



## Rick Alexander

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### **MINNEAPOLIS KANSAS CITY SPREADS EXPLODE.**

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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 rough rice while lower closes for Minneapolis, Kansas City and Chicago wheat along with oats, corn, soybeans, soybean meal and soybean oil. Basically, rough rice, soybeans and soybean meal have rallied since my last Wednesday's report while the rest of the grain complex has fallen. The Minneapolis, KC spreads have exploded with KC falling within shouting distance of its contract low. Looking at the charts below you wouldn't think that they are both part of the wheat complex. Chicago is now back in a strong looking support area while really in sideways action overall this year. Minneapolis keeps looking higher while KC is acting bearish. Three different types of wheat and three different chart formations. You don't see that very often. However, I still don't see any shortage of wheat now or on the horizon and expect that to be reflected in the market place when all is said and done. Also, Minneapolis continues to make higher highs and lows since the beginning of March. Like I mentioned last week, I don't trust the wheat complex and hope to take advantage of any sharp rallies to strategically place puts from time to time. I realized the grade of the wheat stocks isn't that good but the overall world supply remains high. Meanwhile, I still want to see the July Minneapolis wheat contract settle over 580 and KC along with Chicago over 500 again to feel better about any rallies continuing. Oats made their worst low and close in a couple of weeks and, while still in a long term downtrend, are keeping me on the sidelines for now. I want to see a close over 215 to possibly give me a buy signal while they're in their nearest support area at this time. Rice continues to trend higher culminating in their best high and close since the middle of February and now in some resistance. I 'flat out' missed a buy signal and now will stand aside waiting for a close over 1160 to give me a possible buy. They can be sold against that happening though. Corn is now back in its 350 to 400 range which now becomes a strong support area. I find it really tough to take a position in either direction but will hold on to my buy signal from before. Corn had been helped by the beans and meal for a while but not anymore at this time as evidenced by the charts below. The beans and meal had their highest highs since November and August respectively before settling lower in reversal type action with little support nearby. Both have been strong with Argentina's weather problems along with the falling dollar and rising real. Remember, most bull and bear markets are led by the meal due to the crush breakdown and the margins have been gradually improving. Oil has been falling over the last couple of weeks giving me a SELL SIGNAL last Friday. BUY SIGNALS FOR MINNEAPOLIS AND CHICAGO WHEAT, SOYBEANS. SOYBEAN MEAL AND CORN WHILE A SELL SIGNAL FOR SOYBEAN OIL. For additional charts, quotes, news, commentary & more, sign up for a FREE 30 -day trial to [markethead.com](http://markethead.com).

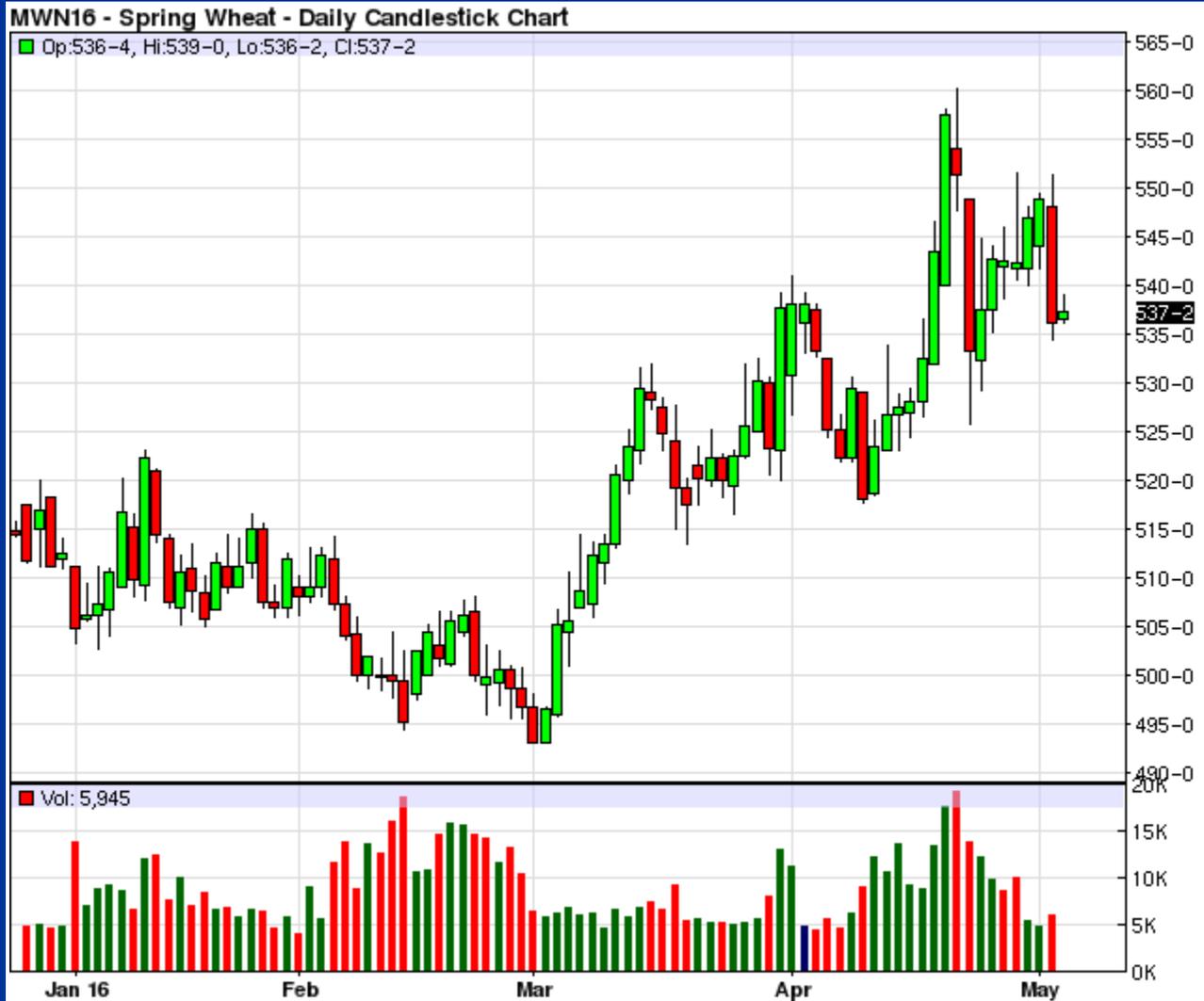
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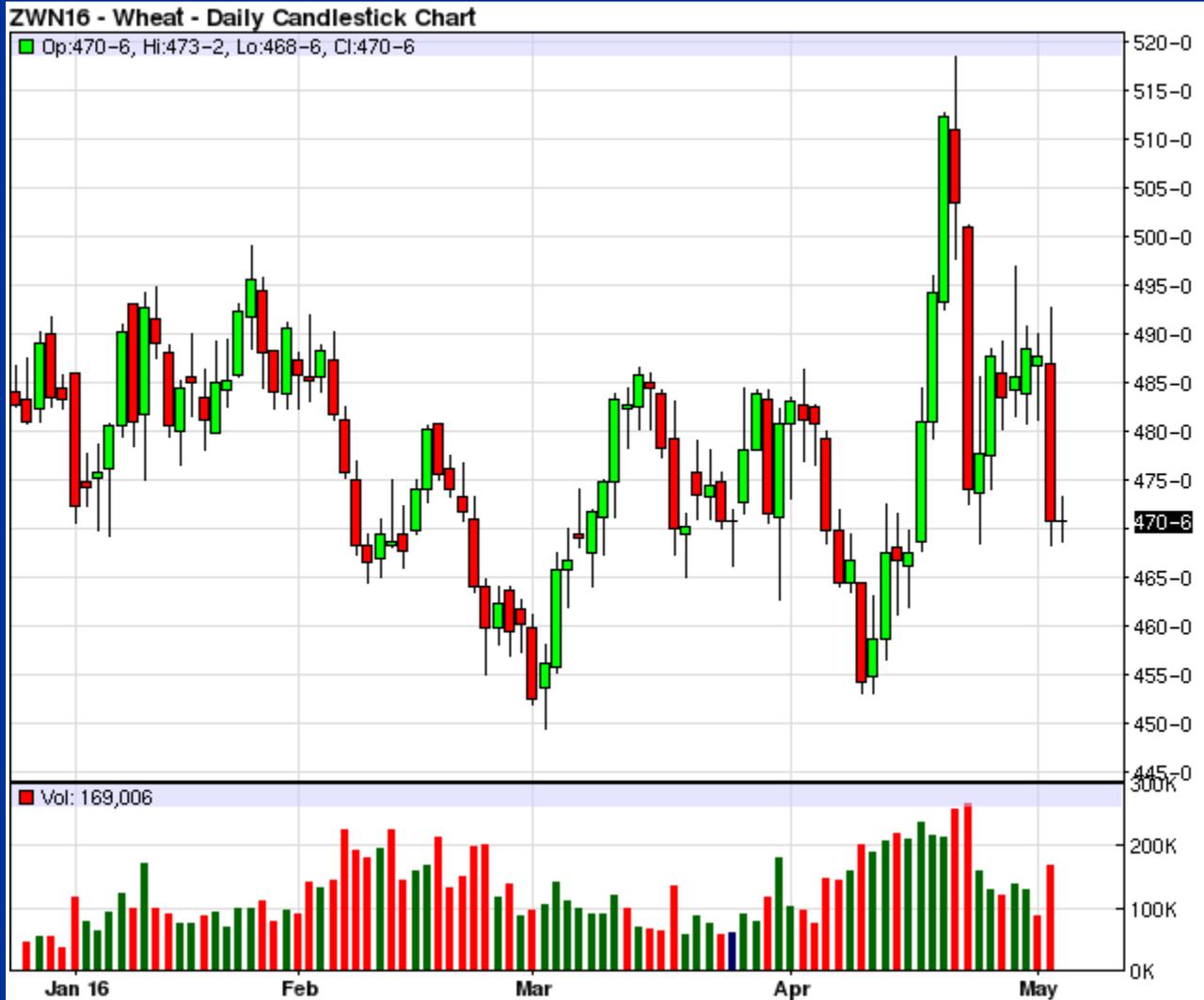
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**ZCN16 - Corn - Daily Candlestick Chart**



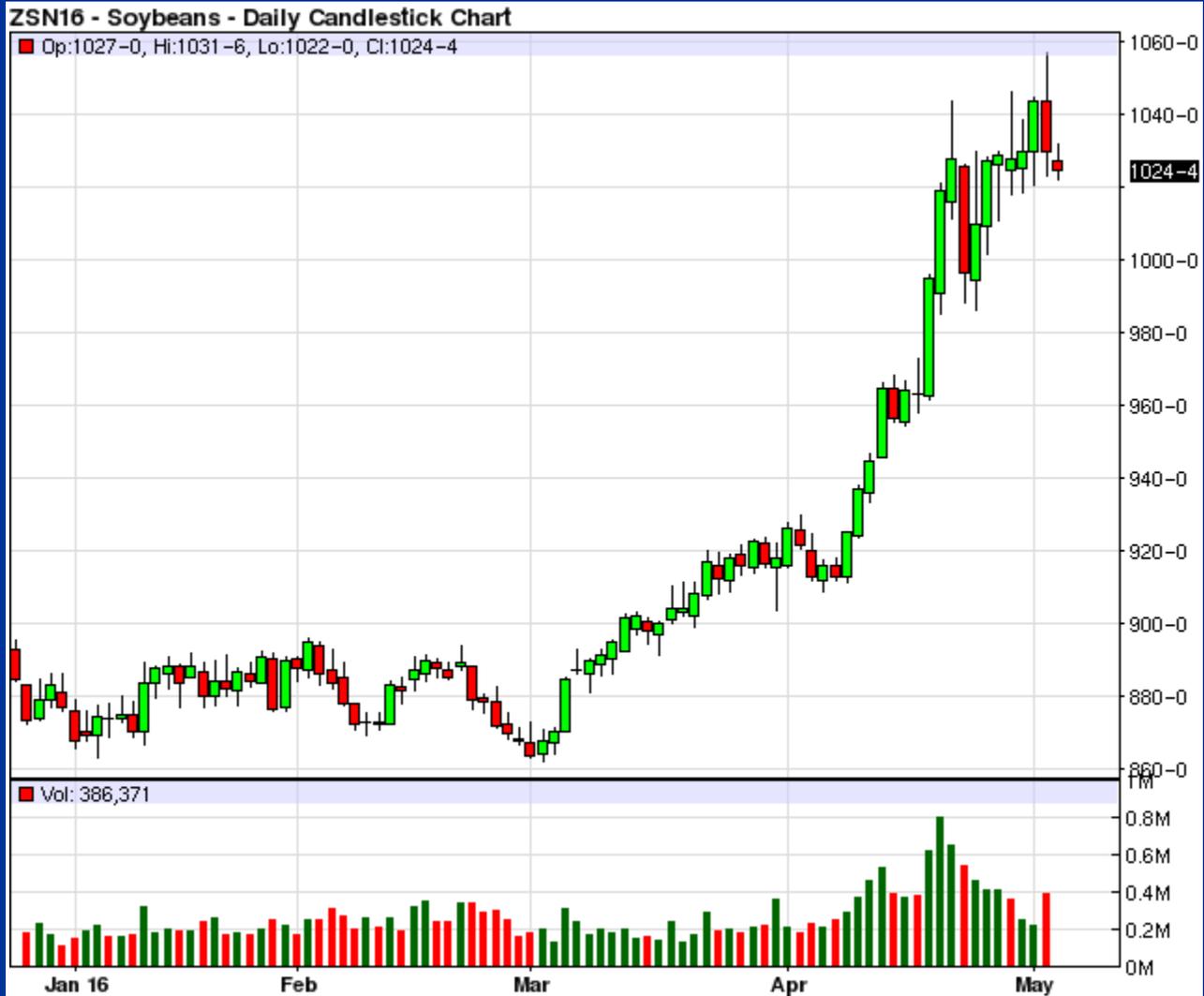
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