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WHEAT & BEAN SPREADING AGAINST CORN SINCE SURPRISING CORN PROSPECTIVE PLANTINGS REPORT

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WE HAVE A VERY GOOD HEDGING DEPARTMENT HEADED BY TED SEIFRIED. WHY NOT TALK TO HIM OR ANY OF OUR OTHER HEDGING BROKERS. NO ONE WILL PRESSURE YOU AND WHAT HAVE YOU GOT TO LOSE? I'VE BEEN A LICENSED FUTURES BROKER FOR OVER 41 YEARS AND TRUST NO ONE MORE THAN TED AND HIS GROUP.

Higher close for soybean meal while lower for Minneapolis, Kansas City and Chicago wheat along with corn, oats, rough rice soybeans and soybean oil. Although Minneapolis has a DOUBLE BOTTOM at 485 (contract lows) in place and like KC along with Chicago have possible bottoming formations in place, the complex's rally since last week has been mainly due to spreading against the corn off of the surprising prospective planting report for the latter. Let's face the facts that wheat has a good half year supply (46%) of stocks on hand with another good size crop seemingly on the way. So how far can wheat really go this year? Of course anything can happen but if you stick with the idea that we will always have a normal crop year until proven otherwise, you will be correct most of the time. Last week Minneapolis had its best high and close since the middle of November with strong looking support just below which could keep it chopping around in a narrow trading range for quite a while anyway. I did see a settlement above 525 for Minneapolis which I consider good but not above 490 for KC and Chicago which could hold back the wheat complex at its present levels. Yes, Minneapolis had a possible W formation before its last retracement rally while KC and Chicago could be forming possible HEAD AND SHOULDERS BOTTOMS and open interest has been declining, all good reasons for the bullish technicians to get giddy. However, the small traders also see this and the large stocks, at least for me, are negative aspects that should negate the bullish indicators in this instance. Also, KC not taking out its last high and Chicago bouncing off a good a resistance area are good arguments for the bears. Oats continue to sell off after its retracement rally petered out in the middle of March. In fact lower highs and lows remain intact since the middle of last December. No grain looks more bearish than rough rice confirmed by a new CONTRACT LOW AND CLOSE last week with its closest resistance around the 1025 area. Corn got slammed making new contract lows on consecutive days last week when the reports came out. At least it did have reversal type action on Friday which probably won't mean much in the scheme of things. Spreading against corn should continue for a while. I WILL SAY THE CORN NUMBERS ARE PROBABLY TOO HIGH SINCE THEY WERE GATHERED A MONTH BEFORE THE REPORT CAME OUT AND FLOODING CONDITIONS IN SOME AREAS SHOULD LOWER THAT PROJECTION. The bean complex got a nice boost from the corn numbers due to spreading mainly against the corn and should settle back into a trading range soon as the corn numbers come down. Still the beans and oil look good technically while the meal is forming a possible bottom and who can accurately forecast the weather anyway. Last week beans and oil had their best closes since last year but I still want to see meal close over 280 since it's the largest part of the crush. BUY SIGNALS FOR MINNEAPOLIS WHEAT, SOYBEANS AND SOYBEAN OIL. SELL SIGNALS FOR CHICAGO WHEAT ALONG WITH ROUGH RICE, OATS, CORN AND SOYBEAN MEAL. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to markethead.com.

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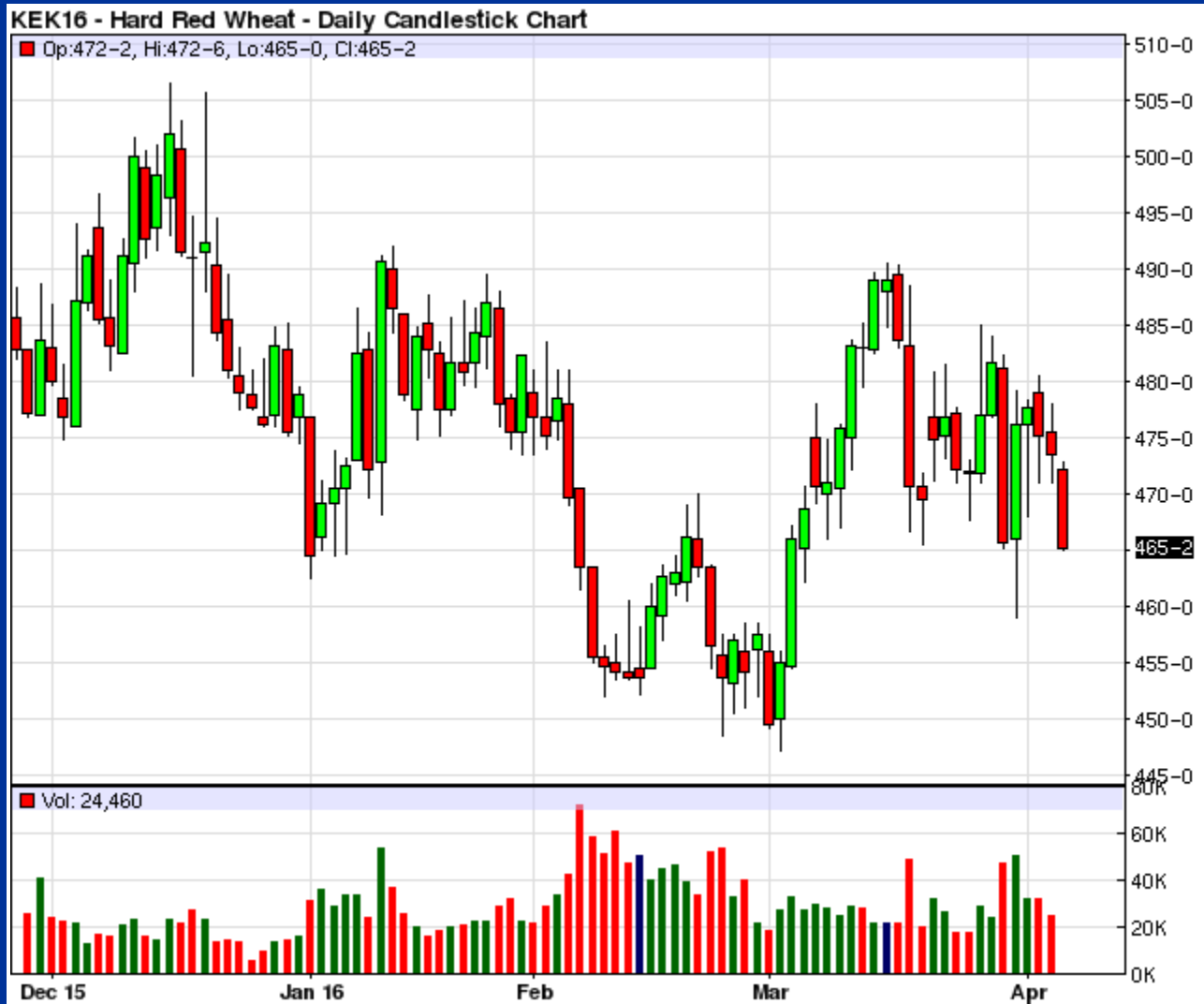
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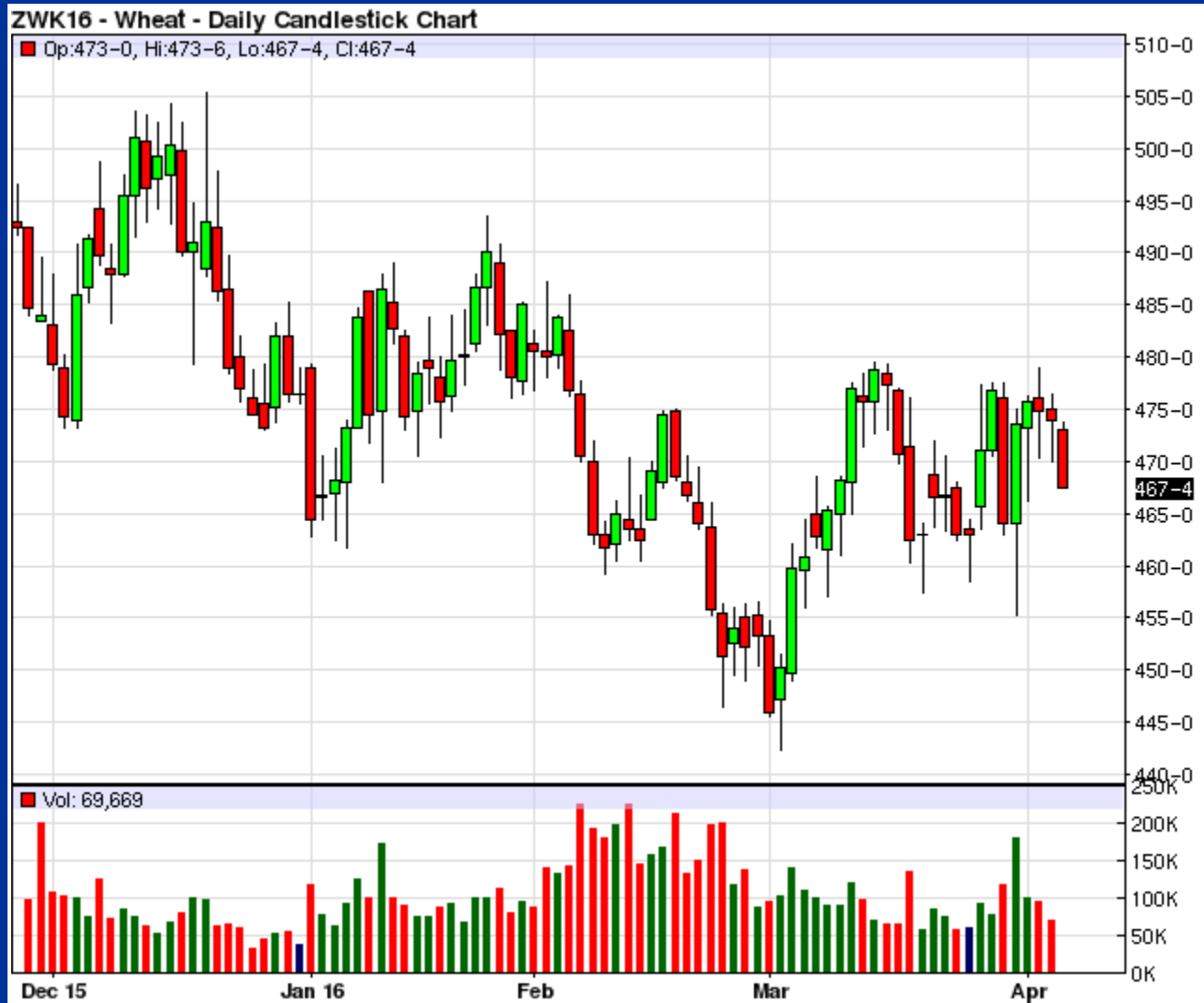
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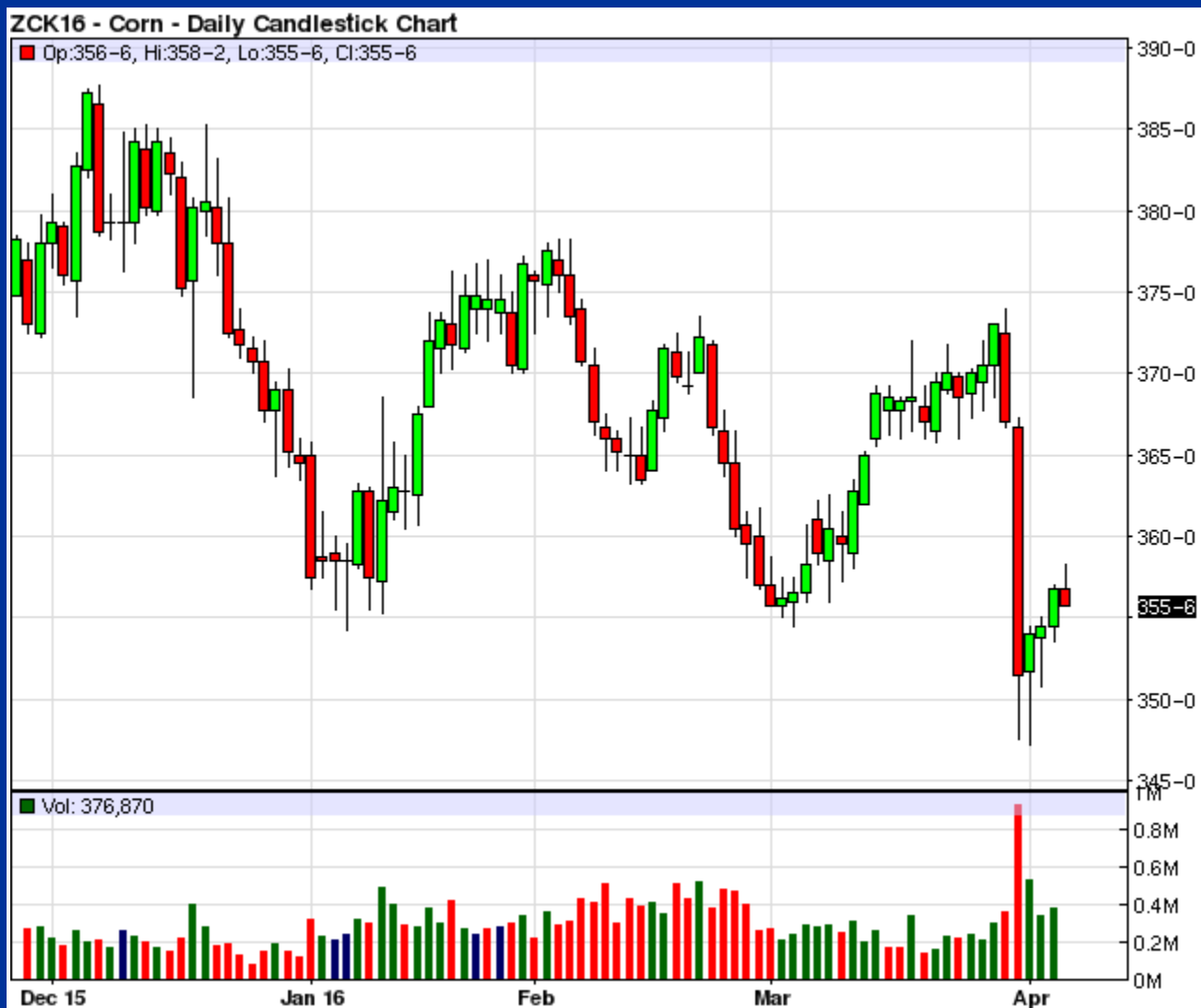
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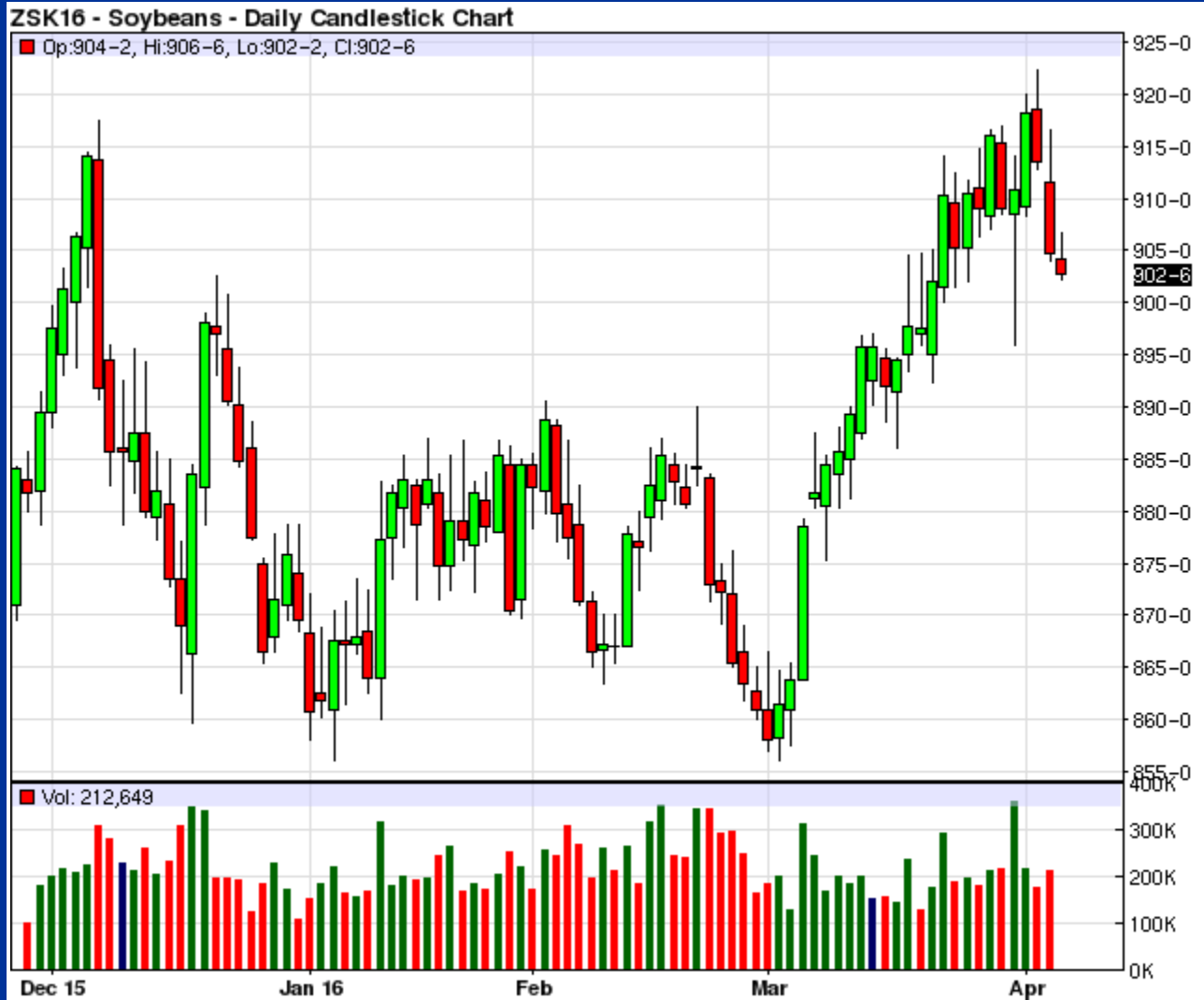
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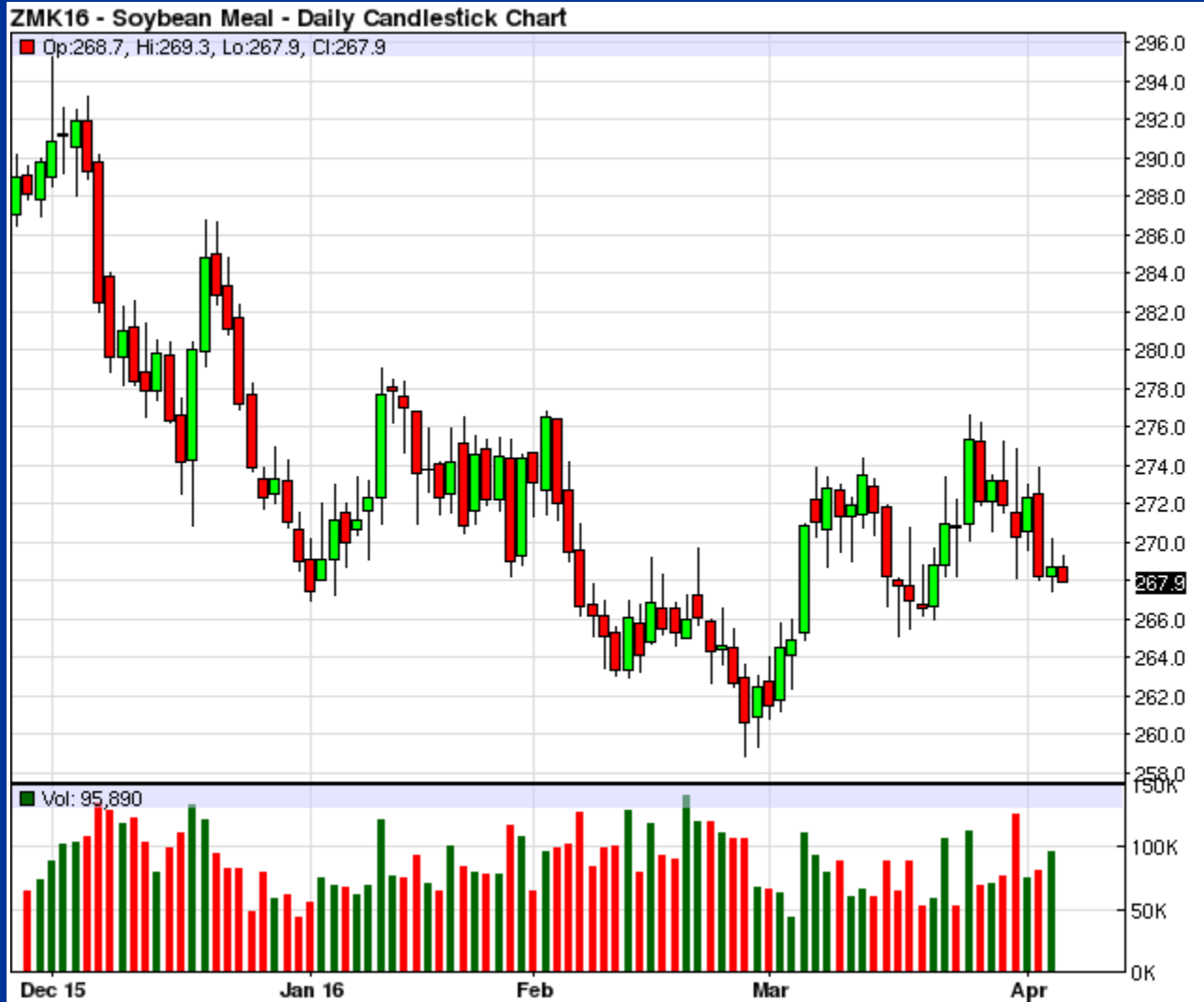
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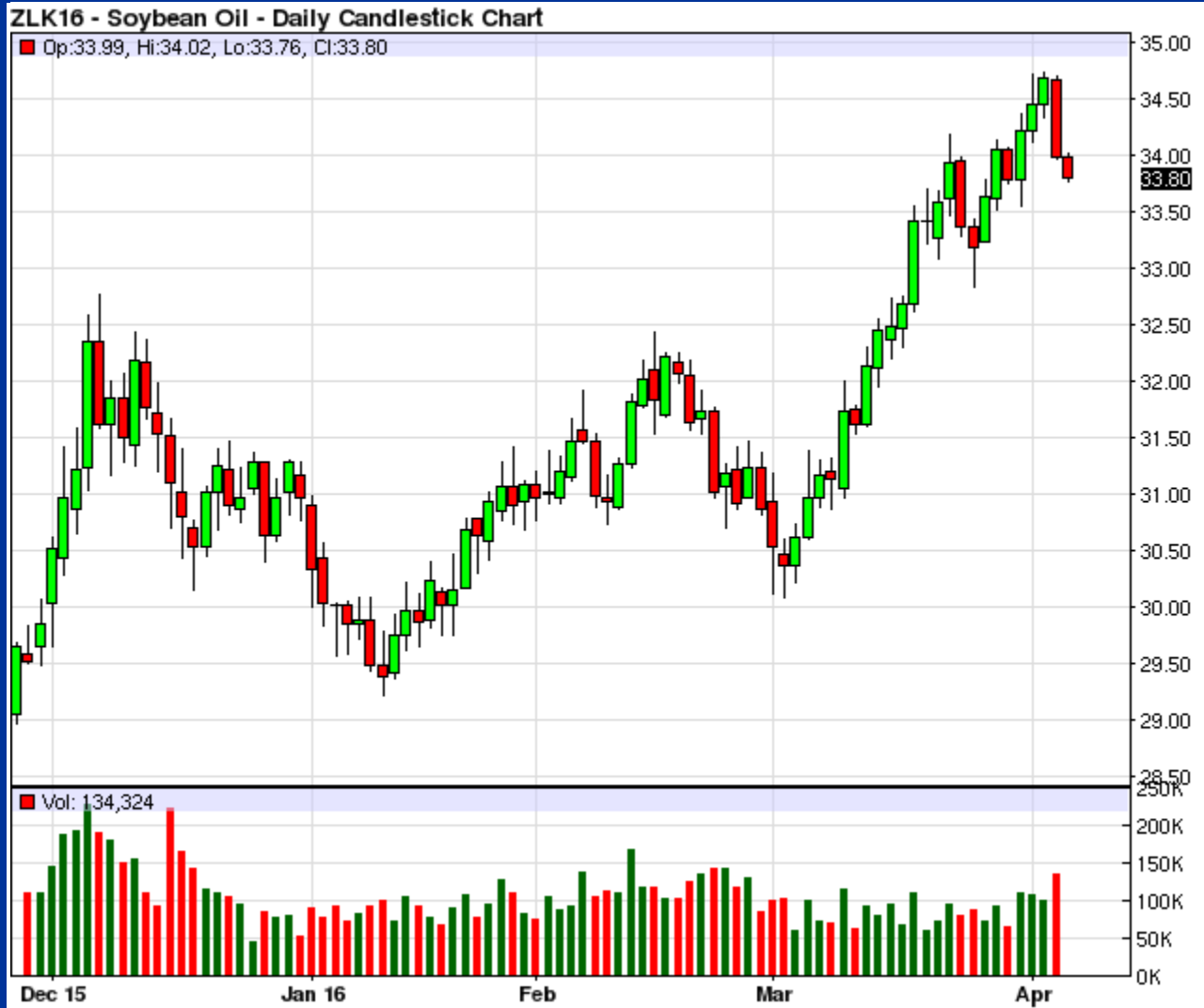
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