



**Position Management:** The table shows how the Model Farm is positioned at this time. Individual recommendations may vary.

|          | 2010 Crop                    | 2011 Crop    | 2012 Crop    |
|----------|------------------------------|--------------|--------------|
| Corn     | 80% sold-20% basis open July | 40% sold HTA | 20% sold HTA |
| Soybeans | 80% sold with basis set      | 40% sold HTA | 12% sold HTA |
| Wheat    | 100% sold with basis set     | 50% sold HTA | none         |

**Next USDA Reports:** Thursday April 21, 2011 Cattle on Feed & Cold Storage , Wednesday May 11, 2011 WASDE & Crop Production

**Prior Price Targets:** The prior price targets have all been exceeded.

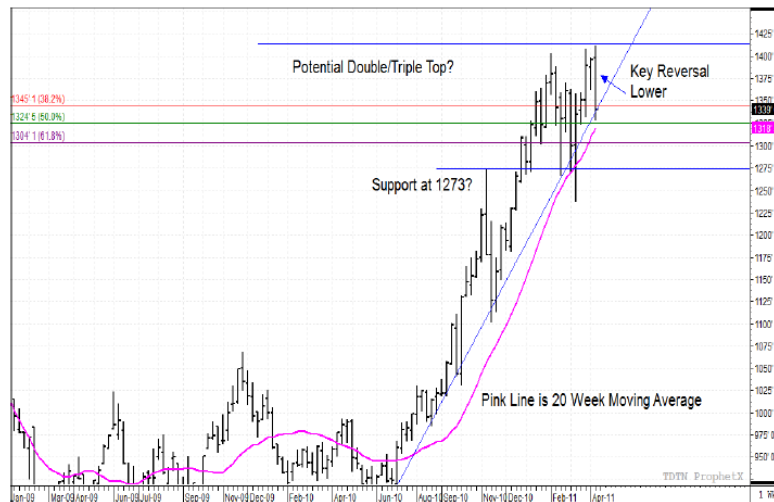
New York bank three month price target of near \$16.00 soybeans. Recent high of \$14.55 was made on Feb 9<sup>th</sup>.

**What to watch:** For July corn HTA's we watching the basis to set it on the 20% that is open. We are targeting the time frame when planting is in full swing to potentially set the basis. Old crop corn is estimated to have unprecedented tight stocks and it is expected that the market needs to work higher , some think \$8.00 to \$8.50 is going to be necessary to slow usage. Soybeans prices are being tempered from South American new soybean stocks being available and the final supply is still somewhat up in the air but it is a good crop. New crop corn & soybeans have set new rally high's in anticipation of continued tightness of the 2011/12 S&D.

**Corn Sales thoughts:** We will use this rally to ad to new crop sales stay tuned. **Dec 11 corn had a prior top at \$6.60 back in 2008, Last night's high was \$6.61. We are watching to see if this can be taken out or if we should use it as a resistance and sales point.**

**Chart Action:** The New Crop November Weekly chart shows a key reversal after last Friday's close. This is a potential change in direction indicator. The Nov Futures reached a high last week of \$14.11 ¼ and closed at \$13.22 some 89 cents lower. This morning's trade closed at \$13.40. We are concerned about potential weakness based off this chart action. **If it weren't for very a strong seasonal trend higher in June we would be pushing hard to get additional new crop sales in place. Those without 40% of the new crop sold should consider getting more coverage in place on any price rally. We are also considering adding another 10% sale on a price rally.**

**November 2011 Soybean Futures (Composite Weekly)**



**Market Talk:** The Trade will be watching the planting progress number on corn today. Last week an estimated 3% of the crop was planted. Almost no fieldwork has been done in the Western Corn Belt, but some progress is being made in the Eastern Corn Belt. Rapid corn planting is taking place in the Eastern Corn Belt in isolated areas, with some reports in Illinois claiming field conditions are the best in many years. Corn planting is expected to begin/resume in central Illinois again today.

European wheat prices were very strong early this morning on concerns of early season drought conditions in Germany and France.

The Argentine Agriculture Ministry reported the country's soybean harvest at 34% complete on Friday, down from 42% on the same date last year; corn harvest came in at 40% done, compared to 46% last season.

Traders expectations are for the South African government to report the country's corn harvest at 10.8 MMT Wednesday, down slightly from the official 10.831 MMT from last month. The trade had estimated the March number at 10.97 MMT, but the government was lower due to drought in some regions.

Iraqi Grains Trading Company reported that the country plans on buying 3.25 million tonnes of wheat in 2011, compared to 1.9 MMT last year, some of that will be used to build up a strategic reserve. Officials had said Iraq would buy 2.8 MMT earlier this year

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**Outside Markets:**

|                                     |          |          |        |                                   |           |           |        |                                     |                        |           |         |
|-------------------------------------|----------|----------|--------|-----------------------------------|-----------|-----------|--------|-------------------------------------|------------------------|-----------|---------|
| <a href="#">U.S. Dollar Index</a>   | 75.635   | +0.607   | +0.81% | <a href="#">Euro FX</a>           | 1.42490   | -0.01670  | -1.16% | <a href="#">Ethanol Futures</a>     | <a href="#">May 11</a> | 2.618p    | -0.021  |
| <a href="#">CRB CCI Index</a>       | 665.70p  | +1.85    | +0.28% | <a href="#">Canadian Dollar</a>   | 1.03530   | -0.00430  | -0.41% | <a href="#">Gasoline RBOB (E)</a>   | <a href="#">May 11</a> | 3.2892p   | +0.0545 |
| <a href="#">Gold</a>                | 1479.2   | -6.1     | -0.41% | <a href="#">Japanese Yen</a>      | 1.20660   | +0.00330  | +0.27% | <a href="#">Diesel Gulf (Ulsd)</a>  | <a href="#">May 11</a> | 3.2926s   | +0.0333 |
| <a href="#">Silver</a>              | 42.566p  | +0.905   | +2.17% | <a href="#">Australian Dollar</a> | 1.04400   | -0.00540  | -0.51% | <a href="#">Heating Oil (E)</a>     | <a href="#">May 11</a> | 3.2242p   | +0.0352 |
| <a href="#">DJIA</a>                | 12303p   | +75      | +0.61% | <a href="#">Chinese Renminbi</a>  | 0.153530s | -0.000100 | -0.07% | <a href="#">Crude Oil Brent (E)</a> | <a href="#">May 11</a> | 122.36s   | 0.00    |
| <a href="#">S&amp;P 500 Index</a>   | 1309.30  | -9.40    | -0.71% | <a href="#">Mexican Peso</a>      | 0.085400s | +0.000400 | +0.47% | <a href="#">Natural Gas (E)</a>     | <a href="#">May 11</a> | 4.204s    | -0.008  |
| <a href="#">Nasdaq 100</a>          | 2296.50  | -13.25   | -0.57% | <a href="#">1-Month Libor</a>     | 99.7950   | -0.0025   | -      | <a href="#">Polypropylene</a>       | <a href="#">May 11</a> | 0.8500s   | 0.0000  |
| <a href="#">Russell 1000 Growth</a> | 604.50p  | +2.90    | +0.48% | <a href="#">T-Bond</a>            | 121-08    | +0-14     | +0.36% | <a href="#">Polyethylene</a>        | <a href="#">May 11</a> | 0.6550p   | 0.0000  |
| <a href="#">MSCI Emi Index</a>      | 1186.50p | +2.20    | +0.19% | <a href="#">3-Month T-Bill</a>    | 99.2700s  | 0.0000    | -      | <a href="#">Rme Biodiesel</a>       | <a href="#">Apr 11</a> | 1504.619p | +5.619  |
| <a href="#">Nikkei 225</a>          | 9490.00  | -110.00  | -1.15% | <a href="#">5-Year T-Note</a>     | 118-2.5   | +0-125    | +0.33% | <a href="#">Coal Futures</a>        | <a href="#">May 11</a> | 75.57p    | +0.84   |
| <a href="#">Brazilian Real</a>      | 0.63340p | +0.00200 | +0.32% | <a href="#">10-Year T-Note</a>    | 120-020   | +0-080    | +0.21% | <a href="#">Uranium</a>             | <a href="#">Apr 11</a> | 58.00s    | -0.50   |

**Weather:** Saturday morning we had a very light snow cover, however much of the South Eastern MN received 3-4" of snow cover. Most of the precip in the Dakotas fell as snow, where accumulations of 5-9" were common. The majority of the precip in the Midwest fell as rain. The next system is already bringing a bit of light precip to the northern Plains and portions of the central Midwest, but the main body of precip will develop in the northern Plains later tonight and continue into tomorrow and then across Midwest tomorrow and continue into Wednesday.

Some light rains fell in sections of the Argentine and Brazilian growing regions over the weekend. Mainly dry weather occur across both the Argentine and most of the Brazilian growing regions through the next week to ten days.

**Central Illinois:**

| mon        | tue         | wed          | thu      | fri       | sat     | sun      | mon     | tue      | wed     |
|------------|-------------|--------------|----------|-----------|---------|----------|---------|----------|---------|
| apr 18     | apr 19      | apr 20       | apr 21   | apr 22    | apr 23  | apr 24   | apr 25  | apr 26   | apr 27  |
| AM Showers | Strong Tsms | Showers/Wind | P Cloudy | T-Showers | Showers | M Cloudy | Cloudy  | P Cloudy | Showers |
| 51° 39°    | 62° 41°     | 51° 35°      | 54° 43°  | 61° 49°   | 59° 42° | 65° 49°  | 70° 51° | 70° 54°  | 65° 52° |

**Central Iowa:**

| mon     | tue     | wed          | thu         | fri     | sat      | sun      | mon     | tue     | wed     |
|---------|---------|--------------|-------------|---------|----------|----------|---------|---------|---------|
| apr 18  | apr 19  | apr 20       | apr 21      | apr 22  | apr 23   | apr 24   | apr 25  | apr 26  | apr 27  |
| Cloudy  | Rain    | M Clidy/Wind | Few Showers | Showers | M Cloudy | M Cloudy | Showers | Showers | Showers |
| 56° 38° | 42° 35° | 57° 36°      | 55° 45°     | 61° 45° | 62° 44°  | 64° 51°  | 72° 57° | 70° 53° | 66° 49° |

**South Central Minnesota:**

| mon        | tue         | wed          | thu      | fri     | sat      | sun      | mon     | tue     | wed     |
|------------|-------------|--------------|----------|---------|----------|----------|---------|---------|---------|
| apr 18     | apr 19      | apr 20       | apr 21   | apr 22  | apr 23   | apr 24   | apr 25  | apr 26  | apr 27  |
| PM Showers | R/S Showers | AM Sww Shwrs | M Cloudy | Showers | P Cloudy | P Cloudy | Showers | Showers | Showers |
| 47° 34°    | 43° 31°     | 42° 30°      | 49° 38°  | 53° 38° | 50° 39°  | 59° 45°  | 57° 48° | 60° 45° | 60° 42° |

**Central Nebraska:**

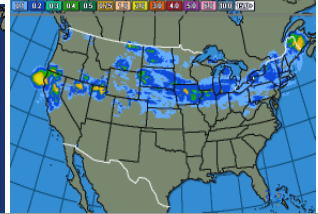
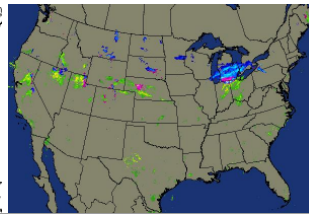
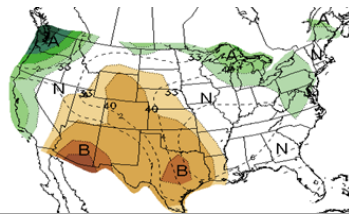
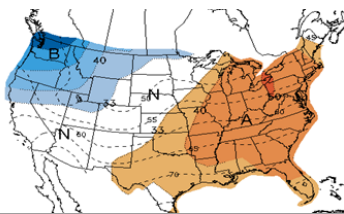
| mon         | tue       | wed          | thu      | fri       | sat       | sun     | mon     | tue      | wed      |
|-------------|-----------|--------------|----------|-----------|-----------|---------|---------|----------|----------|
| apr 18      | apr 19    | apr 20       | apr 21   | apr 22    | apr 23    | apr 24  | apr 25  | apr 26   | apr 27   |
| Few Showers | T-Showers | AM Rain/Wind | M Cloudy | T-Showers | T-Showers | Showers | Cloudy  | P Cloudy | M Cloudy |
| 61° 48°     | 66° 53°   | 58° 39°      | 55° 45°  | 62° 55°   | 62° 47°   | 66° 52° | 69° 51° | 71° 57°  | 67° 57°  |

**8-14 Day Temp**

**8-14 Day Precipitation**

**Current Radar**

**Last 24 hr Precip**

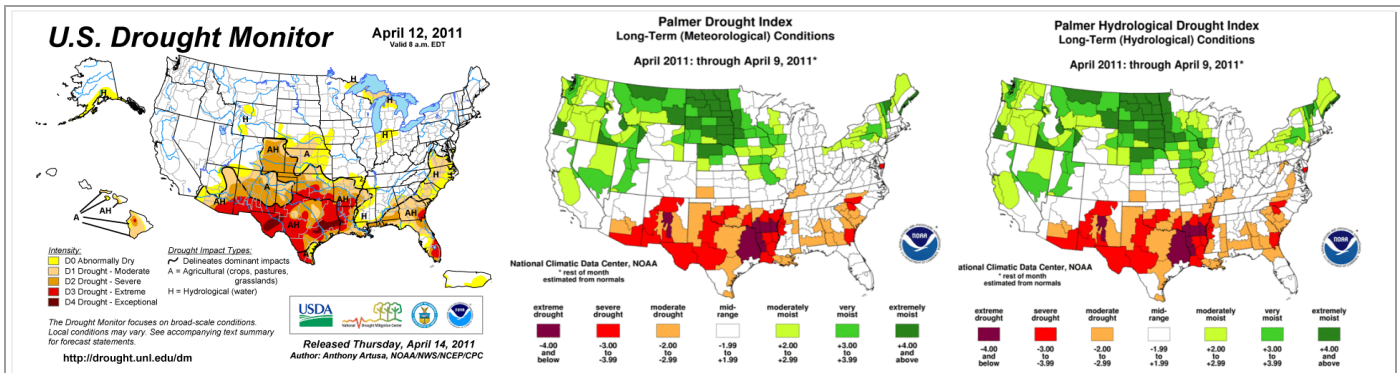


**Official Weather Station -2011**

SW Research and Outreach Center  
University of Minnesota  
Lamberton, MN 56152

|                         | Monday, April 11             | Tuesday, April 12            | Wednesday, April 13          | Thursday, April 14           | Friday, April 15             |
|-------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| <b>Air Temperature</b>  | Max = 52; Min = 39           | Max = 60; Min = 35           | Max = 73; Min = 41           | Max = 73; Min = 41           | Max = 42; Min = 34           |
| <b>Soil Temperature</b> |                              |                              |                              |                              |                              |
| 2 inch                  | Max = 53; Min = 41; Ave = 47 | Max = 59; Min = 40; Ave = 49 | Max = 64; Min = 40; Ave = 52 | Max = 50; Min = 41; Ave = 46 | Max = 43; Min = 39; Ave = 41 |
| 4 inch                  | Max = 51; Min = 42; Ave = 46 | Max = 54; Min = 41; Ave = 47 | Max = 57; Min = 41; Ave = 49 | Max = 51; Min = 42; Ave = 46 | Max = 43; Min = 39; Ave = 41 |
| 8 inch                  | Max = 47; Min = 43; Ave = 45 | Max = 49; Min = 42; Ave = 46 | Max = 52; Min = 42; Ave = 47 | Max = 47; Min = 43; Ave = 45 | Max = 43; Min = 40; Ave = 41 |

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**Corn:** Morning: May 11 corn closed at \$7.39 , down 3 cents, July 11 Corn is at \$7.46 , down 3 ½ cents, Sept 11 Corn is at \$7.00 ¼ , down 1 ¼ cents, Dec 11 Corn closed at \$6.60 ¾ , up 4 ¾ cents.  
Friday's Close: May 11 Corn closed at \$7.42, down 12 ¼ cents, Jul 11 Corn closed at \$7.49 ½ , down 11 ½ cents, Sep 11 Corn closed at \$7.01 ½ , down 5 cents Dec 11 Corn closed at \$6.56, up ½ cent  
Corn ended the day lower on the old crop and was down 26 cents for the week. Old crop finished slightly higher on the day and up 3 cents for the week. Rain has turned to snow in the Northern Plains and as far south as the Kansas border. The system is moving slowly to the east. Delayed planting will be the result. This week's crop progress report showed corn planting on pace with the five year average over all. Although spring rains will delay planting for now the ground moisture will be beneficial for crops down the road. Low corn ending stocks makes weather all the more critical this year even though farmers intend to plant the second most corn acres since 1944. Cash basis levels were firm in the Midwest, rising at ethanol plants in Iowa, Indiana and Blair, NE. Corn basis was mixed at river terminals.

**Soybean Complex:** Morning: May 11 Soybeans closed at \$13.31 ½ , dn ¼ cents, Jul 11 Soybeans closed at \$13.42 ¾ , down ½ cents , Sept 11 Soybeans closed at \$13.43 , up ¾ cents, Nov 11 Soybeans closed at \$13.40 , up ¼ cents,  
Friday's Close: May 11 Soybeans closed at \$13.31 ¾ , up ¾ cent, Jul 11 Soybeans closed at \$13.43 ¼ , up ½ cent, Nov 11 Soybeans closed at \$13.39 ¾ , down 5 ½ cents, May 11 Soybean Meal closed at \$345.20, up \$2.70, May 11 Soybean Oil closed at \$56.84, down \$0.03  
Soybean futures closed slightly higher on the old crop for the day but down 60 cents for the week. Soybean stocks, although at the lowest level since 2003/04, will be ok unless there are weather problems. A shift from wheat acres to soybeans is likely in the Northern Plains if weather conditions don't improve soon. Farmers like to have their wheat planted by May first and yields begin to decline after May 15th. So if the ground does not dry out soon, farmers may switch acres to soybeans. China continues to invest several billion dollars in Brazil soybean production and infrastructure so increased world production could minimize the need for the U.S. to produce. Private exporters announced the sale of 165,000 MT of soybeans to China for 2011/12 delivery this morning however. Soybean basis levels were mixed at river terminals and were firm at Midwest processors and elevators.

**Wheat:** Morning: May 11 CBOT Wheat closed at \$7.56 , up 11 ¾ cents, May 11 MGEX Wheat is at \$9.01 ½ , up 12 ½ cents  
Friday's Close: May 11 CBOT Wheat closed at \$7.44 ¼ , up 3 ¾ cents, May 11 KCBT Wheat closed at \$8.65 ½ , up 1 ½ cents, May 11 MGEX Wheat closed at \$8.89, down ¾ cent  
Wheat futures ended higher on the day the CBOT and KCBT and lower at the MGEX. Wheat prices took a general hit for the week ending down 53 cents at the CBOT, down 67 cents at the KCBT and down 64 cents at the MGEX from last Friday. A slow moving front has turned to snow in the Midwest and Northern Plains depositing snow as far south as the KS/OK border. The front is remaining north of Oklahoma and Texas. World wheat stocks are expected to decline compared to last year with the FSU winter wheat acres down although ending stocks were raised from last month on the USDA WASDE to 14.61 from 13.73. Ideas the FSU export ban will remain in place until mid summer will help keep domestic supplies available. Spring wheat seed is thought to be scarce in the FSU.

**Cattle:** Friday's Close: Apr 11 Cattle closed at \$117.40, down \$1.40, Jun 11 Cattle closed at \$115.30, down \$1.20, Aug 11 Cattle closed at \$117.25, down \$1.10, Apr 11 Feeder Cattle closed at \$132.15, down \$0.95 May 11 Feeder Cattle closed at \$133.30, down \$0.47 Aug 11 Feeder Cattle closed at \$136.52, down \$0.85  
Cattle futures closed lower with most of the downward pressure for the week taking place today. Cash cattle sales for the week were mainly at \$119, \$4 to \$5 lower than last weeks tight supply dominated market. Boxed beef prices were lower and have been declining since early April. Choice beef was down \$1.53 at \$186.43 and Select was down \$0.36 at \$183.97. The USDA is projecting 2011 beef exports will exceed 2010 by 176 million pounds as demand from developing nations remains strong. Year to date exports are already 40% ahead of last year.

**Hogs:** Friday's Close: May 11 Hogs closed at \$102.42, down \$1.70, Jun 11 Hogs closed at \$101.07, down \$1.55 Jul 11 Hogs closed at \$101.12, down \$1.00

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# MORNING COMMENTS

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Monday, April 18, 2011

Lean Hog futures closed sharply lower for the day but up \$1.45 for the week. The CME Lean Hog Index is at \$93.22 for April 13th. The spread between the spot futures contract and the Lean Hog Index is at \$9.20. Cash hogs ended the day slightly higher. IA/MN hogs were up \$0.52, WCB hogs were up \$0.62 and ECB hogs were up \$0.11. Pork trading was very slow. Demand and offerings were light to moderate. Carcass prices continue to hold at higher money trading between \$94.12 and \$96.57 this month reaching the high point today. China and Brazil are working together on a plan to increase pork exports to China. China is the world's leading producer and consumer of pork. Brazil currently has a strong foot hold for pork export business in Hong Kong.

**Cotton:** Friday's Close: May 11 Cotton closed at 195.52, down 52 points, Jul 11 Cotton closed at 177.4, down 60 points Dec 11 Cotton closed at 129.18, down 327 points

Cotton futures closed lower, weighed by ag commodities and a lull in demand. Cotton was lower for the week with old crop 745 points or 3.67% lower. Dry land cotton through south Texas is stressed due to lack of moisture and field preparation is active in West Texas where more rain is needed also. Planting is under way for the central valley of California.

**May 11 Corn Daily Chart**



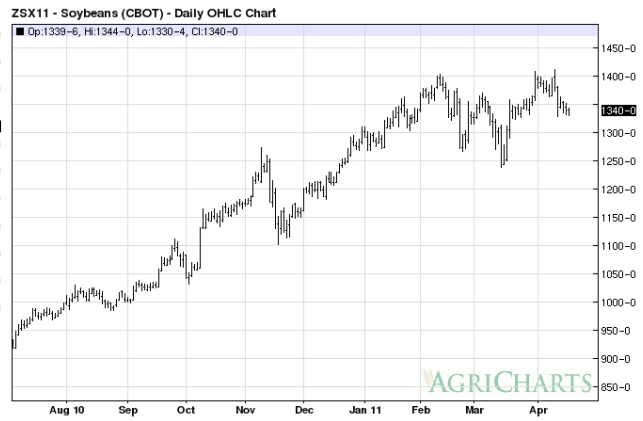
**Dec 11 Corn Daily Chart**



**May 11 Soybean Daily Chart**



**Nov 11 Soybean Daily Chart**



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Monday, April 18, 2011

### May 11 Mpls Spring Wheat Daily Chart

MWK11 - Spring Wheat (MGEX) - Daily OHLC Chart

■ Op:888-6, Hi:910-0, Lo:888-0, Cl:901-4



### Sept 11 Mpls Spring Wheat Daily Chart

MWU11 - Spring Wheat (MGEX) - Daily OHLC Chart

■ Op:899-6, Hi:915-0, Lo:898-0, Cl:914-4



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