

THE BUMP REPORT

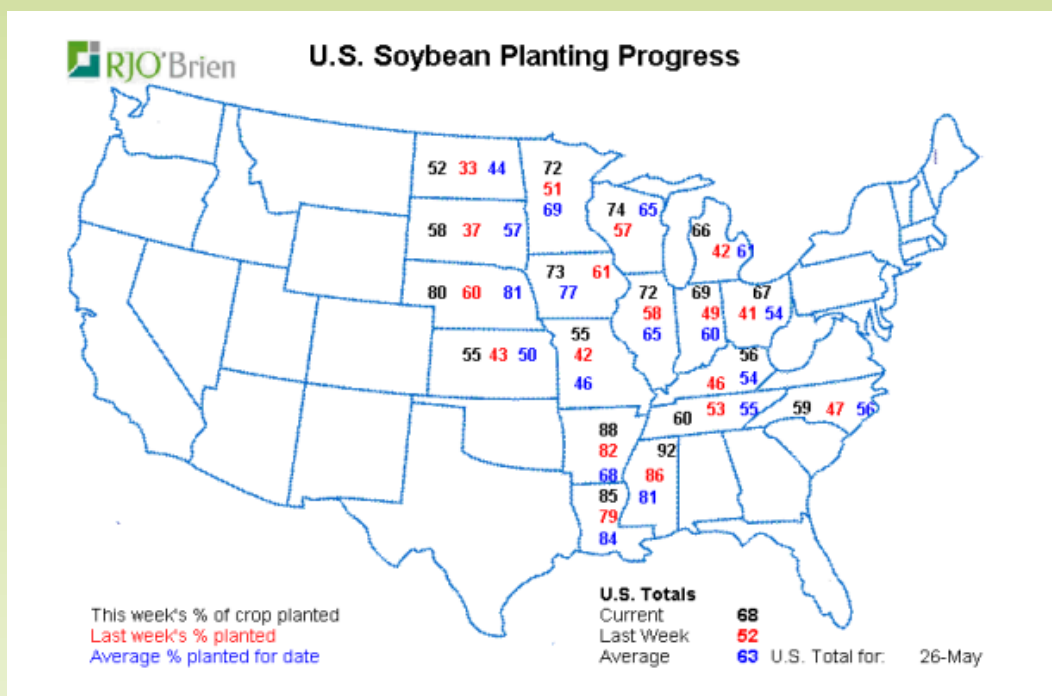
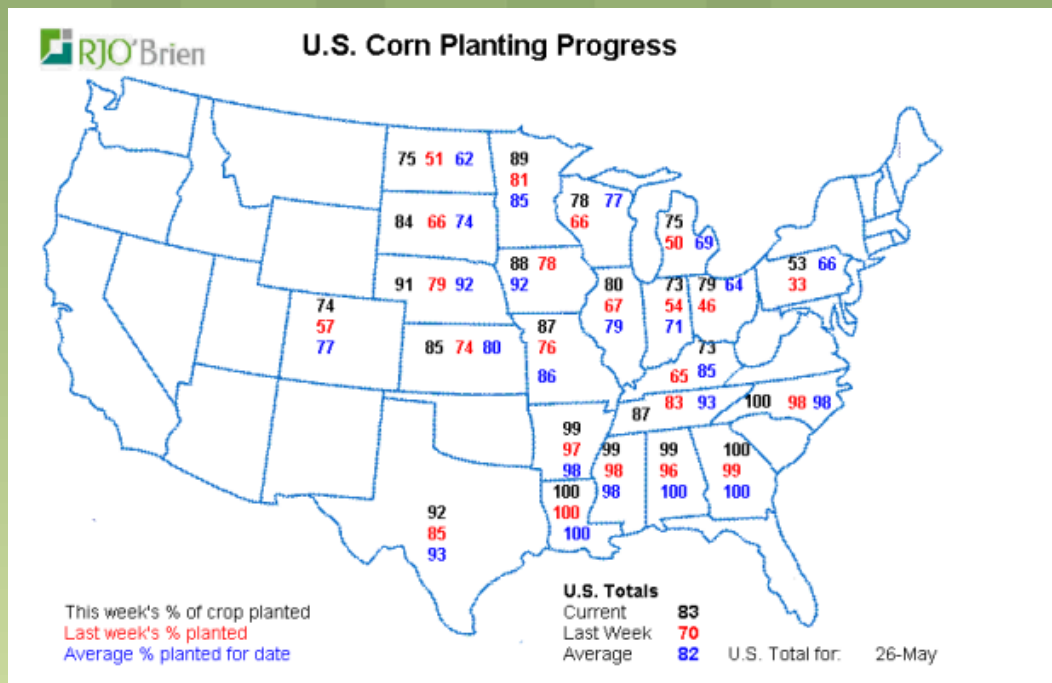
Seasonality of Corn and Soybeans

Corn	This week	LY	5 YR
CR, IA	18	25	10
Decatur	0	50	31
St Louis	15	25	39

Soybean	This week	LY	5 YR
CR, IA	-10	5	-3
Decatur	7	50	42
St Louis	18	56	55

The USDA reported yesterday that 83% of Corn was planted in line with the 5 year average pace at 82%. Soybean planting was shown at 68% complete compared to 63% average. China continues to approve new GMO corn varieties from Argentina for import use in feed production. Since the Chinese approval of Brazilian Corn in Jan of 2023, China has imported 18.5 MMT of Corn from Brazil detrimentally affecting US corn exports to China. Seasonally Corn and Beans tend to rally this time of year as the market is weather focused on getting the crop in the ground and focus on

weather models into pollination. Price swings cause volatility, volatility typically provides better option premium. Soybean call option premium has eroded over the past few weeks as on 5/7 a \$13 Nov call was valued at 45 cents, today with the futures market 26 cents less the call is valued at 25 cents. Crazy. Corn option premiums have not seen a drastic swing in volatility.



Collette's Question

What year did Nov Soybeans never retest their Jan/Feb highs?

Now that majority of the crop is in the ground and we can see all the sins potentially created by the wet spring don't forget about PROFITABILITY. We are in the seasonal timeframe the market provides while looking at a rough start across the country. Remember the corn will grow and about 2 weeks from now the road side gawkers can no longer see the pinch rows up the hills, the compaction, nitrogen deficiencies and my favorite unevenness across the field. I'm sure my opinion is unpopular but keep your marketing in check. Go back to pen and paper and stop making decisions based on your backyard but by protecting your behind.

Corn Profitability Margin @ Cost per acre \$900

	180	190	200	210	220	230	240	250	260
\$3.50	-\$270	-\$235	-\$200	-\$165	-\$130	-\$95	-\$60	-\$25	\$10
\$3.75	-\$225	-\$188	-\$150	-\$113	-\$75	-\$38	\$0	\$38	\$75
\$4.00	-\$180	-\$140	-\$100	-\$60	-\$20	\$20	\$60	\$100	\$140
\$4.25	-\$135	-\$93	-\$50	-\$8	\$35	\$78	\$120	\$163	\$205
\$4.50	-\$90	-\$45	\$0	\$45	\$90	\$135	\$180	\$225	\$270
\$4.75	-\$45	\$3	\$50	\$98	\$145	\$193	\$240	\$288	\$335
\$5.00	\$0	\$50	\$100	\$150	\$200	\$250	\$300	\$350	\$400
\$5.25	\$45	\$98	\$150	\$203	\$255	\$308	\$360	\$413	\$465
\$5.50	\$90	\$145	\$200	\$255	\$310	\$365	\$420	\$475	\$530

Soybean Profitability @ \$650 Cost per acre

	35	40	45	50	55	60	65	70
\$ 10.00	-\$300	-\$250	-\$200	-\$150	-\$100	-\$50	\$0	\$50
\$ 10.50	-\$283	-\$230	-\$178	-\$125	-\$73	-\$20	\$33	\$85
\$ 11.00	-\$265	-\$210	-\$155	-\$100	-\$45	\$10	\$65	\$120
\$ 11.50	-\$248	-\$190	-\$133	-\$75	-\$18	\$40	\$98	\$155
\$ 12.00	-\$230	-\$170	-\$110	-\$50	\$10	\$70	\$130	\$190
\$ 12.50	-\$213	-\$150	-\$88	-\$25	\$38	\$100	\$163	\$225
\$ 13.00	-\$195	-\$130	-\$65	\$0	\$65	\$130	\$195	\$260
\$ 13.50	-\$178	-\$110	-\$43	\$25	\$93	\$160	\$228	\$295

Strategies to Consider

All prices listed are approximate based on 5/29 Market close

Short Dated Dec Corn Options

July Exp (6/21) @ the money put—11 cents
 Aug Exp (7/26) @ the money put—22 cents
 Full Dated Dec @ the money put—33 cents

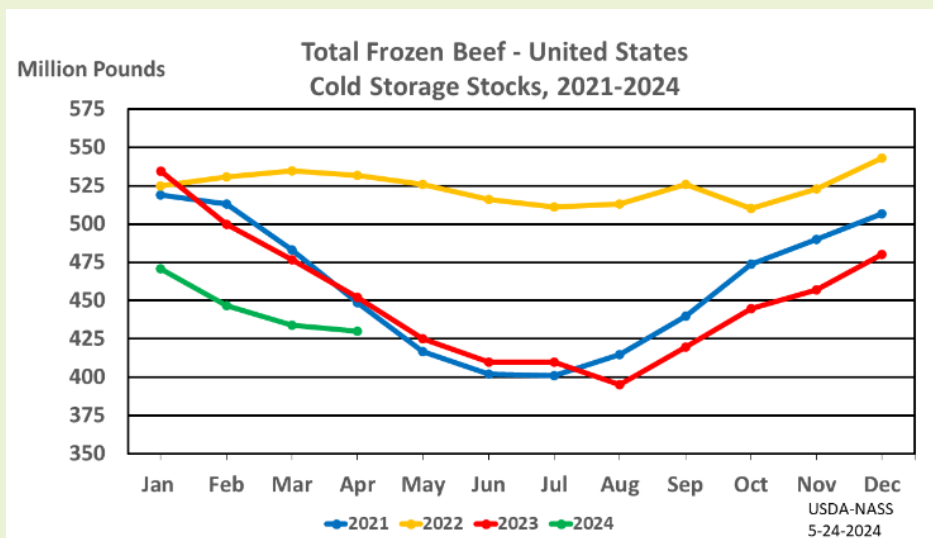
Always have the ability to offset cost with sold Sept or Dec Call Option

Short Dated Nov Soybean Options

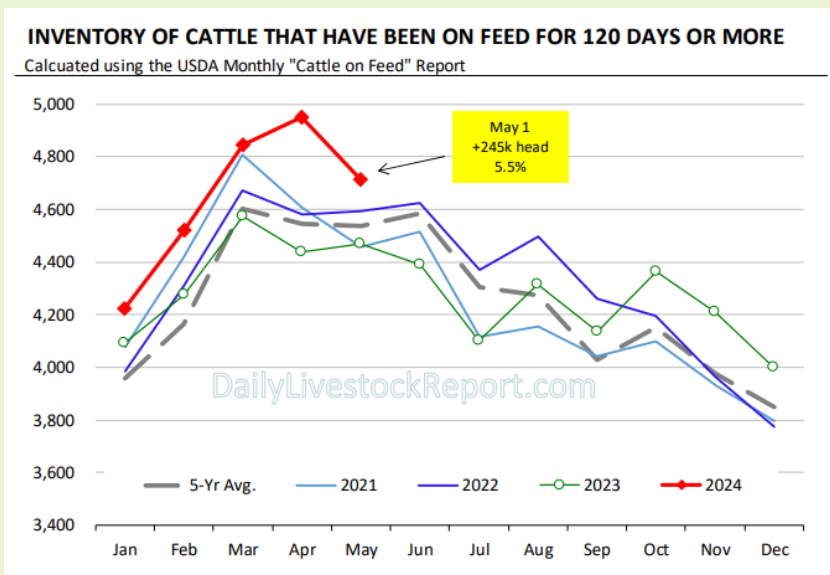
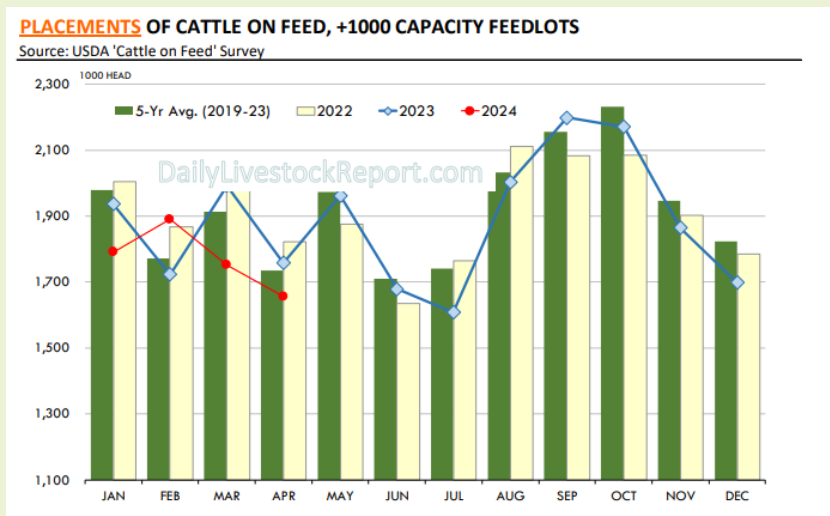
July Exp (6/21) @ the money put—20 cents
 Aug Exp (7/26) @ the money put—37 cents
 Full Dated Nov @ the money put—58 cents

Always have the ability to offset cost with sold Nov Call Option

Commitment of Traders			
	5/21/2024 Corn	Soybeans	Wheat
CFTC	(-121,162)	(-26,426)	(-37,178)
Wk Change	(-49,992)	16,239	5,182
4/30/2024			
CFTC	(102,513)	(41,453)	(42,360.)
Wk Change	115,527	107,783	5,506



The latest Cattle on Feed report confirmed lower placements and the lowest placements this year. Feeders continue to keep cattle longer to pack on more pounds.



Upcoming Reports
USDA WASDE- June 12

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