

Highlights

- Grains were lower overnight with corn down 4 ½, beans down 7 ½, and wheat down 3 ¾-4 ½. Crude is up .33 and the USD is slightly higher as of 6:30 CDT.
- This weekend holds a good chance of rain for most of the Corn Belt; this will be welcomed in the western areas due to recent dryness but will slow progress on bean planting in the eastern areas.
- This week has seen some extreme volatility with wide trading rangers across the grains; the USDA monthly S&D comes out on Wednesday.

Corn

- Wire services are reporting that China is planning to sell corn out of its strategic reserve as a response to rising domestic prices.
- Moisture is needed in much of the western Corn Belt as there has been little rain since the crop was planted; present forecasts are calling for rain both Saturday and Sunday.
- Exports are falling behind the pace needed to reach the USDA's 1.75 bln bushel estimate.

Early Call- 3-5 lower...recent price run is putting pressure on demand

Soybeans

- Soybean prices have experienced a 60 cent swing in prices in the last two sessions; look for a choppy day of trading heading into the weekend.
- Chinese cancellations from last week finally turned off the flow of beans to the export market; this will need to continue as soybeans have already hit the USDA's estimate for yearly exports with three months remaining in this year's business calendar.
- Palm oil prices were down hard last night closing 49 ringgits lower closing at 2,569.

Early Call- 6-10 lower...prices may have started to ration demand

Wheat

- The wheat market was nearly limit down Wednesday and then sharply higher yesterday; this extreme volatility shows the lack of fundamental inputs in the market.
- Morocco has revived wheat tariffs that have been suspended for over a year as it, along with the rest of North Africa, is expected to have record wheat harvests this year.
- Asia importers have been active as Thailand bought 45k tonnes, the Philippines and Indonesia each bought 25k tonnes and S Korea bought 47k tonnes of wheat in the past two days from the US; Taiwan is tendering for 51.4k tonnes for early next week.

Early Call- 3-5 lower...fund rolls and heavy volume have caused havoc with prices

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	CN	SN	SMN	BON	WN	KWN	MWN
CT HIGH	8.26	16.50	435.50	71.90	11.44 ¾	11.50	12.20
R2	4.54	12.21	413.00	41.05	6.42	7.18	8.00
R1	4.51 ½	12.00	40.00	40.40	6.38 ½	7.00	7.90
CLOSE	4.48 ½	12.30	399.00	40.34	6.35 ¼	6.90	7.61 ¼
E-CBOT	4.44	12.22 ½	396.00	39.81	6.30 ¾	6.85 ½	7.57 ½
S1	4.43	12.09	392.00	39.70	6.25 ¾	6.69	7.33
S2	4.37 ¼	12.00	385.50	39.11	6.14	6.55	7.25
CT LOW	3.09 ½	6.85	203.30	29.23	4.47	4.60	5.58 ½
Est. FF Pos.	125,600	98,800	54,800	8,700	(6,700)	--	--