

CORN: MIXED

After corn's moves higher yesterday, we are seeing a bit of a reversal this morning with all contracts through CH23 trading lower. While there has been about a 10-cent trading range overnight, only a small portion of yesterdays gains are being giving back and decreasing as we head into the morning break. From the time I got to the office this morning to the morning break there have been more and more '23 contracts switch form red to green. Yesterday Afternoon we got an update on planting progress and as a whole the U.S. more than doubled percent planted going from 22% last week to 49% this week. Iowa made the most progress increasing 43% from 14% to 57%, followed by Illinois increasing 40%. Export inspections also came out and were very disappointing for corn, down 29.84% from the previous week as it continues to come in under the seasonal pace to meet the USDA Estimate.

At the break, CN22 was 2 lower.

SOYBEANS: HIGHER

Crop planting progress was not a big number nor a surprising one to dampen prices. More than anything we are watching outside markets like crude and related grains like wheat. That said, the Chinese seem deadest on adding stocks. Even with the shutdowns and the drop to negative margins at their hog industries "hog hotels" they are still booking beans for this year and next. While this week we haven't seen new flash sales, it wouldn't be a surprise to see NC purchases on any kind of a setback. Meanwhile, weather does provide some openings across the main belt, but the North continues to see weather that is cooler and wet which doesn't help dry the soils to make progress in two main states, MN and ND where several million acres of land could be lost to prevented planting. The reality of beans is that we have plenty of time for planting yet, but the price ratio might mean lost acreage in those N. states goes to beans as corn is still trying to buy acres. The sub-2.0 value pm the S/C ratio continues. One minor supportive value is the US\$ index that is back below 104, but in the big picture that value is negative long term to price3s. Right now, fear and shortage of surpluses are driving these market regardless of currency conversion. Early in the whole process of a major increase in the \$ index it doesn't have the same effect as it will after a prolonged time at the high value. Nor does the high price affect substitution as much until it has drained the buyers' pockets. The sun oil situation is just frosting on the cake for the palm oil ban that first fueled the oil rally and eliminates some of the choices for substitution and price relief. Look for mixed trade today. Volumes remain pitifully low as we start the week.

Beans: V-114,218/OI-703,383(+3,261) Meal: V-71,196/OI-360,515(-308) Oil: V-62,621/OI-371,838(-287)

At the break, SN22 was 5 higher.

WHEAT: LOWER

Futures continued the rally on Monday, with KC and Chicago closing up the limit in the first two months, which expands limits to \$1.05/bu. Overnight trade started off strong, making new highs for the move and new all-time highs, based on continuous charts, but leveled off and turned lower when Paris wheat opened. KC wheat had good volume overnight, about one-third of Monday's trade, but thin trade and algos/funds driving direction, will keep prices volatile. Weekly export inspections were nothing special, although, we saw a small improvement to 12.8 MB, but still lag the USDA pace. Rail shipments to Mexico of HRW and HRS led destinations, with HRW also loading for Ethiopia, Venezuela and Nigeria. The KC spot market took a hit from the high flat price levels, with mid to upper 11s trading 30-40 cents below values on Friday. Look for a weaker start to the day, with wide ranges overnight, but all three contracts are well off lows, and we should see active movement today. **At the break, KWN22 was 22 ¼ lower.**

CATTLE: STEADY-HIGHER

Cattle futures opened lower before trading back to a mixed finish yesterday, higher in the live cattle, weaker feeders. But all said, I'd call that a not-so-bad effort considering sharp gains in the corn market and another round of losses in the equities. We did see several thousand head of cash cattle trade in IA yesterday at \$142 fob which would be down \$1-2 vs last week's live fob market in that region. I think most in the industry came into the week expecting a steady-lower cash trade this week and that appears valid at this point, and of course LC futures at \$133 in the June are already trading at a big discount which may have contributed to futures strength yesterday. Basis narrows up. Boxed beef markets did print a little higher yesterday and it sounds like we may see a little more strength through the balance of the week, this after last week's comprehensive boxed beef report showed weekly declines across every primal. Spring weather is finally cooperating with nationwide outdoor activities and anecdotally we do finally hear of some retail featuring as well.

Fund Position	Accumulative	Yesterday
Corn	339,891	25,000
Soybeans	160,551	6,000
Soybean Meal	61,541	3,000
Soybean Oil	92,644	1,300
Chicago Wheat	79,913	26,000
KC Wheat	41,948	0



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