



## Morning Agriculture Commentary

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Wheat prices overnight are up 10 in SRW, up 6 3/4 in HRW, up 3/4 in HRS; Corn is down 14; Soybeans up 5; Soymeal up \$0.25; Soyoil up 0.32.

Markets finished last week with wheat prices down 100 1/4 in SRW, down 107 in HRW, down 98 3/4 in HRS; Corn is down 71; Soybeans down 108 1/4; Soymeal down \$1.38; Soyoil down 5.79.

For the month to date wheat prices are down 151 in SRW, down 167 in HRW, down 176 1/4 in HRS; Corn is down 51 1/2; Soybeans down 80 1/4; Soymeal down \$8.80; Soyoil down 9.45.

Year-To-Date nearby futures are up 21% in SRW, up 25% in HRW, up 9% in HRS; Corn is up 25%; Soybeans up 22%; Soymeal up 7%; Soyoil up 24%.

Chinese Ag futures (SEP 22) Soybeans down 22 yuan; Soymeal up 18; Soyoil down 26; Palm oil down 102; Corn up 4 -- Malaysian palm oil prices overnight were up 256 ringgit (+5.49%) at 4920.

There were no changes in registrations. Registration total: 1,010 SRW Wheat contracts; 0 Oats; 0 Corn; 0 Soybeans; 98 Soyoil; 0 Soymeal; 66 HRW Wheat.

Preliminary changes in futures Open Interest as of June 24 were: SRW Wheat down 5,536 contracts, HRW Wheat down 4,444, Corn down 49,580, Soybeans down 36,848, Soymeal down 6,585, Soyoil down 9,539.

*Northern Plains Forecast:* Scattered showers moved through on Friday, but were streaky. Milder temperatures followed the front and will be in place for most of the week. A front will settle in the region early this week and a system moving through Canada will bring potential for showers this week. The front will likely remain stalled in the area through next weekend as well. Showers will be streaky again, but at least remain in the area. Showers and mild temperatures should keep soil moisture favorable for most of the region while keeping crop growth favorable as well.

*Central/Southern Plains Forecast:* A cold front moved through the region this weekend, and will stall down in Texas on Monday. Rain that fell was streaky, being heaviest from the northern Texas Panhandle to southeast Kansas. Overall, showers were unimpressive, though recent rainfall in Kansas has helped improve soil moisture. The front also brought milder temperatures and any extreme heat will be limited for at least a week. Showers may occur in Texas through the week, but also across the north this weekend as a system passes by to the north. Any showers and cooler temperatures would be beneficial for growth for corn and soybeans, but have some negative effect on wheat harvest.

*Midwest Forecast:* A strong cold front moved through over the weekend. Although showers were streaky, some drier areas that had been developing got some needed moisture. The cooler temperatures that moved through have also extinguished the recent extreme heat for at least the next

week. Another front will move into the northern areas of the region on Tuesday, stalling for the rest of the week and producing occasional showers. Temperatures may come up above normal ahead of the front, but nothing extreme is forecast. More areas are still in need of some rain and will find it, while others will undoubtedly stay dry as conditions worsen.

*Canadian Prairies Forecast:* Scattered showers went through the region late last week and weekend, continuing to favor some of the drier areas in the southwest, but keeping conditions too wet for much of the east. A front will move through early in the week followed by a system around midweek with more showers and potential for another system over the coming weekend. Conditions will continue to be mixed for a while, favoring the west over the east, including with temperatures.

*Black Sea Forecast:* An upper-level low brought showers to the region over the weekend, though they were spotty or streaky. That low will continue to sink south toward Turkey this week, with showers becoming much more isolated, especially in Russia where dryness is becoming more of a concern. As the low retreats, the heat will increase, causing more concerns for corn and sunflowers. The weather will be more favorable for wheat harvest, however.

*Europe Forecast:* Scattered showers continued over western areas over the weekend, while eastern areas still had a few showers but were much warmer as a heatwave was building. The heat will continue into next week, turning good conditions for spring crops into concerns with declining soil moisture. Meanwhile, the west is only getting a temporary break as the heat looks to come back next week. Showers are going to become more isolated as well, bringing concerns for the drier areas. However, winter wheat and other winter grains should have overall more favorable conditions.

The player sheet for 6/24 had funds: net sellers of 5,000 contracts of SRW wheat, buyers of 9,500 corn, sellers of 7,500 soybeans, buyers of 3,000 soymeal, and buyers of 5,000 soyoil.

	Corn	Soybeans	Wheat	Soymeal	Soyoil
June 24	+9,500	+7,500	-5,000	+3,000	+5,000
June 23	-30,000	-26,000	-11,000	-5,000	-10,500
June 22	+3,000	-13,000	+4,500	+1,000	-8,000
June 21	-21,000	-12,000	-15,500	-4,000	-2,000
June 17	-1,000	-2,000	-17,000	+2,500	-9,000

## TENDERS

- WHEAT TENDER: Egypt has contracted to buy 180,000 tonnes of wheat from India, less than previously agreed, but is looking at ways to extract more flour from grain and even use potatoes in bread making as it tries to trim imports, the supply minister said on Sunday.
- WHEAT PURCHASE: Saudi Arabia's state grain buyer SAGO on Monday bought 495,000 tonnes of wheat in an international purchasing tender for shipment from November 2022 to January 2023.

#### **PENDING TENDERS**

- WHEAT TENDER: A government agency in Pakistan issued an international tender to purchase and import 500,000 tonnes of milling wheat
- CORN TENDER: Taiwan's MFIG purchasing group has issued an international tender to buy up to 65,000 tonnes of animal feed corn which can be sourced from the United States, Brazil, Argentina or South Africa
- WHEAT TENDER: The Taiwan Flour Millers' Association has issued an international tender to purchase 40,000 tonnes of grade 1 milling wheat to be sourced from the United States
- BARLEY TENDER: Jordan's state grains buyer has issued a new international tender to purchase 120,000 tonnes of animal feed barley
- WHEAT TENDER: Bangladesh's state grain buyer will issue an international tender to import 50,000 tonnes of milling wheat to replenish reserves, an official at the country's grain purchasing agency said. The deadline for submission of price offers is July 5, the official said.
- WHEAT TENDER: Bangladesh's state grains buyer has issued another international tender to purchase 50,000 tonnes of milling wheat, traders said on Monday. A separate tender from Bangladesh for 50,000 tonnes of wheat closes on July 5.

#### **US BASIS/CASH**

- Spot basis bids for corn and soybeans shipped by barge to the U.S. Gulf Coast remained mostly steady on Friday as futures rebounded, traders said.
  - Corn and soy futures rose at the Chicago Board of Trade on bargain buying after recent losses.
  - U.S. corn continues to face stiff competition on the global market from less-expensive supplies from South America, brokers said.
  - U.S. and Brazilian July soybean offers landed to China, the biggest importer of the oilseed, are generally in line with each other, StoneX said.
  - CIF corn barges loaded in June were bid at 91 cents over July corn, down about 1 cent. July corn barges were bid flat at about 83 cents over futures.
  - FOB basis offers for July corn loadings were steady at around 115 cents over futures.
  - CIF Gulf soybean barges loaded in June were bid at about 88 cents over July, which was unchanged.
  - FOB soybean offers for July shipments from the Gulf were flat at about 115 cents over July. FOB soy offers for August shipments dropped 5 cents to 110 cents over futures.
- Spot basis bids for corn delivered to processors and elevators around the U.S. Midwest were mixed on Friday, while basis bids for soybeans were mostly steady to weaker, grain dealers said.
  - The spot corn basis firmed by 5 cents a bushel at a large processor in Decatur, Illinois, and an elevator in Blair, Nebraska. A Chicago corn processor dropped its spot basis by 30 cents.
  - Soybean bids were mostly steady around the Midwest but fell by 4 cents at a Davenport, Iowa, river barge loading terminal.
- Spot basis bids for hard red winter wheat held mostly steady around the southern U.S. Plains on Friday as futures prices declined amid an ongoing harvest, grain dealers said.

- Premiums for hard red winter wheat shipped by rail to or through Kansas City were unchanged, according to the latest CME Group data.
- Cash basis bids for soybeans delivered to elevators, processors and river terminals around the U.S. Midwest were steady to lower on Friday on muted demand and higher futures prices, grain dealers said.
  - Corn basis bids were flat to lower at ethanol plants and mixed at elevators and other processors, while wheat bids were unchanged.
- Spot basis offers for U.S. soymeal were steady to firmer at most truck and rail terminals across the U.S. Midwest on Friday and higher at export terminals along the Gulf Coast, dealers said.
  - Basis offers were higher at several locations despite a jump in futures.
  - Higher costs kept a lid on new soymeal demand in the cash market, dealers said.
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**CFTC Money Managers' Commodity Positions for June 21**

			Weekly	Weekly
Agriculture:	June 21	June 14	Net Chg	% Chg
Corn	265,264	278,185	-12,921	-4.6%
Soybeans	154,413	163,146	-8,733	-5.4%
Soybean Oil	50,886	62,996	-12,110	-19.2%
Soybean Meal	60,381	52,457	7,924	15.1%
Wheat CBOT	3,935	6,939	-3,004	-43.3%
Wheat KCBT	32,594	36,386	-3,792	-10.4%
Sugar	116,545	136,142	-19,597	-14.4%
Cocoa	-15,281	-20,658	5,377	26.0%
Cotton	61,110	63,250	-2,140	-3.4%
Coffee	37,871	34,831	3,040	8.7%
Live Cattle	39,142	31,926	7,216	22.6%
Feeder Cattle	-3,531	-3,553	22	0.6%
Lean Hogs	28,814	18,832	9,982	53.0%

**US Agriculture Export Sales for Week Ending June 16**

<b>Corn:</b>	<b>June 16</b>	<b>June 9</b>	<b>Year Ago</b>	<b>Weekly Chg</b>	<b>Yearly Chg</b>
Total net sales	1,030.3	279.8	527.1	750.5	503.2
Old crop	671.9	140.9	216.3	531.0	455.6
New crop	358.4	138.9	310.8	219.5	47.6
Outstanding sales	16,376.4	16,493.3	28,949.9	-116.9	-12,573.5
Old crop	10,118.7	10,594.1	13,269.2	-475.4	-3,150.5
New crop	6,257.7	5,899.2	15,680.7	358.5	-9,423.0
Exports weekly	1,147.3	1,387.1	1,689.7	-239.8	-542.4
Exports accumulated	50,216.3	49,069.0	56,262.9	1,147.3	-6,046.6
<b>Soybeans:</b>					
Total net sales	294.3	724.8	189.0	-430.5	105.3
Old crop	29.3	317.2	141.7	-287.9	-112.4
New crop	265.0	407.6	47.3	-142.6	217.7
Outstanding sales	22,397.2	22,596.9	11,232.7	-199.7	11,164.5
Old crop	9,027.2	9,491.9	3,623.4	-464.7	5,403.8
New crop	13,370.0	13,105.0	7,609.3	265.0	5,760.7
Exports weekly	494.1	708.7	243.2	-214.6	250.9
Exports accumulated	51,211.4	50,785.8	58,136.2	425.6	-6,924.8
<b>All Wheat:</b>	<b>June 16</b>	<b>June 9</b>	<b>Year Ago</b>	<b>Weekly Chg</b>	<b>Yearly Chg</b>
Total net sales	477.8	236.9	374.1	240.9	103.7
Old crop	477.8	236.9	374.1	240.9	103.7
New crop	0.0	0.0	0.0	0.0	0.0
Outstanding sales	4,355.0	4,213.6	5,148.1	141.4	-793.1
Old crop	4,355.0	4,213.6	5,148.1	141.4	-793.1
New crop	0.0	0.0	0.0	0.0	0.0
Exports weekly	336.3	370.1	590.8	-33.8	-254.5
Exports accumulated	918.5	582.2	1,025.7	336.3	-107.2

**US Export Sales of Soybeans, Corn and Wheat by Country**

Biggest Buys					
Soybeans		Corn		Wheat	
Net Sales	294.3	Net Sales	1,030.3	Net Sales	477.8
Costa Rica	75.5	Mexico	612.5	Japan	163.9
China	72.3	Japan	164.1	Mexico	163.9
Germany	68.4	Costa Rica	137.9	South Korea	83.1
Japan	32.6	Colombia	69.0	Ecuador	30.0
Colombia	17.6	Unknown	54.1	Philippines	28.8

Biggest Cancellations					
Soybeans		Corn		Wheat	
Mexico	-8.5	China	-67.2	Nigeria	-23.8
Thailand	-0.1	Nicaragua	-2.0	El Salvador	-18.8

#### US 2022-23 Acreage Planting Survey Ahead of USDA Report

	Survey			USDA	Avg vs
	Avg	Low	High	March	Prior
Summary:					
Corn	89.8	88.4	91.0	89.5	0.3
Soybean	90.6	89.2	92.4	91.0	-0.4
All wheat	47.0	46.3	48.0	47.4	-0.4
Spring wheat	10.8	10.3	11.5	11.2	-0.4
Durum wheat	1.8	1.7	2.0	1.9	-0.1
Cotton	12.3	11.9	12.8	12.2	0.0
Sorghum	6.5	6.2	6.8	6.2	0.3

#### US June 1 Grain Stocks Survey Ahead of USDA Report

	Survey Results			USDA	Avg vs
	Avg	Low	High	June 2021	prior
Corn	4,345	4,072	4,500	4,111	234
Soybeans	954	740	1,100	769	185
Wheat	655	635	675	845	-191

### US Hog and Pig Inventory Survey Before USDA Report

	All Hogs & Pigs	Kept for Breeding	Market Hogs	
<b>Summary:</b>				
Survey Avg (YOY%)	-0.8%	-1.1%	-0.7%	
Calculated Avg (mln head)	72.604	6.150	66.453	
USDA Yr-Ago (mln head)	73.153	6.220	66.933	
	Market Hog Weights in Pounds			
	Under 50	50-119	120-179	180+
Survey Avg (YOY%)	-0.6%	-0.7%	-0.3%	-1.3%
Calculated Avg (mln head)	21.222	18.790	13.789	12.662
USDA Yr-Ago (mln head)	21.354	18.919	13.830	12.829

### Prospects for Ukraine's Seaborne Grain Trade Still 'Tough': USDA

The outlook for restarting grain shipments via Ukraine's ports amid the war remains "a tough situation," Jewel Bronaugh, deputy secretary for the US Department of Agriculture, said at a briefing in London.

- "That's why we're looking at alternatives. We have not taken that off of the table as a consideration, but again, we have to consider other means because that's going to be a very tough challenge and with timing being an issue"
- Rail and truck transport will not be able to move as much
- The US is working to help build temporary crop storage to prevent grain being lost and ensure key storage is in place "sooner than later," ahead of Ukraine's harvest

### French Wheat Ratings Fall Again and Harvesting Starts: AgriMer

The share of France's soft-wheat crop rated in good or very good condition fell to 64% as of June 20, from 65% the prior week, according to data from FranceAgriMer.

- The soft-wheat harvest was 2% complete, compared with none a year earlier
- For winter barley, 26% of the crop has been harvested, compared with 1% at this time last year
- NOTE: French fields have been hit by dryness and heat in the last couple of months, though rains this week may have brought some relief to crops

Crop	Week to June 20	Week earlier	Year earlier
Soft wheat	64%	65%	79%
Winter barley	63%	63%	75%
Durum wheat	60%	61%	67%
Spring barley	53%	54%	84%
Corn	84%	87%	89%

### **Argentina Farmer Soy Selling Remains Slow, Rosario Says**

Farmers have sold 18.5m metric tons of soybeans to crushers and exporters, or 44% of the harvest, below the five-year average for this stage of the season of 51%, the Rosario Board of Trade says in a weekly newsletter.

- **NOTES:**
  - Rosario used government data through June 15
  - Rosario's calculations include 8.2m tons of sales that haven't been priced yet. Dollars from these delayed-priced trades won't have appeared yet on Argentina's FX market

### **Argentina Truck Arrivals at Crop Ports 'Getting Back to Normal'**

Trucks are getting through to more ports along the Parana River shipping hub around Rosario as protesters lift roadblocks, trucking agency AgroEntregas says on Twitter.

- Roadblocks still persist on the southern side of the shipping hub, impeding entry
- **Just 811 trucks** were lined up to enter ports on Friday vs. a seasonal average that's closer to 4,000

### **Ceres Suspends Canadian Crush Plant Project Due to Inflation**

Crop handler Ceres Global Ag Corp. is pausing construction of a canola processing plant in Northgate, Saskatchewan, citing "inflationary pressures resulting in higher costs than initially projected and shifting macroeconomic conditions."

- Ceres is also terminating contracts related to facility's design and construction, which will result in fourth-quarter impairment charge in the range of \$25 million to \$30 million, Minneapolis-based company says in a Friday release
  - NOTE: Company said on May 11 that the project was "on track"
- Ceres continues to explore "some sort" of canola crush project, but isn't guaranteeing it will come to fruition
- Move follows multiple announcements for new oilseed-processing and renewable diesel plants planned for North America in the coming years

### **Russian Wheat Exports Drop 5.5% So Far This Season: IFX**

Russian wheat shipments totaled 36m tons so far in the 2021-22 season through June 26, down 5.5% from the same period a year earlier, Interfax reported, citing comments from Russian Grain Union analyst Elena Turina.

- Total grain exports stand at 43m tons, down 12% y/y
- NOTE: The new season begins on July 1

### **Strategie Grains raises EU rapeseed crop outlook, sunseed unchanged**

Strategie Grains has raised its forecast for this year's European Union rapeseed harvest to 18.3 million tonnes, from 18.2 million predicted a month ago and now nearly 8% above last year's crop, the consultancy said.

The upward revision reflected good yield prospects in the Czech Republic and the Baltic states, as well as increased area estimates for Sweden and France, it said in an oilseed report.



Strategie Grains kept its forecast for the 2022 EU sunflower seed crop at 10.9 million tonnes, 5% above the 2021 level and a new record

### **SOYBEAN/CEPEA: Soy oil devalues, and soybean prices drop too**

Soybean prices decreased steeply in the last days, in both the Brazilian and the international markets. Pressure came majorly from the devaluation of soy oil, which was linked to the price drops for oil and palm oil. Also, expectations for a high harvest in the United States in the 2022/23 season – favored by the weather –, a world recession and another lockdown in China increased pressure on soybean quotations in Brazil and abroad.

In Brazil, on the average of the regions surveyed by Cepea, soy oil prices (with 12% ICMS) dropped by 4.5% in São Paulo city between June 15 and 23, to BRL 8,944.41/ton on Thursday, 23. Thus, the domestic quotations for soybean decreased steeply. The ESALQ/BM&FBovespa Index Paranaguá (PR) dropped by 4.5% in the last seven days, to BRL 189.63/60-kilo bag on Thursday, 23. The CEPEA/ESALQ Index Paraná decreased by 4.4%, closing at BRL 185.46/bag.

Soybean devaluations constrained deals in the domestic market, despite the dollar appreciation. Between June 15 and 23, the American currency rose by a staggering 4.1%, to BRL 5.229 on Thursday, 23.

Amid weak prices for soybean, Brazilian sellers were not interested in closing deals in the last days. These agents believe values will recover, based on processors' needs of replenishing stocks. Besides, with the increase in corn sales because of the harvesting in Brazil, sellers usually keep soybean in this period, since they have no cash flow needs. Brazilian agents are now focused on both the development of the North American crop and the end of planning for the new Brazilian season.

### **CORN/CEPEA: Harvesting steps up and presses down quotations in BR**

After rising last week, corn prices resumed fading, reflecting the advance of the harvesting, which is being favored by the current dry weather in most of the regions that produce second crops, besides some pressure from purchasers. By June 18, 11% of the national second crop had been harvested, according to Conab, against 3.6% in the same period of the 2020/21 season. Activities have advanced most in the State of Mato Grosso.

Meanwhile, steep devaluations abroad this week have reduced the interest of sellers in trading corn at Brazilian ports, since the export parity – which was underpinning domestic prices until last week – decreased.

In Campinas (SP), the ESALQ/BM&FBovespa Index for corn closed at BRL 85.92/60-kilo bag on Thursday, June 23, 0.4% down from that on Wednesday, 15. The current monthly average for the corn Index is at BRL 85.99/bag, the lowest, in real terms (deflated by the IGP-DI from May/22), since September 2020, when it closed at BRL 81.26/bag.

Between June 15 and 23, on the average of the regions surveyed by Cepea (spot market), corn prices dropped by 3.6% in the over-the-counter market (paid to farmers) and by 1.1% in the wholesale market (deals between processors).

The steepest devaluations were observed in the regions where the harvesting is most advanced: Mato Grosso and Paraná. In the regions of Campo Novo Parecis and Northern Paraná, the prices decreased by 7.2% and 5.2% in the wholesale market. Even in typical consuming regions, such as Recife, values decreased by 1.6% in the same period.

At ports, although exports have been higher than that last season, not many deals were closed in the last days, and prices dropped, despite the dollar appreciation. In the wholesale market (trades between processors), values dropped by 0.1% at the port of Paranaguá (PR) and by a steep 6.6% at the port of Santos (SP) between June 15 and 23, to BRL 93.02/bag and BRL 88.04/bag, respectively, on Thursday, 23. The American currency rose by 4.1% from that on Wednesday, 15, to BRL 5.229 on June 23.

**HARVESTING** – The current dry weather is favoring the progress of the harvesting in central-western Brazil. In Mato Grosso, activities are stepping up, and farmers have already reported problems in stocking the new crop. According to Imea, by June 18, 27% of the state crop had been harvested. In Paraná, activities are not as advanced, due to frequent rains in the past weeks, which increased crops moisture. By June 26, 3% of the state area had been harvested. As for crops conditions, 93% are considered good. Considering the national summer crop of corn, by June 18, 90.8% had been harvested.

### **Brazilian Nitrogen Offer Prices Jump in Preparation for Planting**

Nitrogen prices are rising again in Brazil, as the supply chain ramps up amid attempts to gauge farmers' planting-season demand. Though surging natural-gas prices in Europe are adding to the increase, potash and phosphate prices remain weaker due to slow demand.

### **Nitrogen Prices Rise Amid International Constraints**

Nitrogen prices rose in this week's final assessments for Brazil, reflecting increased natural-gas prices and ammonia-plant shutdowns in Europe, with the possibility of additional hikes in coming weeks. As buyers began stocking up on supply in anticipation of increased demand in 2H during the planting season, sellers factored in the risk of natural-gas supply constraints. After a 45% price drop in past months, urea jumped \$60 a metric ton in the week ended June 24.

Though nitrogen offers have risen, potash and phosphate are narrowing since demand related to the upcoming soybean-planting season is low and inventories remain high.

### **Increased Russian Imports Help Alleviate Supply Concerns**

Scheduled Russian fertilizer exports to Brazil hint at a timely recovery before the planting season begins in 2H. Despite trade restrictions, average shipments in June were 5.5% higher than in the three months after the start of the invasion of Ukraine (March-May). Over the next three months, 660,000 metric tons of fertilizer are expected to arrive from Russia, with potash and phosphates likely to account for 69% of scheduled fertilizer cargoes, with nitrogen at 18%.

Actual shipments recorded in May were up 79%, or 470,000 metric tons, vs. the previous year. The additional shipments were mainly potash and phosphate fertilizers (80%).

### **US Fertilizer Prices Not Springing Back as Summer Reset Begins**

US fertilizer prices remain squeezed by reduced spring demand and excess nitrogen. Phosphate supply has tightened at New Orleans due to lower imports, though summer fills in the western US showed sizable price declines. New Orleans (NOLA) urea prices rebounded after falling 50% since April 1, while higher European gas prices are affecting urea and ammonia pricing and production.

### **Egypt, Russia Discussed Deal to Secure Russian Wheat: Minister**

Talks focused on framework of an agreement for Russia to export wheat to Egypt, Supply Minister Aly El-Moselhy tells reporters.

- Discussions were held on June 23
- Egypt expects Russian response to talks within 10 days

### **Egypt's strategic wheat reserves sufficient for 5.7 months - minister**

Egypt has strategic reserves of wheat sufficient for 5.7 months, Supply Minister Aly Moselhy said in a news conference on Sunday, adding that the country has procured 3.9 million tonnes of wheat in the local harvest so far.

Egypt is often the world's biggest wheat importer.

He added that the strategic reserves for sugar were sufficient for more than six months and those for vegetable oils are sufficient for 6.2 months, while the country is self-sufficient for rice for 3.3 months.

### **One of World's Major Wheat Buyers to Trim Imports as Prices Rise**

Egypt plans to cut wheat imports by 500,000 tons per year, or about 10%, by eking out more subsidized bread from its grain, Supply Minister Aly El-Moselhy said.

The move comes as one of the world's largest wheat importers struggles with soaring commodity prices as a result of the Russian invasion of Ukraine. Egyptian officials are looking to boost their reliance on local wheat production in a bid to reduce the import bill.

Authorities are calling on millers who produce the flour for the subsidy program to increase the amount of wheat bran used. Food security is key in the nation of over 100 million, where a majority benefit from the subsidized bread, with officials mindful about the possibility of social unrest amid rising inflation and other cost increases linked to a recent devaluation of the Egyptian pound.

El-Moselhy said Sunday the government plans to import 5 million-5.5 million tons of wheat in the next fiscal year that begins July 1. Current wheat stocks are enough for 5.7 months, he said, and purchases of local wheat are up 12% to 3.92 million tons so far in 2022 compared to the previous year.

### **Malaysia to Hire More Foreign Workers From Indonesia Soon: Star**

More Indonesian workers needed for jobs in the plantation and manufacturing industries are set to arrive in Malaysia within the next two months, the Star newspaper reported on Sunday, citing an interview with Human Resources Minister M. Saravanan.

Some 17,987 Indonesian workers are expected to join 19,043 foreign workers who have already entered Malaysia this year, Saravanan told the newspaper.

Malaysia, the world's second-largest producer of palm oil after Indonesia, has been facing labor shortages due to travel restrictions imposed to curb the coronavirus pandemic. The Southeast Asian nation was also considering hiring workers from countries such as Cambodia and Nepal to help address labor shortages, Saravanan said in the report.

### **US Pork Production Falls 3% This Week, Beef Down: USDA**

US federally inspected pork production falls to 499m pounds for the week ending June 25 from 515m in the previous week, according to USDA estimates published on the agency's website.

- Hog slaughter down 2.9% from a week ago to 2.304m head
- Beef production down 0.4% from a week ago, cattle slaughter falls 0.1%
- For the year, beef production is 1% above last year's level at this time, and pork is 3.7% below

				% Change	
Pork:	June 25	Week Ago	Year Ago	Weekly	Yearly
Slaughter (k head)	2,304	2,372	2,354	-2.9%	-2.1%
Live weight (lbs)	290	291	282	-0.3%	2.8%
Dressed weight (lbs)	217	217	210	0.0%	3.3%
Production (mln lbs)	499	515	495	-3.0%	1.0%
<b>Beef:</b>					
Slaughter (k head)	666	667	660	-0.1%	0.9%
Live weight (lbs)	1,344	1,346	1,347	-0.1%	-0.2%
Dressed weight (lbs)	811	813	815	-0.2%	-0.5%
Production (mln lbs)	539	541	537	-0.4%	0.4%
<b>YTD production:</b>					
	2022	2021	% Change		
Pork (bln lbs)	13.10	13.60	-3.7%		
Beef (bln lbs)	13.45	13.33	1.0%		

#### India Cumulative Monsoon Rainfall 7% Below Normal as of June 26-

India has so far received 124.4 millimeters of rains during the current monsoon season, which runs from June through September, compared with a normal of 134.3 millimeters, according to data published by the India Meteorological Department on June 26.

- The central region got 30% below normal rains
- Rainfall in the eastern and northeastern region was at 21% above normal

#### Flood-Hit Indian States Brace for More Monsoon Rains, 532 Killed

- Northeastern state of Assam among worst hit, millions affected
- Floods impact 229,000 hectares of crops, damage 135,000 homes

India's flood-hit areas are forecast to receive heavy rains this week, with 532 people losing their lives so far across the nation during the monsoon season and hundreds of thousands staying in temporary relief camps.

The northeastern state of Assam has been among the worst-hit regions, with rains affecting 2.5 million people, destroying homes and infrastructure, and delaying sowing of crops such as rice. Drowning and landslides have killed 121 people in the state alone since April 6, according to a home ministry bulletin. Monsoon rains cause the death of hundreds of people in India every year, but the rainy season has been particularly devastating for the hilly states of Assam and Himachal Pradesh this year. About 233,000 people are still in relief camps, with over two dozen teams of the National Disaster Response Force operating in 27 flood-affected districts of Assam to conduct rescue and relief operations.

Despite the monsoon bringing floods in several areas, it's one of the most important seasons for farmers in a country that's highly dependent on agriculture. The progress of the current season, where rains are

7% below normal for now, will determine crop production in the coming months and the outlook for inflation, which surged 7% in May from a year earlier.

India's grappling with high food prices after unprecedented heat waves this year damaged some crops, prompting it to curb wheat exports, a move that rattled global markets. It's the world's second-biggest grower of wheat, rice and sugar, and the top importer of palm, soybean and sunflower oils.

The Indian air force has deployed 11 aircraft to rescue people and distribute relief materials, while the army has sent its engineering task force to help evacuations, according to the bulletin. The floods have affected about 229,000 hectares (566,000 acres) of farmland and damaged about 135,000 homes.

Several states in India, including Assam, Meghalaya, West Bengal, Karnataka and Kerala, are expected to get heavy rains for at least five days from Monday, according to the India Meteorological Department.

The monsoon is forecast to be normal overall for a fourth year, the weather bureau has said.

### **USDA Retail Food-Inflation Forecasts for 2022**

	Forecasts for 2022		
	June	May	Ppt chg
All food	8.00%	7.00%	1.0
Food away from home	6.50%	6.50%	0.0
Food at home	9.00%	7.50%	1.5
Meat, poultry, fish	9.00%	7.50%	1.5
Meat	8.00%	7.00%	1.0
Beef, veal	6.50%	6.50%	0.0
Pork	7.50%	6.50%	1.0
Other	12.00%	9.50%	2.5
Poultry	13.50%	9.00%	4.5
Fish, seafood	9.00%	7.50%	1.5
Eggs	20.00%	20.00%	0.0
Dairy products	11.00%	7.50%	3.5
Fats and oils	14.50%	10.50%	4.0
Fruits, vegetables	7.00%	7.00%	0.0
Fresh	7.00%	7.00%	0.0
Fruit	9.00%	9.00%	0.0
Vegetables	4.50%	4.50%	0.0
Processed	8.00%	6.00%	2.0
Sugar and sweets	7.00%	6.00%	1.0
Cereals, bakery	10.50%	7.50%	3.0
Nonalcoholic beverages	7.50%	7.50%	0.0
Other foods	10.50%	8.00%	2.5

### China's Leaders Mull Banning Solar Panels From Farmland

China may bar solar developers from building panels on farmland as the government weighs the importance of food security against its clean energy goals.

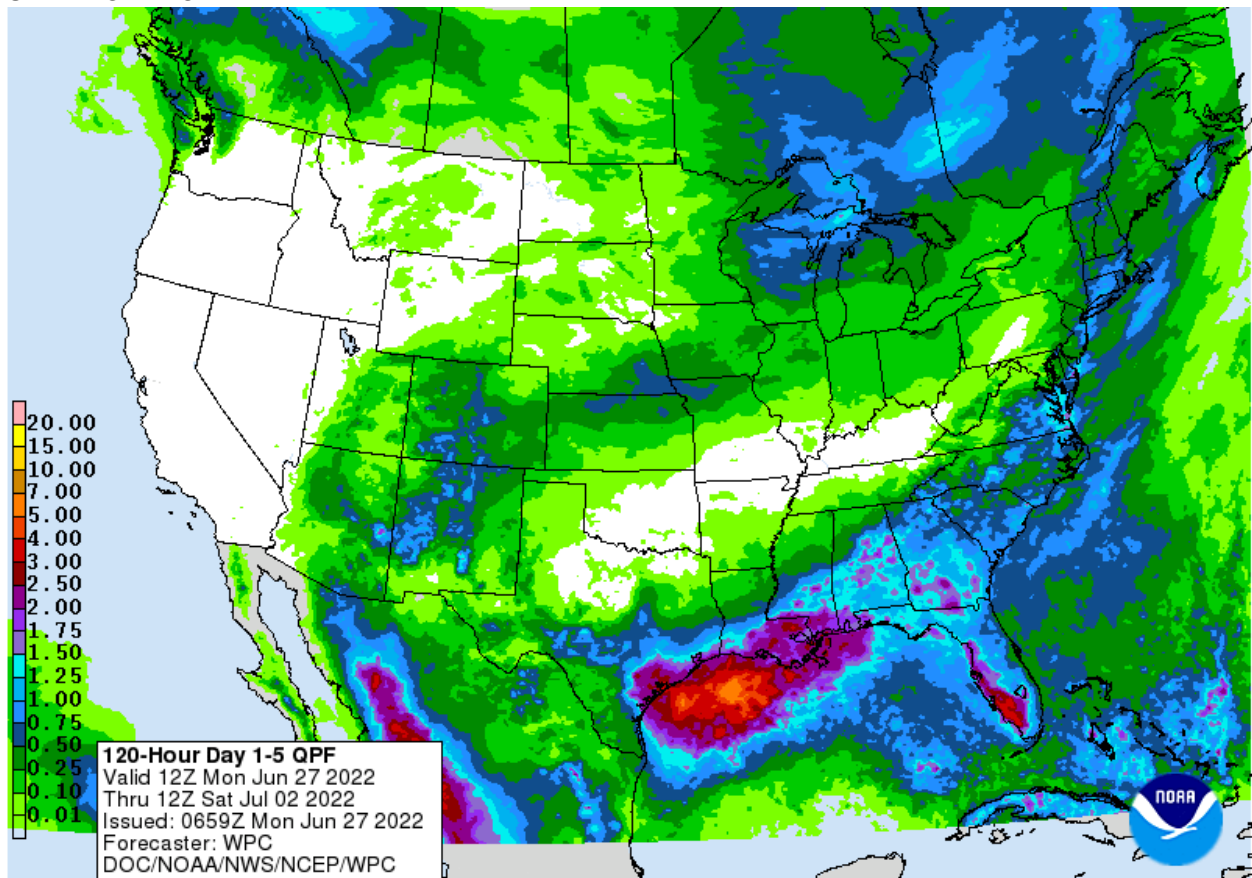
Three ministries including the National Energy Administration are circulating for comment a draft proposal that would make forests and cultivated farmland off-limits for solar development, industry media Polaris Solar Network reported on its WeChat account, citing a copy of the document. Phone calls to the NEA's office on Friday went unanswered.

The proposal would still allow solar panels on some agricultural areas, such as land used for farming equipment or buildings. It also encourages development of unused land, like the massive solar-and-wind farms being built in the Gobi desert.

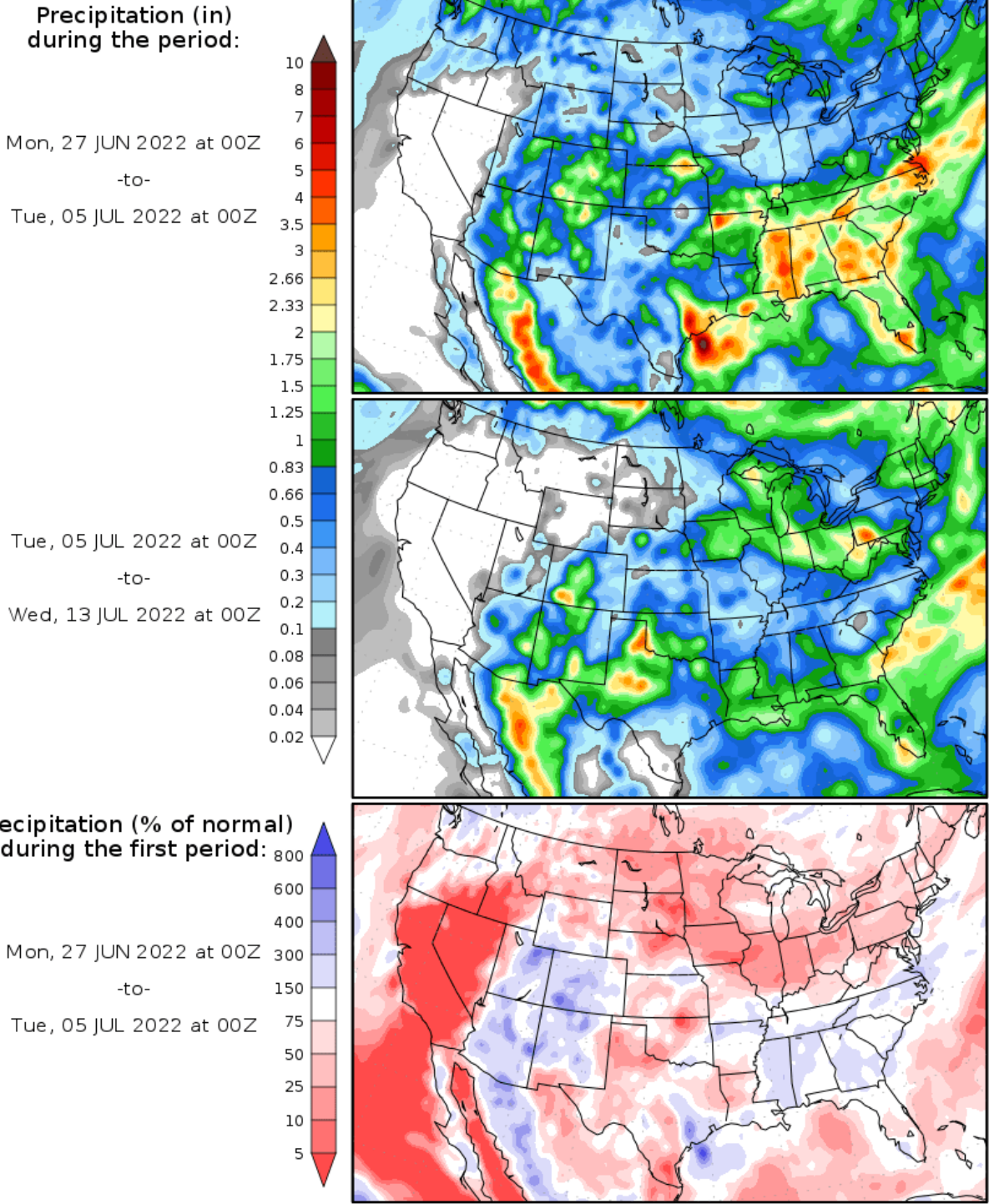
The national proposal follows provincial efforts to keep renewable power away from productive farmland. Henan province in early June restricted wind and solar to plots that are considered “unstable” and aren’t used permanently for crop-growing. Shandong officials in November stopped accepting applications for permits to build solar panels on farmland.

China is the world’s leader in shared land use between solar power and farming, a field known as agrivoltaics. It accounted for more than two-thirds of the 2.8 gigawatts of such capacity that was installed worldwide at the end of 2020, according to the Fraunhofer Institute for Solar Energy Systems ISE in Germany.

## UNITED STATES



# Precipitation Forecasts



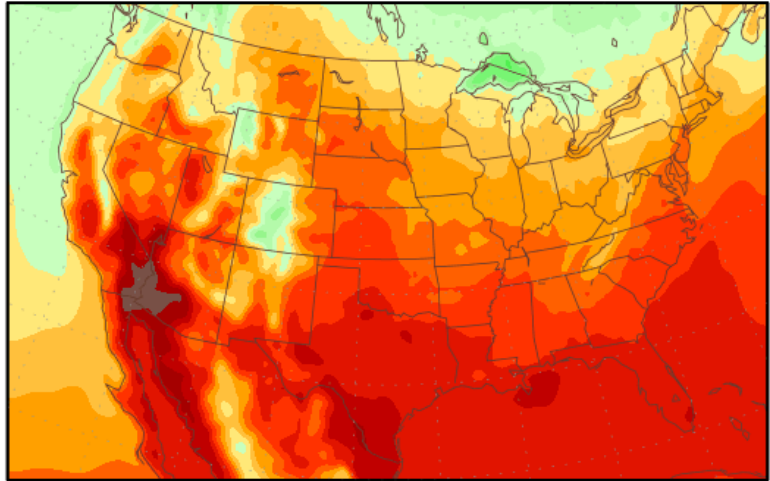
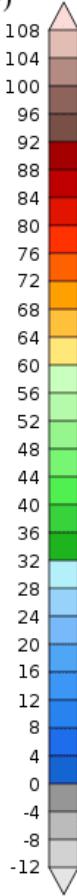
Precipitation forecasts from the National Centers for Environmental Prediction.  
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.  
Forecast Initialization Time: 00Z27JUN2022



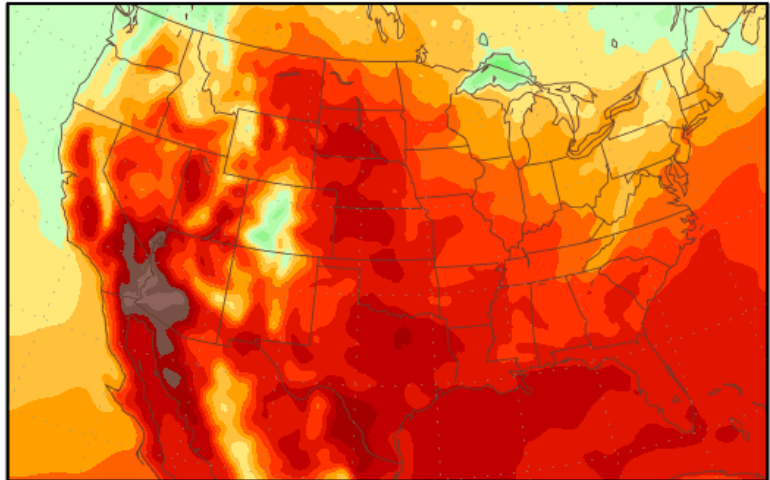
# Temperature Forecasts

Mean Surface Temperature (°F)  
during the period:

Mon, 27 JUN 2022 at 00Z  
-to-  
Tue, 05 JUL 2022 at 00Z

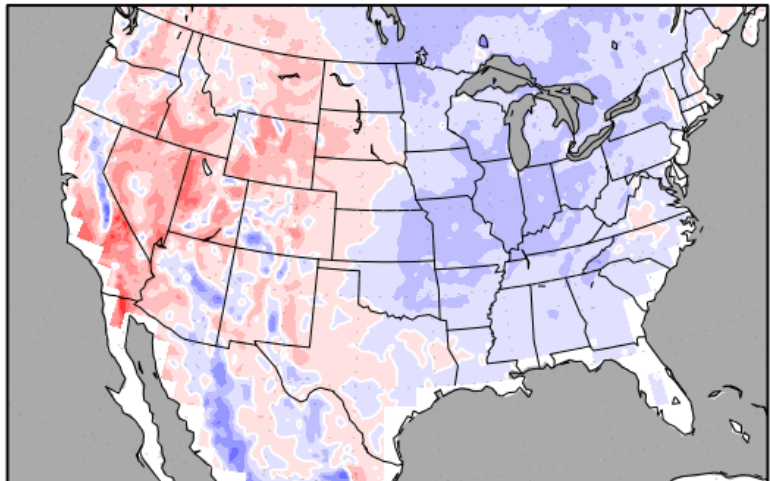
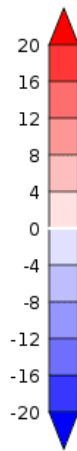


Tue, 05 JUL 2022 at 00Z  
-to-  
Wed, 13 JUL 2022 at 00Z



Temperature Anomaly  
during the first period:

Mon, 27 JUN 2022 at 00Z  
-to-  
Tue, 05 JUL 2022 at 00Z



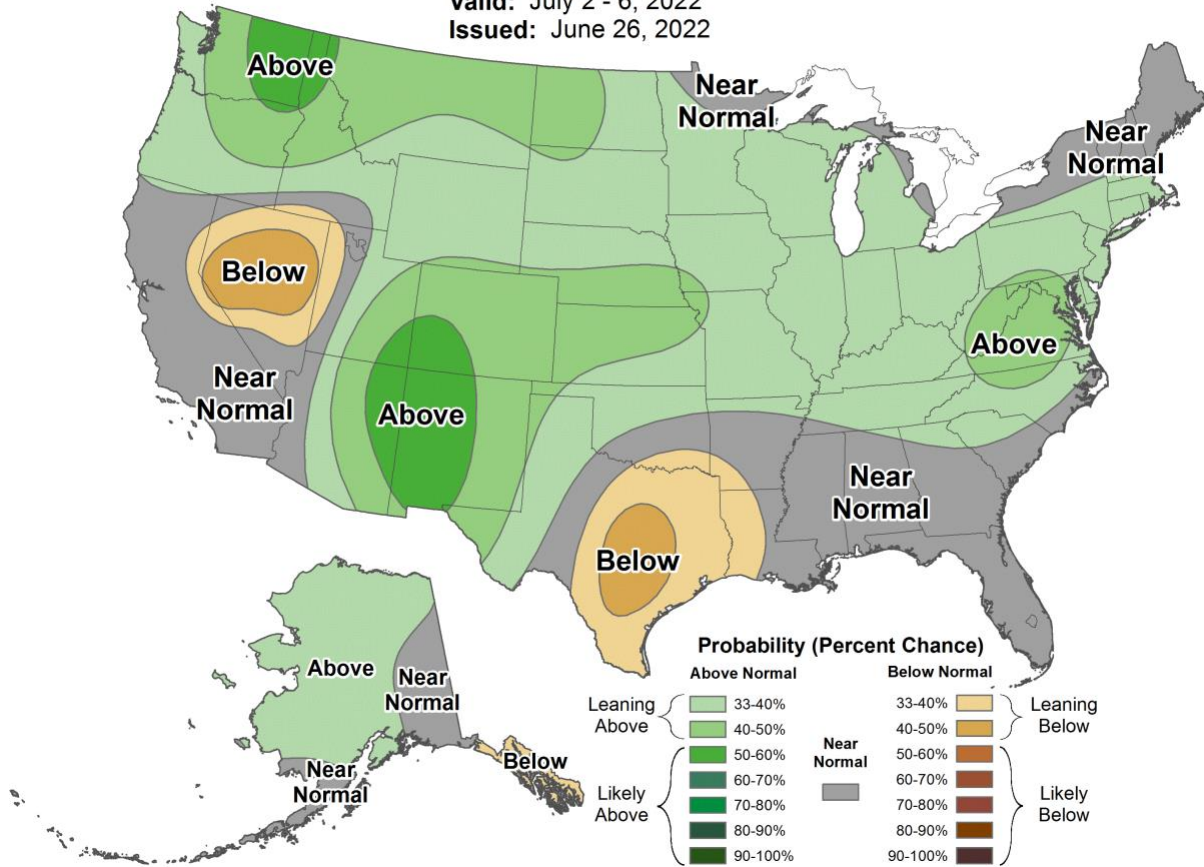
Temperature forecasts from the National Centers for Environmental Prediction.  
Normal Temperature derived from CRU monthly climatology for 1901-2000  
Forecast Initialization Time: 00Z27JUN2022



# 6-10 Day Precipitation Outlook



Valid: July 2 - 6, 2022  
Issued: June 26, 2022

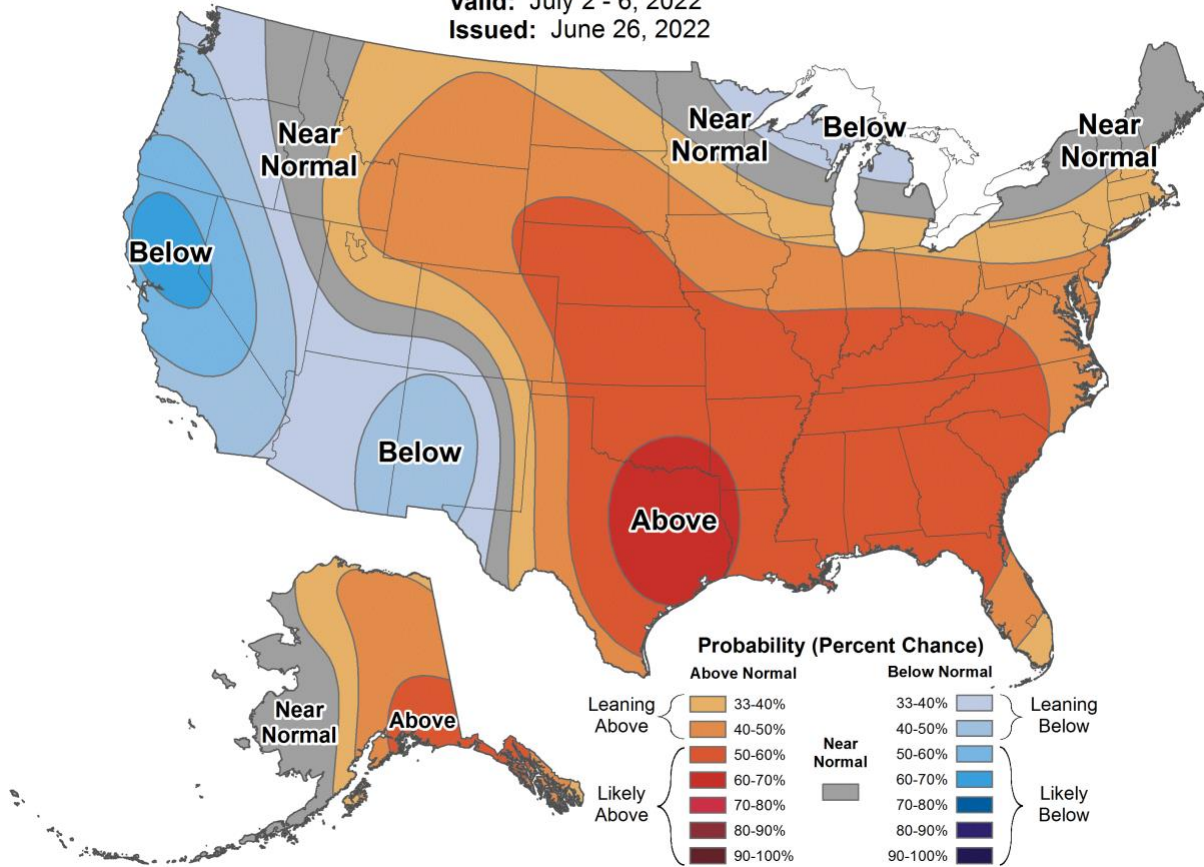




# 6-10 Day Temperature Outlook



Valid: July 2 - 6, 2022  
Issued: June 26, 2022



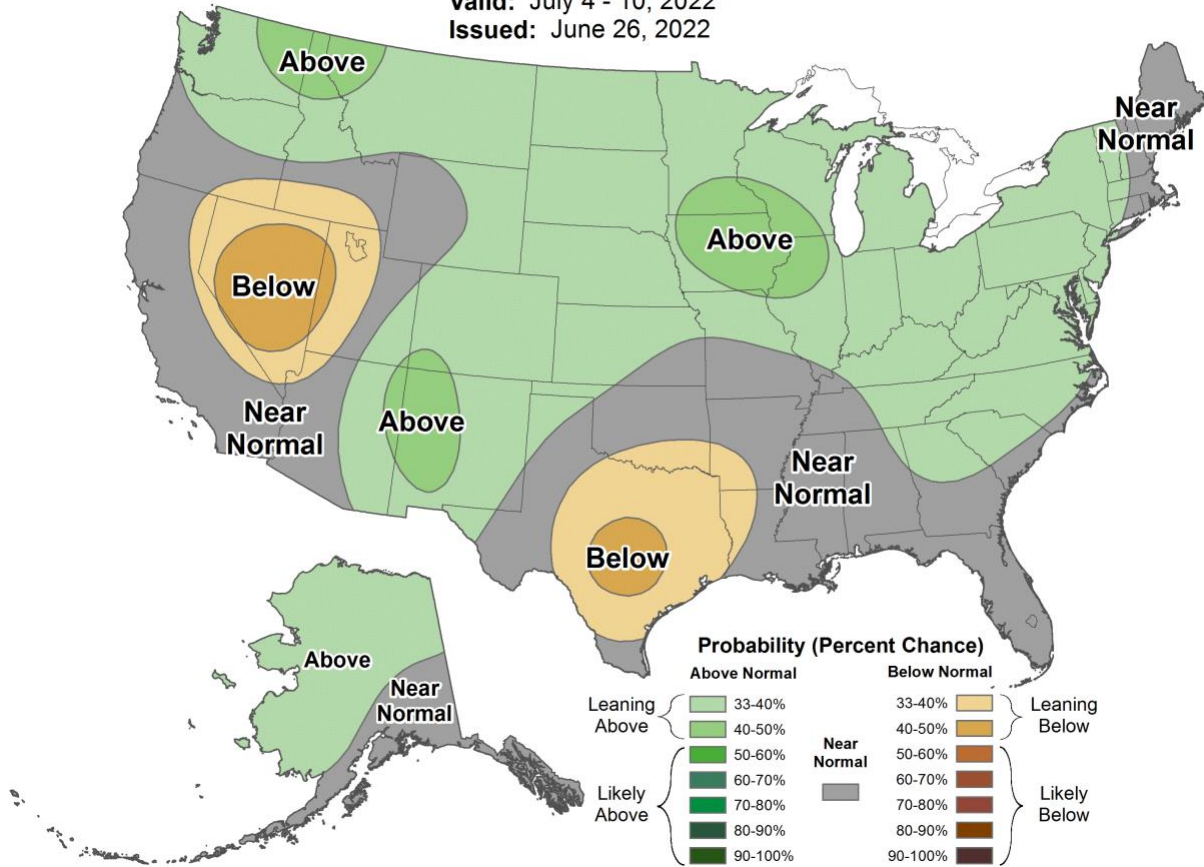


# 8-14 Day Precipitation Outlook



Valid: July 4 - 10, 2022

Issued: June 26, 2022



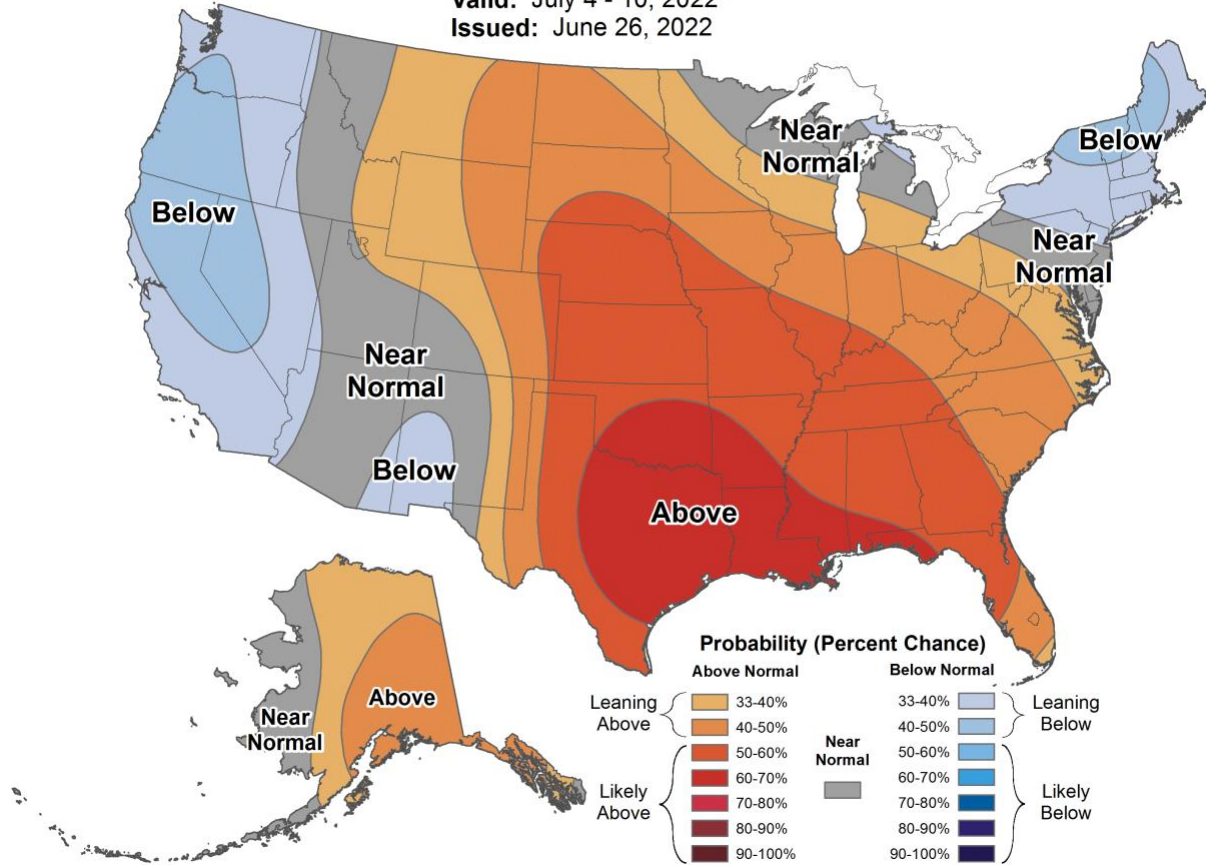


# 8-14 Day Temperature Outlook



Valid: July 4 - 10, 2022

Issued: June 26, 2022

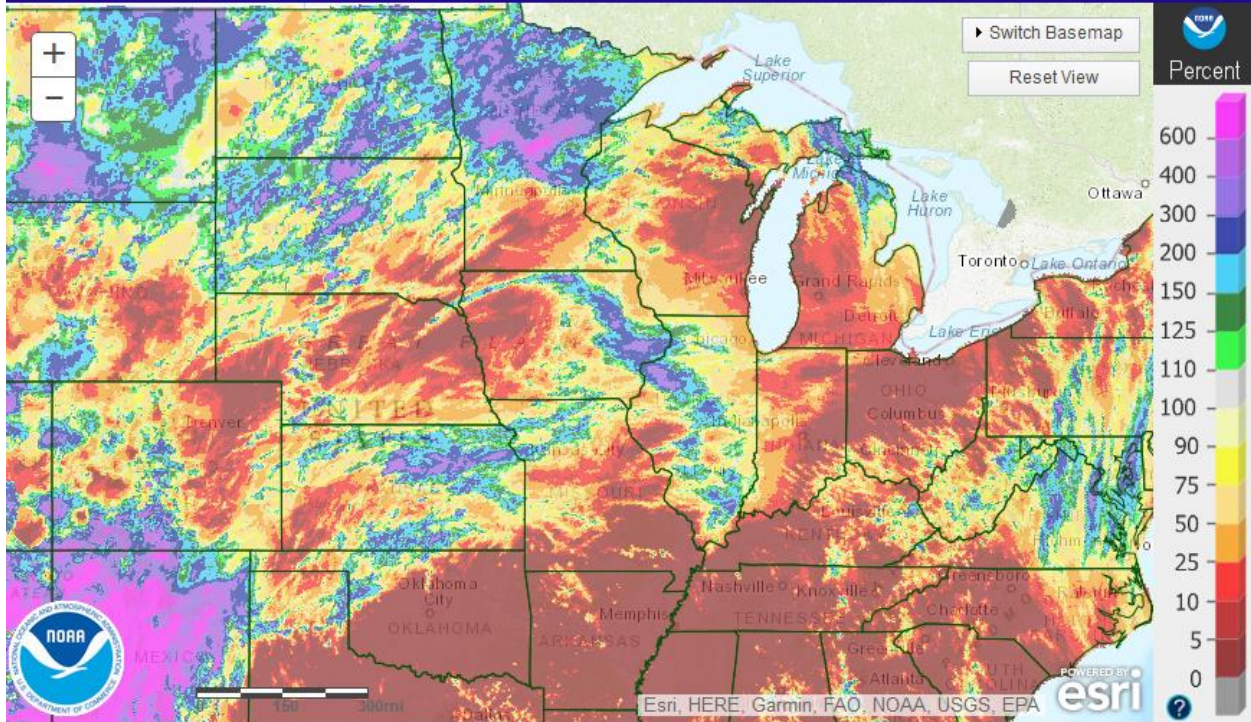


Displaying Last 7-Day Percent of Normal Precipitation  
Valid on: June 26, 2022 12:00 UTC

Print this map Permalink

What is UTC time? Map Help

Find address or location

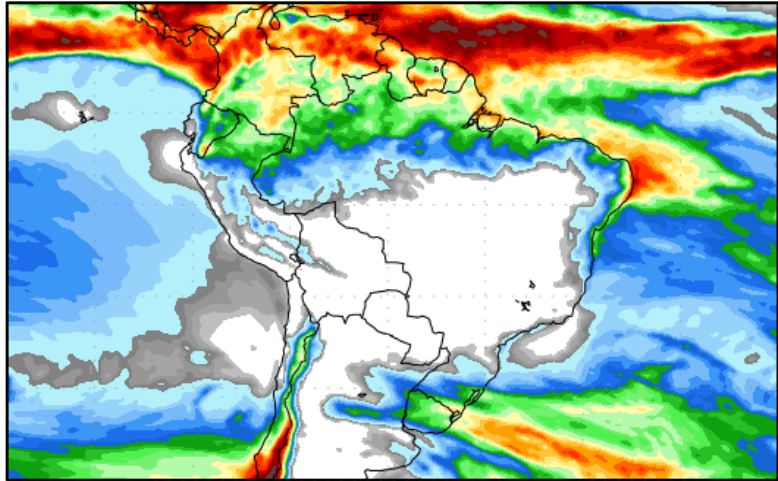


**SOUTH AMERICA**

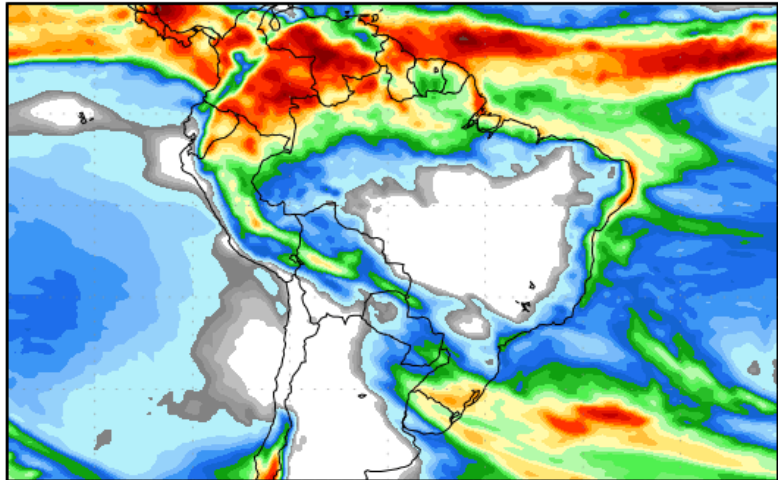
# Precipitation Forecasts

Precipitation (mm)  
during the period:

Mon, 27 JUN 2022 at 00Z  
-to-  
Tue, 05 JUL 2022 at 00Z

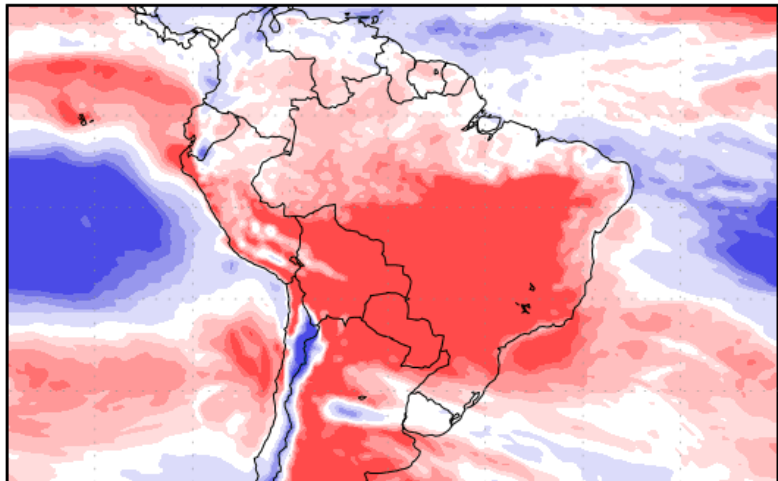
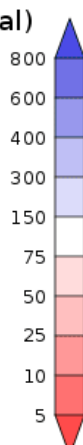


Tue, 05 JUL 2022 at 00Z  
-to-  
Wed, 13 JUL 2022 at 00Z



Precipitation (% of normal)  
during the first period:

Mon, 27 JUN 2022 at 00Z  
-to-  
Tue, 05 JUL 2022 at 00Z



Precipitation forecasts from the National Centers for Environmental Prediction.  
Normal rainfall derived from Xie-Arkin (CMA) Monthly Climatology for 1979-2003.  
Forecast Initialization Time: 00Z27JUN2022

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