



John Stewart AND ASSOCIATES

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Corn

Corn was under pressure all day as funds pared back some of their long as we closed down .0575 at 5.4675 for May futures. Market wasn't looking for Fridays COT to show that managed money bought another 18,723 contracts to be long 379,509 contracts ahead of Wednesdays report. USDA weekly corn inspections came in at 1,695,215MT versus expectations of 1,725,000MT. Of the total 144,881MT went to China out of the Gulf and 130,173MT went to them off the PNW. EU data showed imports on the week were 161,000MT taking year to date total to 11.646MMT, compared to the year ago week's 15.953MMT. Interesting that China has been buying old crop US corn but continues to buy new crop elsewhere as it was reported they bought 10 cargoes of Romanian and Bulgarian corn last week for 21/22. Farmer selling was nil today as basis was mostly steady. Saw more domestic plants out looking for June/July offers along with some trying to package August/FH Sep delivery along with it. Big report Wednesday, we look for some wild price swings. Average estimates for acres are 93.208 for corn vs. 90.819 last year, and average estimates for stocks stand at 7.767Bbu for corn vs. 7.952Bbu last year. AgRural says the second season Brazil south-center Corn crop has reached 98% planted. The group noted the crop is developing well despite much of the planting happening outside the ideal weather window.

Beans

Beans lower on the day after a 20c trading range. SK closed 7 ½ c lower as the SKSN spread weakens to a 7 ¾ c inverse. SK settled on the 50-day moving (1392 ¼) and hasn't traded below since early August. CIF continues to slide and is 5 – 6c below delivery and it looks like this spread is going to even money. Export loadings were 15 mil bu (marketing year low) which puts YTD at 1,986 with a USDA goal of 2,250 with total commitments of 2,231 mil bu. Interesting to see a China boat in the gulf and what appeared to be container business out of the interior and the Atlantic. Brazil premiums continue defensive as rumors abound China cancelled cargoes. Brazil harvest has reached 71% complete with Mato Grosso virtually done. Buying interest seems to be focused on August. Brazil will capture business through September at current values.

Wheat

The wheat complex spent the majority of the session trading lower in sympathy with corn and beans, but unlike corn and beans wheat rallied in the last hour plus of trading with WK 3 ½ higher to close at 6.16 ¾ and KWK is 1 ¼ higher at 5.69 ½. MWK is 3 ¼ cents lower closing at 6.10 ¾. The three markets all traded below the 20, 50 and 100-day moving averages. The US dollar index made another new high for the move. US and EU wheat are at 3-month lows, Australia 7 ½ month lows and Ukrainian wheat lost \$20 mt last week. Given the convoluted structure of Russian pricing is has become apparent that Russian wheat is the cheapest wheat in the world for June, an unexpected circumstance. The story remains mostly cooperative weather and limited export interest. The Suez problem was cleared today so at least shipping in that part of the world can begin putting pieces back together. Weekly US exports of 302,000 mt were below the range of estimates.

CASH BASIS BIDS	Nearby	May
Corn Cif Nola	72+K	66+K
Truck Hennepin	16+K	13+K
Truck St Louis	40+K	35+K
Iowa Interior UP		
Columbus CSX	17+K	26+K
Fort Wayne NS	8+K	15+K
Dlvd Hereford		
Dlvd PNW	123+K	125+K
KC RAIL	25+K	25+K
Nebraska Grp 3	5+K	5+K
Dlvd Decatur	22+K	24+K
Wheat Cif Nola	110+K	90+K
Beans Cif Nola	55+K	66+K
Truck Hennepin	7-K	7+K
Truck St Louis	19+K	31+K
Dlvd Decatur	25+K	30+K
Dlvd Des Moines	0+K	0+K
IL R Barge Frt.	375	355
BNSF Shuttle Frt.	-\$150	-\$200

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