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SOYBEAN CRUSH TODAY. LITTLE CHANGE IN DIRECTION FOR THE GRAINS SINCE LAST WEEK

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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 43 YEARS AND TRUST NO ONE MORE THAN TED AND HIS GROUP.

Higher for rough rice and soybean oil while lower closes for Minneapolis, Kansas City and Chicago wheat along with corn, soybeans and soybean meal. We've seen better crop conditions in Argentina, Brazil and South Africa than previously but I still believe that, barring dry growing conditions in the United States, there should still be substantial grain stocks by the end of the year. Now we see that China has sold off some of its corn reserves and is thinking about doing the same with soybeans. On the other side of the corn with the help of favorable dollar rates against many of the other currencies has made the US crops more desirable to purchase by other countries around the world. The Minneapolis/KC wheat spreads have narrowed a little but not enough to change its direction that's been in favor of the former. That's not bad action since the beans have been in a fifty cent trading range over the last three weeks. Minneapolis (July) remains in a possible topping formation needing to hold the 515 and especially the 500 area in my opinion. KC, after being unable to break through decent resistance again has at least been retracing higher overall since its contract low (key reversal) on May 12th. Of course, Tuesday's close isn't helping. Also, the grade of the wheat stocks isn't that good but the overall world supply remains high and should continue to keep a lid on how high the wheat prices will go. I still want to see the July Minneapolis wheat contract settle over 580 and KC along with Chicago over 500 but seems to be more of a long shot as each day passes by. I continue to feel that Chicago needs to hold the 450 area basis the July contract and at least has been making higher lower lows since last March. Finally, wheat exports have been holding up while still lagging behind what they normally export at this time of the year. Also, US winter wheat crop is 63% good/ex compared to 44% last year while US spring wheat is 79% compared to 76% last year. TO SUM UP THE WHEAT COMPLEX, ALL THREE WHEAT HAVE BEEN IN DOWNTRENDS SINCE THE JULY CONTRACT CAME ON THE BOARD AND THAT SCENARIO HASN'T CHANGED OVERALL. While oats overall have been in a downtrend since last December, they continue to hold their lows since the beginning of March while needing to hold 180 area and close above 215 to possibly give me a buy signal. Finally, oats did just have their worst low in almost three weeks but remain in a 185-200 range since May 5th and being in a downtrend since April 2014. Rice looks topy while holding its nearest support area (below 1100) keeping me from giving it a sell signal. Meanwhile, corn continues to look strong rally with little signs of letting up. Now July, like December is trading over the psychological four dollar area and staying above its long term 460-400 trading area. In fact on Monday the July contract made its best high and close since October 2015! So far the US corn crop is 72% good/ex verses 74% last year and 71% average. Last, I FEEL THE KEY FOR CORN IS TO KEEP AN EYE ON THE SOYMEAL MARKET FOR GUIDANCE. The beans led by meal continue to lead the way but the beans have been in a trading range as mentioned earlier. Also, US soybean plantings are 73% compared to 71 last year with a 66 the average. The April consensus bean crush comes out today (EST. 156-157 versus 158 last year). I DON'T KNOW HOW FAR THE BEANS AND MEAL WILL GO BUT I WILL FOLLOW THE MEAL/OIL SPREADS CLOSELY. IF AND WHEN OIL BECOMES STRONGER THAN MEAL, THEN I WOULD LOOK FOR A POSSIBLE DECENT SIZE CORRECTION. Oil, meanwhile, has retraced higher while meal lower since my last report but, as mentioned above, hasn't changed the direction of the meal/oil spreads at this time. BUY SIGNALS FOR

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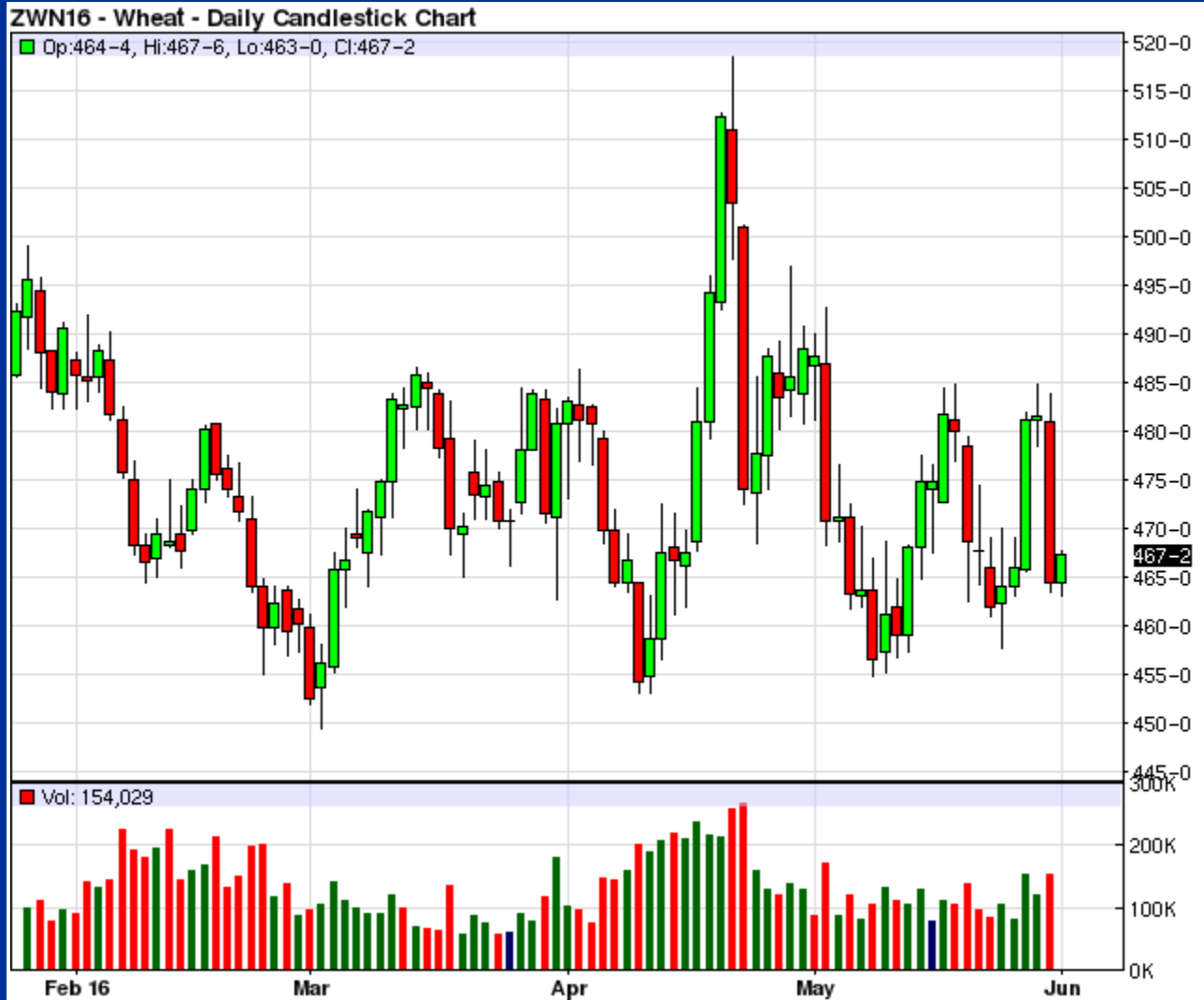
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ZCN16 - Corn - Daily Candlestick Chart



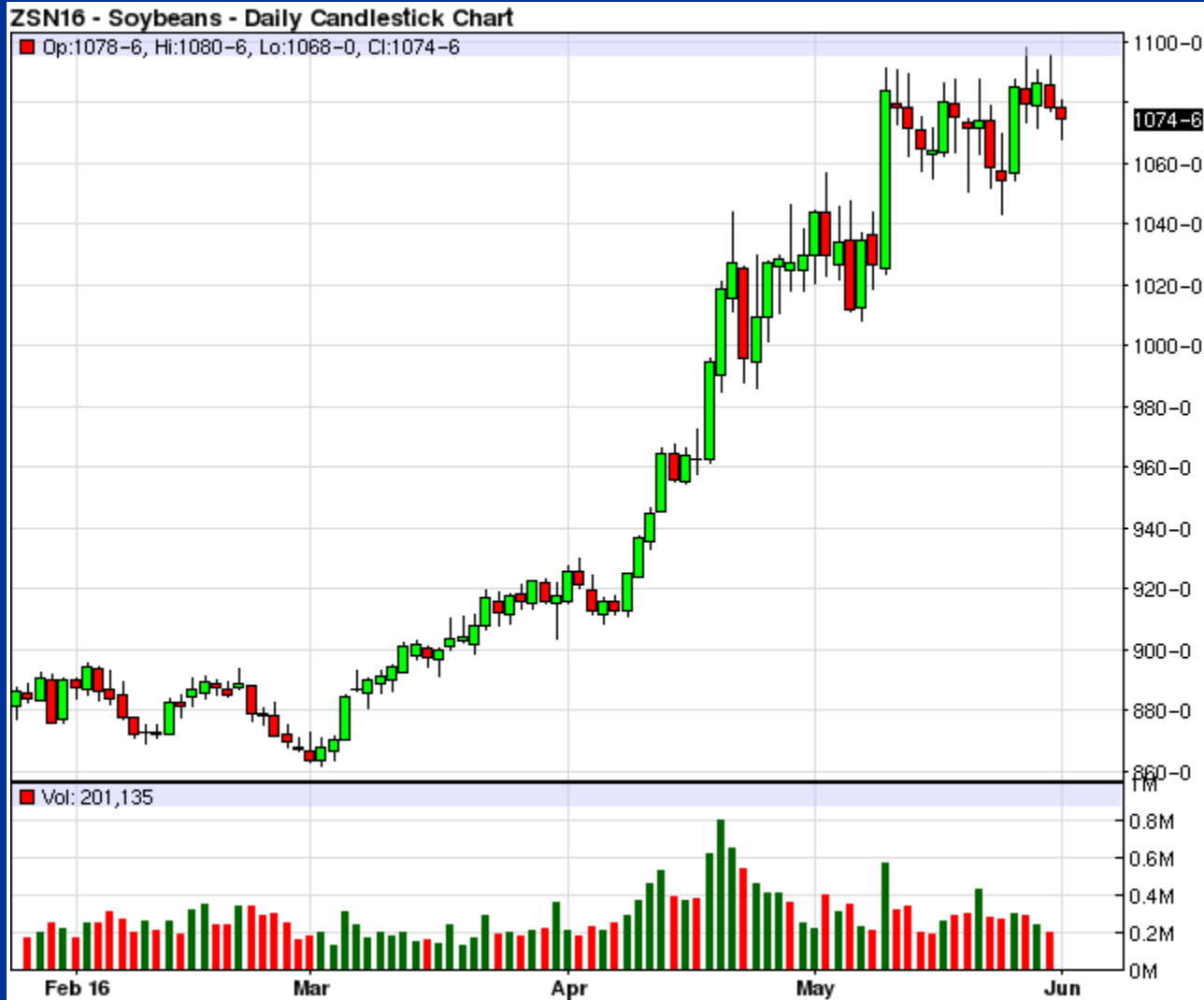
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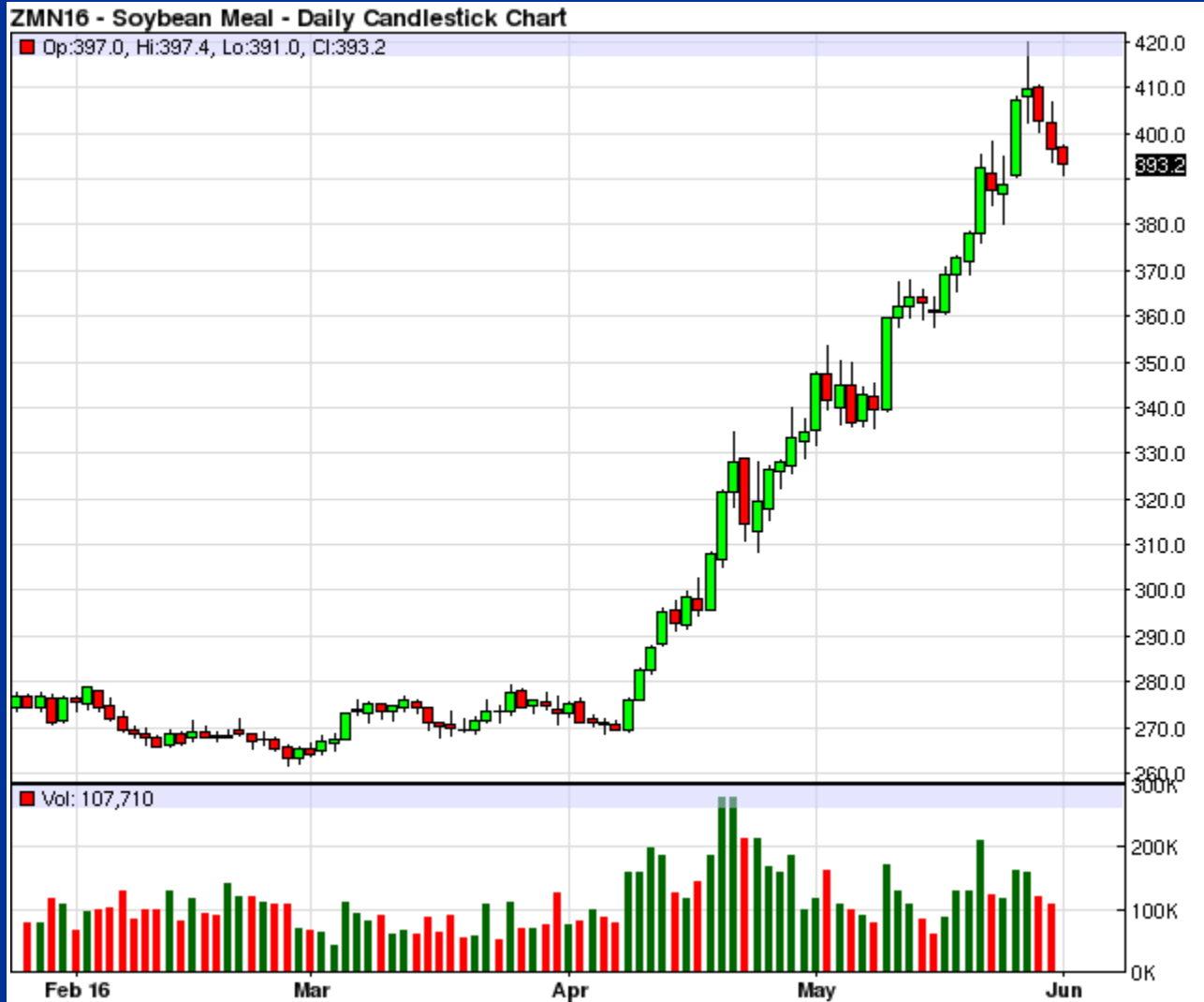
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