

## Supply/Demand

Our supply/demand balance has been adjusted slightly since the 6/6/15 issue, but continues to point toward lower ending stocks for 2016 . . .

### No Stocks Buildup for 2016!

US Corn Supply/Demand  
Million Acres and Bushels

	13-14		14-15		15-16		
	Actual	USDA <sup>1/</sup>	CIS Est	USDA <sup>1/</sup>	CIS Est	USDA <sup>1/</sup>	CIS Est
Pltd acres	95.4	90.6	90.6	89.2	89.2		
% hvstd	91.7	91.7	91.7	91.6	91.6		
Hvstd acres	87.5	83.1	83.1	81.7	81.7		
Yield	158.1	171.0	171.0	166.8	166.8		
Beg stocks	821	1232	1232	1876	1847		
Production	13829	14216	14216	13630	13630		
Imports	36	25	25	25	25		
Total supply	14686	15472	15472	15531	15502		
Feed/res	5034	5250	5250 <sup>2/</sup>	5300	5300		
Food/seed	1369	1347	1375	1360	1380		
Ethanol	5134	5175	5200 <sup>3/</sup>	5200	5225 <sup>5/</sup>		
Exports	1917	1825	1800 <sup>4/</sup>	1900	1850		
Total usage	13454	13597	13625	13760	13755		
End stocks	1232	1876	<b>1847</b>	1771	<b>1747</b>		

1/ USDA 6/10/15 estimate

2/ Above last estimate due to foregoing stocks estimate

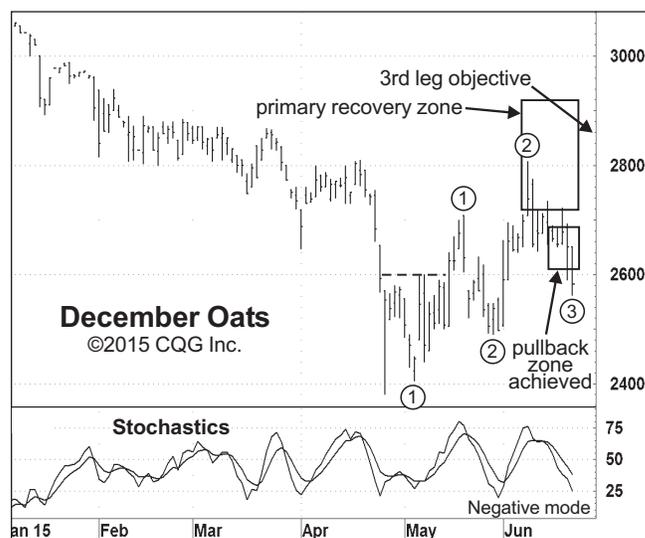
3/ Based on recent production data

4/ Based on current export commitment

5/ Based on expanding gasoline consumption

Our usage and endings stocks estimates continue to be close to the USDA. However, market focus will shift almost entirely to crop conditions and prospective production in weeks ahead. It is a rare season when at least one crop scare does not occur during the summer and we doubt this year will be any different. **As indicated in the 6/6/15 issue, a great deal of known bearish news has been discounted in futures and traditionally the marketplace builds in a "weather premium" before mid-July. Therefore, we continue to expect December futures to stabilize near recent lows until more is known about summer weather trends.**

## Oats



The primary recovery zone illustrated previously from 2.72 to 2.92 remains operative at this point. A small bottom was completed in mid-May. The first leg up (1) gained 30 cents. The second leg (2) gained 40 cents. The pullback zone shown previously from 2.61 to 2.69 was achieved this week. When the second leg is longer than the first, the third leg is usually equal to the first. Therefore, if this week's low proves to be the beginning of the third leg (3), an objective of 2.86 is indicated. Stochastics are nearing oversold territory, but remain in a negative mode. The next buy signal should confirm the third leg is underway.

**Never miss another  
Price Perceptions again!**

*Sign up for our Automatic  
Renewal Program today!  
Call (800) 231-0477 for details.*