Morning Commentary
June 23, 2025

CORN: LOWER

Corn pulling back this morning as there is a general weakness across the ag commodity sector. Given the events this weekend is it funds selling commodities to buy defense Companies?? Maybe, but likely it's probably more from pressure from the crude market, and good weather in the forecast. Export sales from Friday showed a decent week for corn, with 35.6mln bu of corn sold for this marketing year, and then 6.1mln bu of new crop sales. Normal players for buyers this week, Japan, Mexico, and South Korea as the top three buyers. With the holiday last week, CFTC data was also delayed and will be released this afternoon, our estimates have funds at a net short position of 194.1k contracts. AS we move into the last full week of June, keep an eye out for macro market headlines, weather, South American harvest progress, and spreads as we approach first notice day.
At the break, CN25 was 6 ¼ lower.

SOYBEANS: LOWER

This weekend was BBB weekend, as we got the senate on board with a version of a bill ready to vote on, or so it appears, and Big Bunker Busters were dropped on Iran's 3 main nuclear sites. The latter is of significance in grains, but less so than in crude markets as Iran vows to close the Hormuz Strait and keep oil exports from Iraq and others from flowing. In the big picture this isn't a huge issue, but it does make headlines. It will raise prices and thus support renewable fuels. Still the pullback in crude is affecting the complex, especially beans as they are trading lower now nearly a dime off the overnight high. Weather is hotter, but needed and moisture is not missing, just in places as the active weather pattern has not been doused by the change to hotter temps. Friday's option expiration knocked off nearly 250K in OI, w/ puts taking the brunt at 137K+. Surprisingly, beans still added OI. Look for a mixed day and likely a lower close barring weather changes.

Beans: V-347,177/OI-856,057(+2,755); Meal: V-219,622/OI-642,810(-598); Oil: V-271,945/OI-597,258(-2,447)
At the break, SN25 was 4 ½ lower.

WHEAT: LOWER

Lower close for the market on Friday, with traders taking profits following gains that took KC to the 100-day m/a, but saw buying early in the day session that could not hold and closed near the lows. The overnight open was active coming out of the weekend with crude oil spiking following the U.S. attacks on Iran, but trade steadied and moved sideways into the morning hours. Harvest was starting to ramp up to close last week and was expected to make good progress over the weekend and the market will get more information about the crop as we begin the week. Cash markets remain generally quiet, but we continue to see bids for protein strengthen. Egypt's Ag Ministry reported wheat imports since January at 4.9 MMT, down from 7.1 MMT LY, with corn imports down also. Look for a softer start to the week, with harvest progress expected to bring farmer selling and hedging pressure on prices.
At the break, KWN25 was 4 ¾ lower.

CATTLE: STEADY-LOWER

One day doesn't make a trend, but after two weeks of non-stop "up", the spot choice cutout printing lower on Friday will fuel ideas that perhaps that market has finally done enough for the season. Cash cattle markets too which as we'd described Friday morning have turned lower, including a light south trade on Friday in the $228-231 range, down from $235 averages the prior week. Slowed kills finally appear to have done their job in cooling off the cash markets. Weekly slaughter of 554K head was down slightly from the 558K the prior week, and down a sharp 10% from the 616K head seen this week last year. In the USDA's Cattle on Feed data, all three categories came in just slightly below expectations at 98.8% on feed, 92.2% placements, and 89.9% marketings. TX remains the standout where monthly placements were down 17% y/y, and their on feed count down 7% y/y is by far the most significant of any of the major feeding states. KS, NE, and IA all have more cattle on feed today than a year ago. The placement data would likely be read as slightly bullish in a vacuum; however those lower spot markets and weekend warring are likely to take center stage today.

Fund Position	Accumulative	Yesterday
Corn	-194,143	-6,000
Soybeans	48,071	-4,000
Soybean Meal	-118,992	3,000
Soybean Oil	65,194	-4,000
Chicago Wheat	-78,669	0
KC Wheat	-70,330	0

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