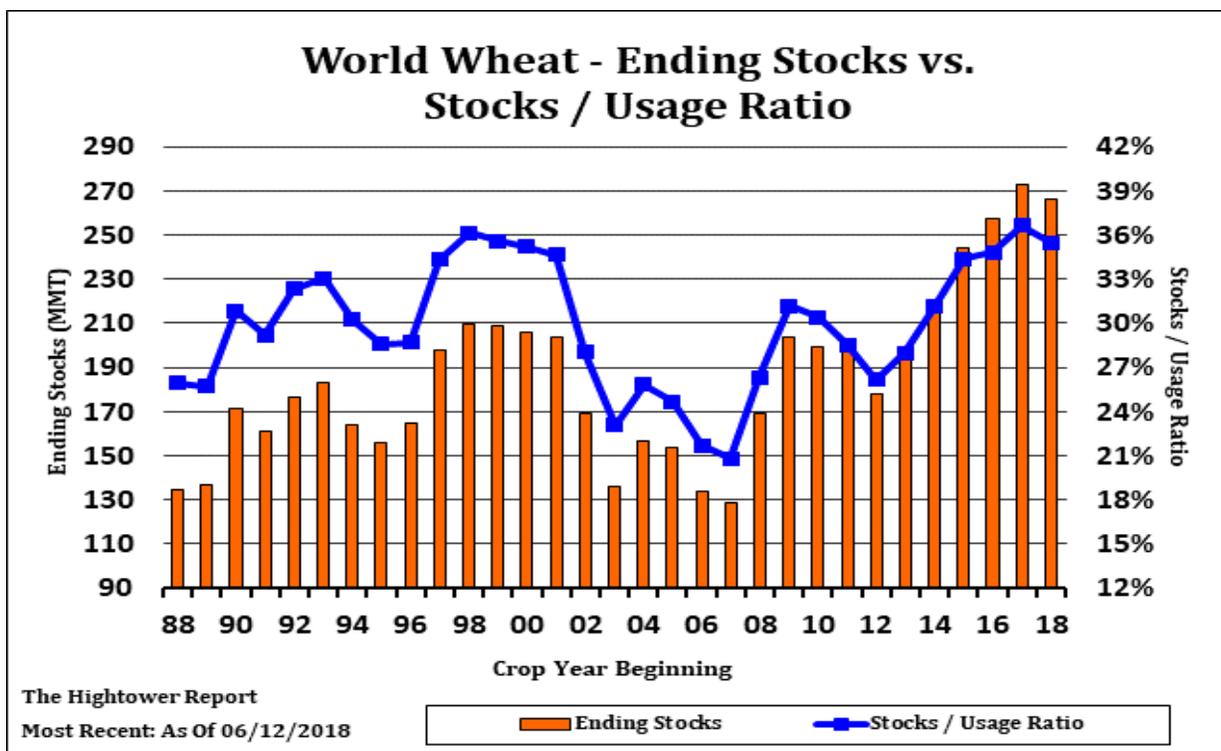


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Market View

Wheat futures closed lower. Wheat prices gave back most of Tuesday gains. Threat of trade wars and fact US Fed raised US interest rates may have offered resistance. US Fed said they are looking to raise rates 2 more time in 2018. US HRW harvest is moving along. SC KS yields are a little better than expected. Quality is better than last year. USDA est the US 2018 winter wheat crop near 1,198 mil bu. HRW was 650 vs 750 ly. SRW was 316 vs 292 ly. USDA June World supply and demand numbers were positive. USDA est that 2018/19 wheat demand will increase 8 mmt from this year and non-China stocks will drop 18 mmt. They lowered the Russian crop to 68.5 mmt from 72.0 and vs 85.0 last year. Informa est US 2018 all wheat acres near 46.9 vs USDA 47.3 Informa est US 2018 all wheat crop near 1,844 mil vs USDA 1,827. Weekly US wheat export sales are est near 200-400 mt.



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