

CORN: STEADY-EASIER

Nearby corn closed 2 higher yesterday in a narrow choppy trading range. Funds bought 11,000 contracts making them long 128,000. Inspections were good at 1.719 MMT up 143 TMT from the previous week and 313 above the 10 week average. Planting progress was out at 5%. The trade was looking for 7% vs. 14% 5 yr.-average. There is very little concern for delayed planting since the forecast looks pretty open for most of the corn belt. The trade believes we will catch up quickly. Resistance in CK is \$3.82 and then \$3.84. Support is \$3.76 and then \$3.72. Farmer selling has slowed the last several weeks with little or no old crop being sold and just a little new crop. Basis has begun to improve in most areas and when the farmer gets in the field, we still expect to see more seasonal basis improvement. It will take a flat price rally to see another round of farmer selling. Look for another two sided trade today.

As of the break, CK18 is 1 lower.

SOYBEANS: LOWER

Values continue to gravitate lower as path of least resistance is to the downside with little news available to feed the bulls. SK trading in a small trading range of 4 cents and looks to post its 7th lower close over the past 8 sessions. Weekly bean inspections totaled 471k tonnes meeting estimates ranging 300-600k tonnes with cumulative sales running 13% behind last year. We are seeing the SK/N spread widen as CIF basis continues to get softer down another 3 cents yesterday. Look to roll any short May bean positions to July at -12. National soybean planted progress is now 2% complete in line with the 5-year average and should pick up steam this week as weather looks favorable across the belt. China announced soybean imports of 5.66 mmt in March, down from 10.5% from last year. Markets are content chopping around in this range until we get into the summer weather market.

As of the break, SK18 is 1 ½ lower.

WHEAT: LOWER

The market turned lower overnight, with traders seeing conditions steady last week and rains expected the next couple days in Kansas. Weekly export inspections improved for the second consecutive week to 619 TMT, jumping above the pace to reach the USDA estimate, although it's likely too late to attain that level. Japan and Thailand were the top destinations for the week, showing that shipments continue to lean on PNW movement. Midday maps saw slightly improved rain chances early this week for SC KS, and generally better 6-10 chances for OK and TX, which led to a pullback from highs. Crop condition report showed national crop unchanged at 31% g/e, with C. Plains states mostly steady, SRW area up 2-6%, and SD & MT down 7-8% last week. Spring wheat planting was steady at 3% complete, but the snow is melting and will allow for progress soon. Look for wheat to test recent lows, with some further relief possible this week and spring wheat areas drying out.

As of the break, KWK18 is 4 ¼ lower.

CATTLE: STEADY-HIGHER

Cattle futures picked up right where they left off last Friday, firmer, and led by the nearby contracts which attempt to keep pace with higher cash markets. April LC futures trading to a fresh 30+ day high and at an incredible \$17 premium to the June, and apparently firm enough to uncover 10 loads of physical deliveries in Kearney NE last night. In theory, deliveries would be bearish futures, but in practice I'm not sure it's been so certain. This week's cash market feels firmer again thanks to still-tight supplies in the North, packers ramping up chain speed from 605K two weeks ago to 624K last week to something near 630K this week, and boxed beef markets that act like spring has finally sprung. Choice beef up \$3.13 yesterday. Of course June futures are trading at a \$17 discount to April for a reason. Friday's COF data showed inventories on feed >150 days up 39% vs last year at this time by one estimate; >120 days up 23%. Also note yesterday's Cold Storage data showed total beef stocks up 1% vs last month when a 5% drawdown is more common.

Fund Position	Accumulative	Yesterday
Corn	128,389	11,000
Soybeans	153,163	-9,000
Soybean Meal	97,794	-2,000
Soybean Oil	-43,854	-4,000
Chicago Wheat	-51,960	-6,000
KC Wheat	35,301	0



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