



RICK ALEXANDER, MARKET STRATEGIST
ZANER GROUP

4/5/2017

PROSPECTIVE PLANTINGS AND STOCK REPORT BEARISH BEANS, MIXED CORN, NEUTRAL WHEAT

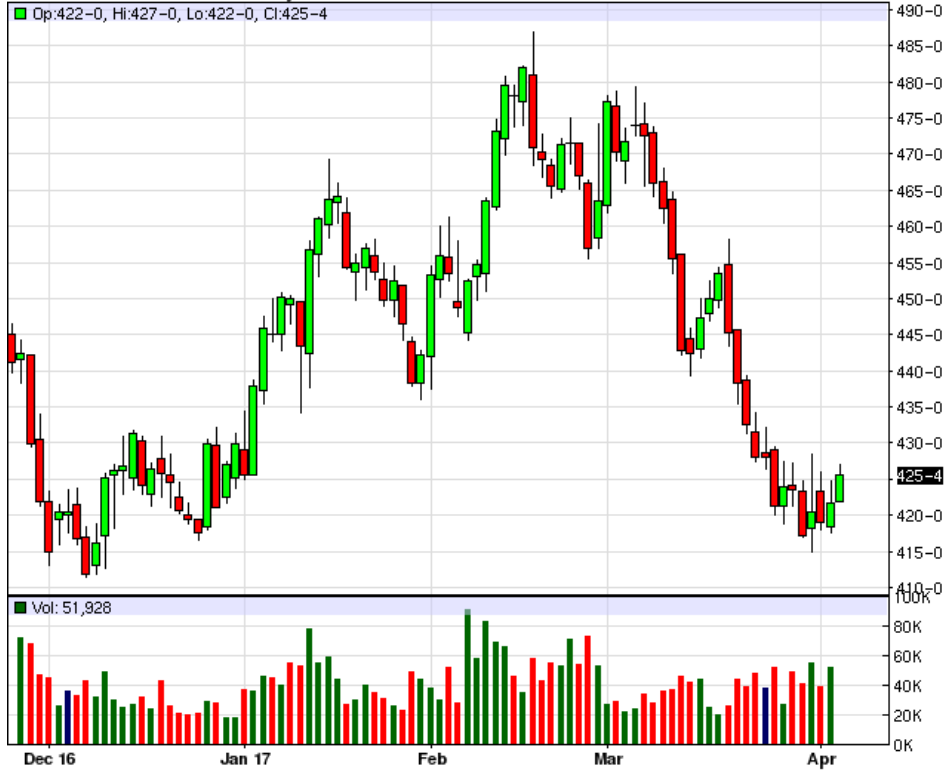
WASDE REPORT ON APRIL 11TH.

Lower closes for rough rice, corn, soybeans, soybean meal, soybean oil, Minneapolis, Kansas City and Chicago wheat. Last Friday's reports helped the wheat and corn somewhat but nothing dramatic except for Friday's action. Minneapolis just made its worst low and close since last November while KC has been holding over the last week in spite of its lowest low since December. Then again contract low remains nearby. Chicago has also held and has rallied above a near term consolidation. I should also mentioned spreading wheat against the beans has also lent some support. Then again we still need to see if the United States loses much business to South America down the road due the dollar along with the threat of several interest rate hikes by the FED this year as forecasted. We also need to continue to hold 520 for Minneapolis, 410 for KC and Chicago or else the resumption of the wheat complex's long term downtrend should resume. It's tough to work up a bullish scenario for the wheat complex which, of course is no secret. I realize I'm not really saying anything new world fundamentals for wheat haven't really changed much as far a supply goes. Oats look to me like they're in a possible BEAR FLAG while remaining in a decent looking support area. Last time I said It's possible the rice is bottoming but I doubt it. They key wrong word is doubt since you can see a nice rally has ensued over the last week. Its long term trend does remain down but I now have a BUY SIGNAL. Closing over 1030 would be my next focal point. Better acreage numbers than expected while worse stocks seemed to be enough for corn to rally sixteen cent but not change much else. Still, there seems to be some bullish sentiment which is more than I can say for the bean complex and to a lesser extent the wheat. Corn is in a good support and continues to hold the 350 area in spite of the overall fundamentals. The bean complex continues to look very weak with the beans making their worst low since April 2016, meal its lowest low and close since October and oil August. There's no real surprise considering the fundamentals which have been confirmed from recent reports. Record or near record crops in United States. South America and high bean acreage forecasts have weighed down this complex. Still, trading around ten dollars under the circumstances is pretty good! BUY SIGNAL FOR ROUGH RICE. SELL SIGNALS FOR MINNEAPOLIS, KANSAS CITY AND CHICAGO WHEAT, OATS, SOYBEANS, SOYBEAN MEAL AND SOYBEAN OIL. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to markethead.com.

MWK17 - Spring Wheat - Daily Candlestick Chart



KEK17 - Hard Red Wheat - Daily Candlestick Chart



ZWK17 - Wheat - Daily Candlestick Chart



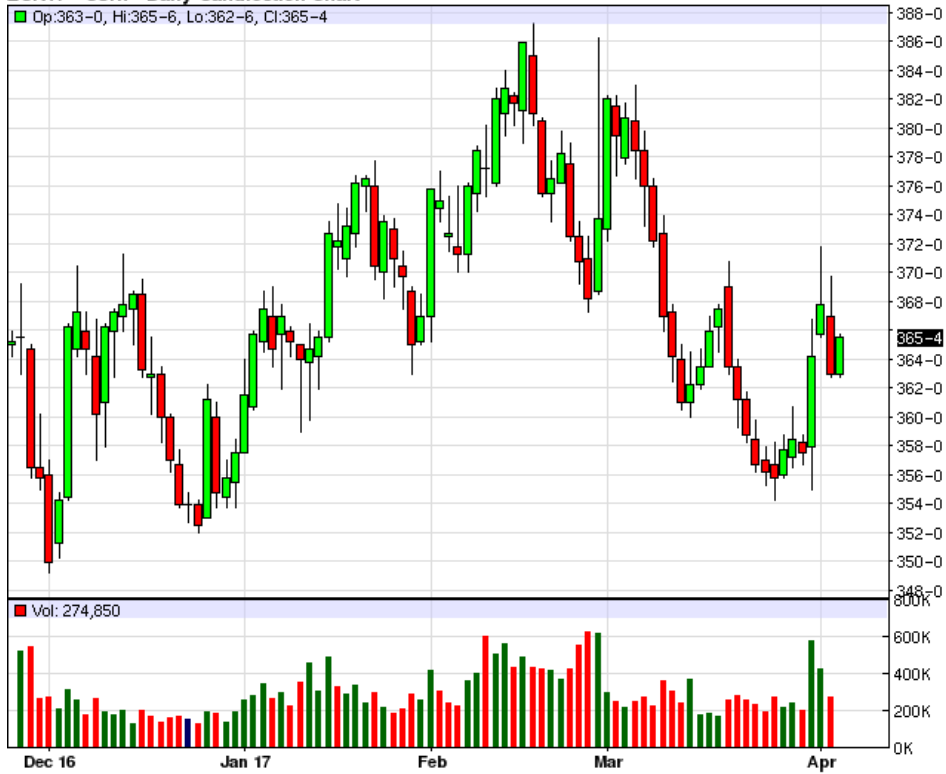
ZOK17 - Oats - Daily Candlestick Chart



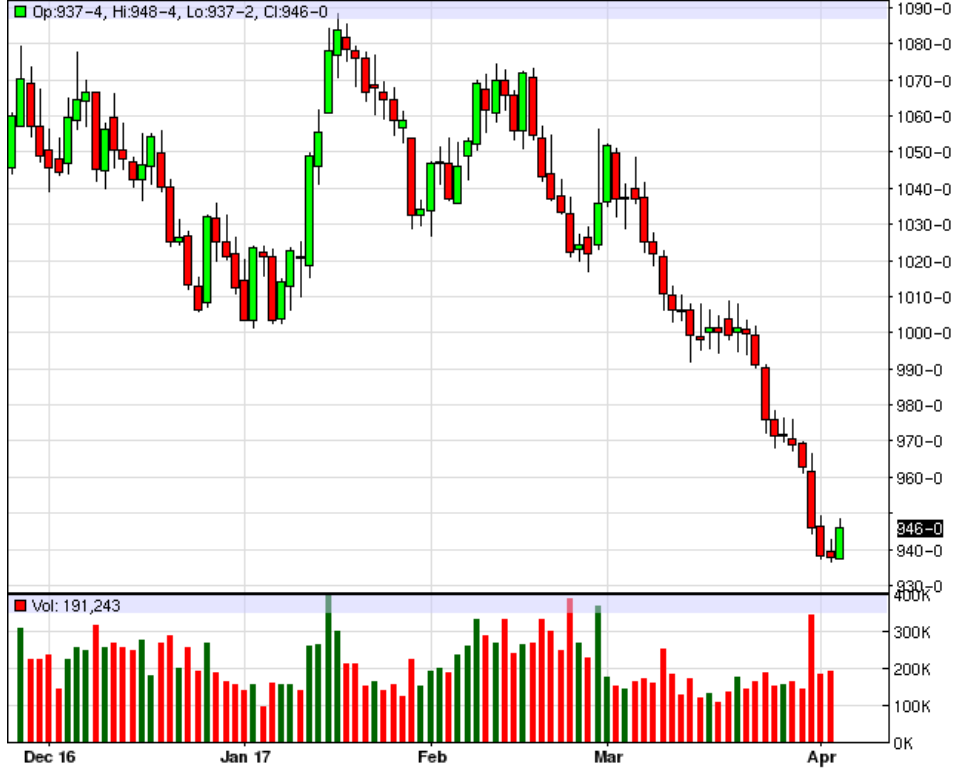
ZRK17 - Rough Rice - Daily Candlestick Chart



ZCK17 - Corn - Daily Candlestick Chart



ZSK17 - Soybeans - Daily Candlestick Chart



ZMK17 - Soybean Meal - Daily Candlestick Chart





To read more economic research reports like this one or subscribe to the mailing list, visit www.zaner.com.

THIS MATERIAL IS CONVEYED AS A SOLICITATION FOR ENTERING INTO A DERIVATIVES TRANSACTION.

THIS MATERIAL HAS BEEN PREPARED BY A ZANER BROKER WHO PROVIDES RESEARCH MARKET COMMENTARY AND TRADE RECOMMENDATIONS AS PART OF HIS OR HER SOLICITATION FOR ACCOUNTS AND SOLICITATION FOR TRADES; HOWEVER, ZANER DOES NOT MAINTAIN A RESEARCH DEPARTMENT AS DEFINED IN CFTC RULE 1.71. ZANER, ITS PRINCIPALS, BROKERS AND EMPLOYEES MAY TRADE IN DERIVATIVES FOR THEIR OWN ACCOUNTS OR FOR THE ACCOUNTS OF OTHERS. DUE TO VARIOUS FACTORS (SUCH AS RISK TOLERANCE, MARGIN REQUIREMENTS, TRADING OBJECTIVES, SHORT TERM VS. LONG TERM STRATEGIES, TECHNICAL VS. FUNDAMENTAL MARKET ANALYSIS, AND OTHER FACTORS) SUCH TRADING MAY RESULT IN THE INITIATION OR LIQUIDATION OF POSITIONS THAT ARE DIFFERENT FROM OR CONTRARY TO THE OPINIONS AND RECOMMENDATIONS CONTAINED THEREIN.

THE RISK OF LOSS IN TRADING FUTURES CONTRACTS OR COMMODITY OPTIONS CAN BE SUBSTANTIAL, AND THEREFORE INVESTORS SHOULD UNDERSTAND THE RISKS INVOLVED IN TAKING LEVERAGED POSITIONS AND MUST ASSUME RESPONSIBILITY FOR THE RISKS ASSOCIATED WITH SUCH INVESTMENTS AND FOR THEIR RESULTS. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

150 S Wacker Dr, Suite 2350 · Chicago, IL 60606 · Direct: 312-277-0050 Fax: 312-277-0150 · info@zaner.com

Copyright © 2010 Zaner Group LLC. All Rights Reserved.