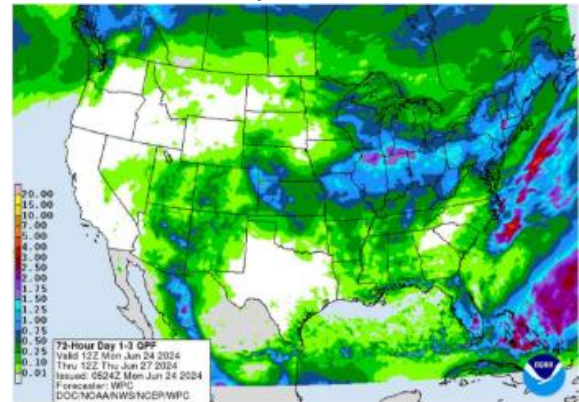


## Weather

The next round of “ridge-rider” thunderstorms for the Corn Belt is scheduled for tonight into Wednesday. It is not likely to do much in the northwestern Corn Belt (flood-hit areas should largely get missed), but will give the rest of the region legitimate chances. Typically for a summer rain event, it is likely to produce very good (or even heavy) rain amounts in some areas while totally missing others. The rainfall pattern is expected to continue on multiple occasions during the current 15-day forecast period. Beyond Wednesday, additional threats are forecast for at least June 28-29 and July 1-3, but chances are high that 1-2 more periods of similar rains arrive in the 11–15-day period (which today covers July 1-4).

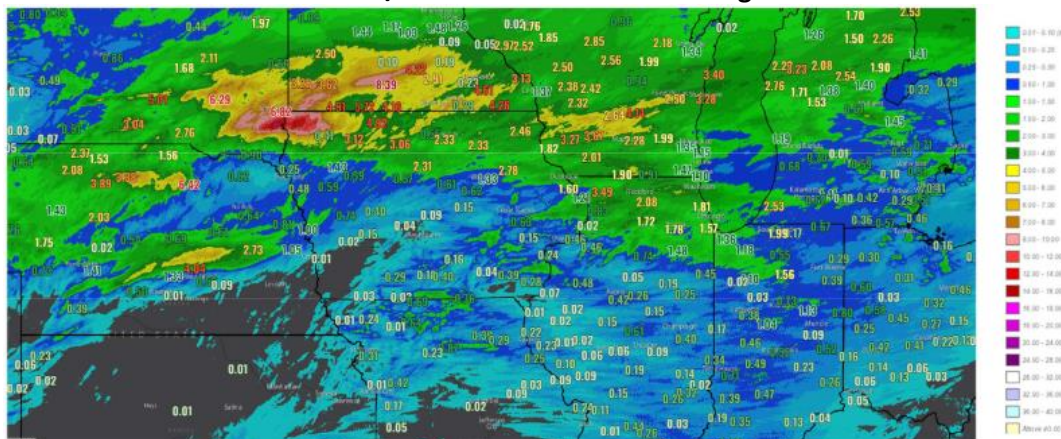
Day 1-3 QPF



Heat advisories cover a lot of the Plains, western Corn Belt, and western Mid-South for today, and heat will expand eastward tomorrow. For the southern Plains, Mid-South, and Southeast, the current 15-day forecast is about as hot you would want to see it with no relief in sight. Further north, there are going to be very notable intrusions of cooler weather to provide nice relief; targeting especially June 27 as well as June 30 – July 1.

The below map shows the 72-hour rainfall totals through 2 PM CDT on Sunday. You can see the heavy rainfall amounts that occurred on the border of SD/MN/IA which will cause river cresting and record high levels for both the Floyd River and the Big Sioux River.

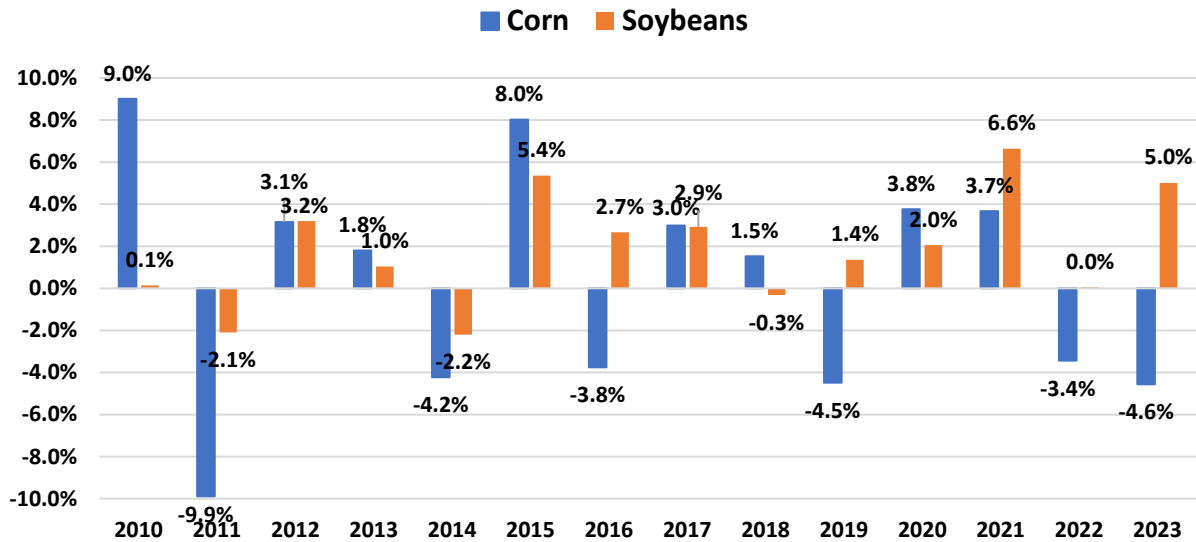
72-hour radar estimated rainfall/72-hour rainfall totals through around 2 PM CDT Sunday



## Grains

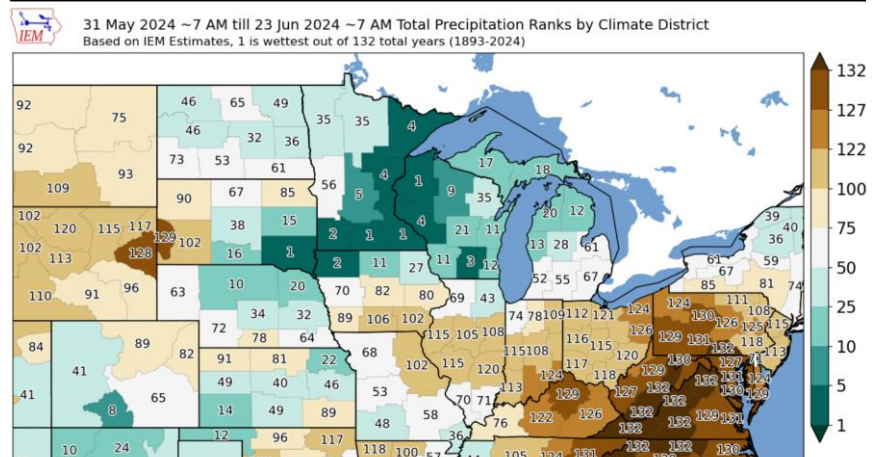
We will spend most of the week preparing for the June 1 stocks and acreage report which will be released this Friday at 11:00am CT. The report is arguably the most important day of year as it has historically produced volatile price movements. The chart on the next page shows the percentage change in price for corn and soybeans at the close of the report day. Since 2010, corn has been more volatile relative to soybeans averaging a 4.6% price movement on an absolute value basis while soybeans have averaged a 2.5% price movement.

## June 1 Acreage & Quarterly Stocks Report Percentage Change at Close of Report Day (July Contract)



Some climate districts in South Dakota, Iowa, Minnesota, and Wisconsin were the wettest on record out of 132 years from May 31 to June 23. Some districts received 7-11" over that timeframe producing notable flooding. Soybean planting progress through week #24 (6/17) suggested that there is ~1.3mm acres left to be planted across the four states in question and Nebraska. Over the last three weeks ~7.4mm soybean acres have been planted across those states. Of course, it's important to realize that the rain is only affecting certain areas of each state. Today's crop progress report will indicate remaining acres to be planted and conditions which will provide the first numerical indications of the flooding effects.

Soybean Planted Acres (1,000 Acres)				
	Week #22	Week #23	Week #24	Remaining Acres
Iowa	1,122	816	510	306
Minnesota	600	525	525	450
Nebraska	530	318	106	106
South Dakota	884	676	364	260
Wisconsin	176	110	132	154
	3,312	2,445	1,637	1,276



On Sunday, there were [reports](#) that India will reduce a 44% wheat import duty that has been in place for six years. Initial reports suggest that India will import 2-3mmt to sure up reserves and reduce domestic prices that have risen by almost 6% over the past year. It is suspected that the Black Sea will supply the wheat should India follow through.

It was rumored that India would wait until after the election before reducing the wheat import tax and it now appears that is the case. Ending stocks are only at 8.5mmt for a country that consumes ~113mmt of wheat. Since 2010, India wheat ending stocks have averaged 16.4mmt.

India has no plans to review existing restrictions on rice and sugar exports which have been in place since the 22-23' time period.

**India Mulls Reducing Wheat Import Duty to Tame Rising Prices**

- Industry demanding reduction in 40% import tax on wheat
- Curbs on rice, sugar exports to continue, food secretary says

By Rakesh Sharma and Rajesh Kumar Singh

(Bloomberg) -- India is considering a rare tax cut on wheat imports to keep prices in check as supplies are getting tighter.

Domestic rates for the grain have advanced by almost 6% in the past year due to hoarding by traders. India will explore all options to keep prices stable, including easing the levy, Federal Food Secretary Sanjeev Chopra told reporters in New Delhi Monday. A ban on exports will also continue, he said.

India's wheat production is typically robust enough to make the country self-sufficient. The last time the nation imported more than 1 million tons of the grain was the 2017-18 season, and a return to large-scale purchases could further tighten global supply.

As of Monday, the government imposed stock limits on wheat to prevent the hoarding. While wholesalers can store as much as 3,000 tons, retailers can only keep 10 tons. These limits will remain in place until the end of March, and traders have been given 30 days to bring their stocks to permissible levels.

To combat the trend of reduced supplies, industry players proposed a cut in the 40% import tax to spur buying from overseas. If introduced, it could potentially result in the first large-scale imports in six years.

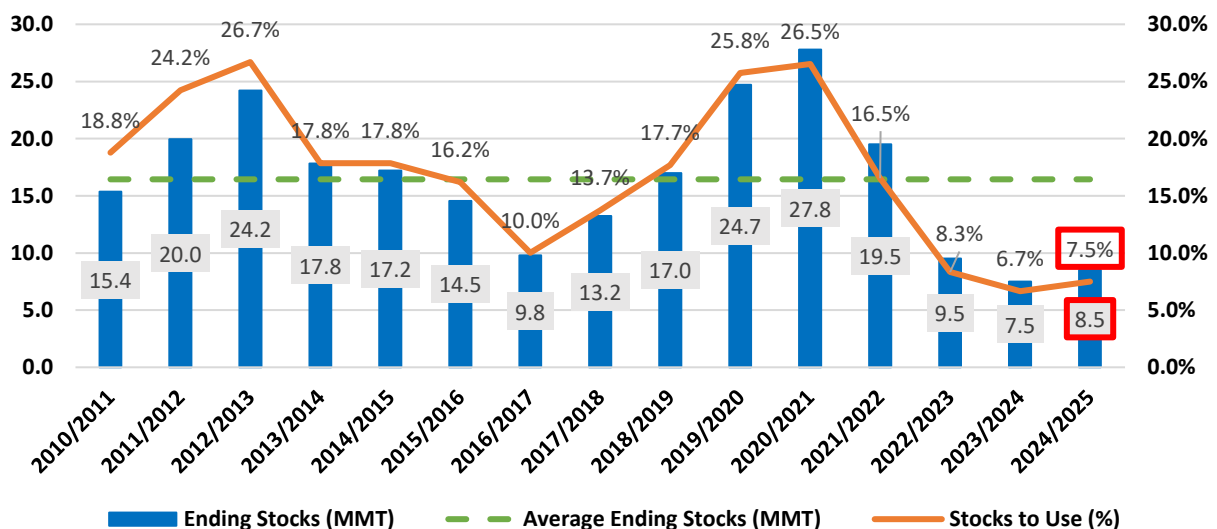
At the same time, the concerns among flour millers and bread makers about dwindling inventories are set to continue as sowing for the next crop will only begin in October and November. Harvesting will start in March next year.

READ: World Crop Trade Eyes India as New Government May Relax Curbs

India's weather department last week warned of below-normal precipitation in June, triggering concerns over output of water-intensive crops, such as rice and sugar. In May, the India Meteorological Department had forecast above-normal showers for the monsoon season that runs from June to September.

The nation has no plans to review restrictions on exports of rice and sugar, Chopra said at the same briefing. The world's second-biggest sugar producer introduced an export limit for the 2022-23 season that's still in place.

**India Wheat Ending Stocks (MMT) and Stocks to Use (%)**



[Today's Calendar \(all times Central\)](#)

- Export Inspections – 10:00am
- CFTC Positions – 2:30pm
- Crop Progress – 3:00pm
- Various Fed Speakers

Thanks for reading.

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