

CORN: HIGHER

Quite day in the corn market Tuesday with minimal headlines to direct the market, with this we saw corn trade both sides of unchanged with a tighter range than we've seen here recently. China bought more corn yesterday, but with the recent frequency it has lost its razzle dazzle in the market, but it will be interesting to see how much longer this keeps up. This morning May corn is trading a nickel higher and with this recent push higher is getting back within a dime of the longer-term moving averages (50-, 100-, & 200-day) which we haven't seen since the sell off in late February. New crop is trading just a couple cents higher this morning and is further away from its 100- and 200-day moving averages but about a nickel off it's 50-day MA. Trade estimates remain a big portion of what the trade is talking about ahead of the reports this Friday, stocks have an estimate range of 7.240-7.830 Mil Bu, and planting estimates range from anywhere from 87.677-92.050 Mil acres leaving a wide range for the USDA to land in.
At the break, CK23 was 5 ¼ higher.

SOYBEANS: STEADY- HIGHER

The oilseed complex built on chart strength started back on Friday as corrections from recent highs [oil -20%; meal -12.7%; beans -8.6%] was enough to draw commercial buying and or spec fund new longs as S. American crops remain a trend smaller than expected while demand holds w/good business to China the central focus.

Argentina crop problems are back in focus (part of the rally this week) as Brazil's producers are reluctant sellers with later season dryness coming into play. Argentine street estimates continue to decline. Bean spreads remain bullish, K/N up 1c +23. Meal spreads hold the 200 day mover seen in chart below.

The trade is set up with little bearish surprises expected in Friday's 'stocks' report while the acreage is always unknown. One of the better performing street estimates did put out a 3-4 million acre smaller bean acreage estimate than current pool of estimates and a full 6.5 mil/acre smaller than Ag Forum. If this is what we get on Friday it will be a symphony of demand rationing to be had with much higher values across the oilseed sector. Keep in mind we are trading a 98-99 mt world stocks number vs 102-103 we started with back in November. Spreads continue bullish ; K/N @ 24 ¼ this morning.

At the break, SK23 was 2 ½ higher.

WHEAT: HIGHER

Buying continues in the wheat market, with the Turkey buying leading to gains on Tuesday, and more Russian rhetoric driving prices this morning. Russia is directly, or indirectly, pushing western grain companies out, with Bunge leaving and Cargill paring down business, as trade is complicated with restrictions on banks Russian companies, and there is a move to nationalize facilities. Turkey's TMO purchased 695k MT of milling wheat for May-July shipment at \$291-300/MT C&F, with all coming from Ukrainian sellers, as Russian offers were \$290/MT fob. Our weather source shows winter conditions will continue in the N. Plains into mid-April, with snow on the ground, and additional snow expected, making spring wheat planting very difficult in many areas. The KC spot rail market traded stronger on Monday afternoon, with movement slow, and mills are seeing stocks getting tight for the rest of old crop. Look for May contracts to lead on fund short covering, with the tide turning higher on Russian news and concerns row crop planting will be delayed.

At the break, KWK23 was 12 higher.

CATTLE: STEADY

Quiet session across the cattle markets yesterday - light trade volume, and narrowly mixed finish. While we've yet to see any cash cattle business to this point, expectations remain firm, up \$1-2 vs last week perhaps. Yesterday's online FCE auction started the week \$163 bid vs \$165 offers in TX, vs a \$163 trade there last week. In the boxed beef markets, it's about that time of year for those product markets to begin seeing some seasonal strength that'll normally last until near Memorial Day, and indeed the choice cutout has been firmer this week. Packers did a good job in moving boxes last week and leaves them with a more cleaned-up inventory position this week. Also interesting to see March consumer confidence data released yesterday show much better-than-expected readings despite the recent economic turmoil...helpful for beef spending this spring. The choice cutout currently at \$281 remains record high for this time of year. Only the round and brisket primals are below year-ago levels; everything else, including the important rib and loin primals as well as 50% lean trimmings, are all above year-ago levels.

Fund Position	Accumulative	Yesterday
Corn	-38,896	0
Soybeans	103,954	10,000
Soybean Meal	119,663	8,000
Soybean Oil	-15,231	1,000
Chicago Wheat	-80,013	3,000
KC Wheat	-9,381	0



This material should be construed as market commentary, merely observing economic, political and/or market conditions, and not intended to refer to any particular trading strategy, promotional element or quality of service provided by FCStone, LLC. FCStone, LLC is not responsible for any redistribution of this material by third parties, or any trading decisions taken by persons not intended to view this material. Information contained herein was obtained from sources believed to be reliable, but is not guaranteed as to its accuracy. Contact FCStone designated personnel for specific trading advice to meet your trading preferences. These materials represent the opinions and viewpoints of the author, and do not necessarily reflect the viewpoints and trading strategies employed by FCStone, LLC.