



CURRENT TREND: Mostly Higher **REASON:** Corn/bean planting/condition plagued by heavy rains in the heart of the corn belt

EXPORT INSPECTIONS @ 10 AM, CROP PROGRESS @ 3 PM

MORNING TRIVIA: Monaco and Eritrea joined the United Nations on this day 20 years ago; on what continent is Eritrea located?

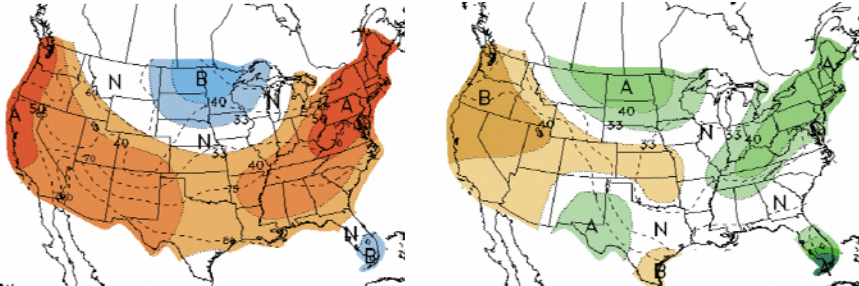
MARKET HEADLINES

- *Quick Editorial:* trade chatter correctly called a strong opening to the week for the grains, with the key new crop contracts leading the way early on some disastrous rain accumulations for Midwest farmers, though things have settled in a bit in the morning hours as OC beans pushed back into the lead. Today's delayed Crop Progress report will be another highly-anticipated one, though enthusiasm has likely waned from that record planting pace, replaced by depression/concern over flooded ground, replants, prevented planting, etc...
- The Taiwan Sugar Corp today issued a tender for 23,000 tonnes of U.S. corn and 12,000 tonnes of U.S. soy, with shipment set for mid-July thru mid-Aug.
- China's CNGOIC reported the country's purchases of U.S. wheat last week at 650k tonnes, with that second large-scale purchase this year taking total buying to 1.5 MMT; some traders estimate Sinograin will buy another 2-3 MMT.
- Argentina's Ag Ministry Friday pegged soybeans at 90% harvested, up from 87% at this point last year, with corn harvest at 65%, compared to 59% LY.
- A state weather forecaster in Ukraine estimated the country's 2013 wheat production at 19.3 million tonnes, up from 15.8 MMT in 2012, with the overall harvest of winter grains at 22.4 MMT, up from 17.1 MMT in 2012.
- Friday's Disaggregated CFTC Report showed the managed money traders dropping over 19k net contracts on the week ending last Tuesday, with the resulting 91,682 net fund long almost exactly matching the 92k number that daily trade estimates had expected. CBOT wheat lost 25,649 net contracts on the week, to stand almost 16k net shorter than expected. Beans, meal, and oil added 17k, 10k, and 2k net on the week ending 5/21. Producers and merchants added 21.5k net corn while CBOT wheat gained over 25k, as beans lost 3.3k, meal lost 14.4k, and oil lost 8.5k in that category on the week.
- *Export Inspections Estimates (mln bu):* **Estimate Range / Last Week**
 Corn: **10-15 / 14.6** Beans: **3-8 / 3.3** Wheat: **20-25 / 21.1**

WEATHER UPDATE:

- Hefty rains fell over the long weekend on an impressive chunk of the heart of the corn belt, with amounts well up past 6" in some areas, but 2-3" for plenty ranging from the Dakotas, eastern NE, most of IA, northern MO, and central/northern IN. It will be more of the same right through the end of the work week in much of the Midwest, before rains finally start to shift out through the ECB over the weekend. However it will only be a 2-3 day dry stretch for most—extended maps keep most of the corn belt (particularly the central/northern parts) in normal to above-normal precip throughout. Temps will stay variable, turning a bit a bit cooler again into the 6-10 day after a warmer week

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



CFTC MANAGED MONEY & RECORD (Since June 2006) POSITIONS:

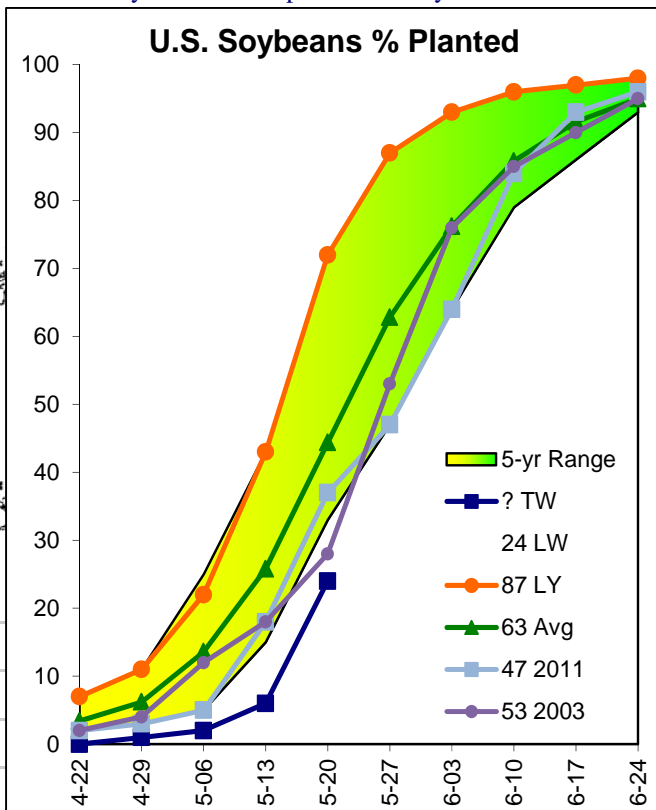
	Corn	Beans	Meal	Oil	Wheat	KC Wht
Daily	-3,000	-7,000	-3,000	-2,000	-2,000	0
Est Net	106,682	106,377	48,735	-13,409	-40,565	9,604
Rec +	409,444	240,937	98,846	83,895	73,662	61,669
Rec -	-33,141	-45,088	-54,855	-56,629	-56,406	-3,855

NIGHT SESSION (to 7:00 AM): Grain Volume: 101,836

Symbol	High	Low	Last	Chg	Vol
CN3	662.25	655.00	657.25	+0.00	9,097
CU3	578.00	570.75	573.00	+6.25	5,439
CZ3	548.75	541.50	543.75	+7.25	22,318
WN3	699.25	694.25	695.50	-2.00	5,661
KWN3	748.00	743.75	745.75	+0.00	377
SN3	1489.50	1472.50	1484.50	+8.25	13,329
SQ3	1415.75	1400.00	1411.75	+9.25	920
SX3	1260.00	1249.50	1257.00	+9.25	10,934
SMN3	433.50	428.40	432.20	+4.00	4,735
BON3	49.64	49.25	49.56	+0.32	5,246
CLN3	95.10	93.23	95.09	+0.94	51,691
DXY	84.07	83.71	83.79	+0.03	10,995

FUNDAMENTAL UPDATE

Today's chart shows national soybean planting progress compared to the last couple years and five-year range, including the slowest years in the last ten—those being 2011 (at 47% planted on this comparable date) and '03 (at 53%). Prior to that, there were plenty of even slower bean planting years in the last 30, including 1996 (at roughly 37% on May 27), 1995 (29%), 1993 (37%), 1991 (44%), 1990 (26%), 1984 (34%), 1983 (28%). Only three of those nine aforementioned years wound up with a final yield above trend.





TRIVIA ANSWER: Africa

CORN COMMENTS

July corn posted a moderate loss Friday and is working on two straight lower highs and lows today; the 660 level (including the 23% retracement at 660 1/2) has held up as resistance before highs near 670. MA support surrounds 650 on down.

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	632.50	669.75	Neutral
Long	610.00	669.75	Negative

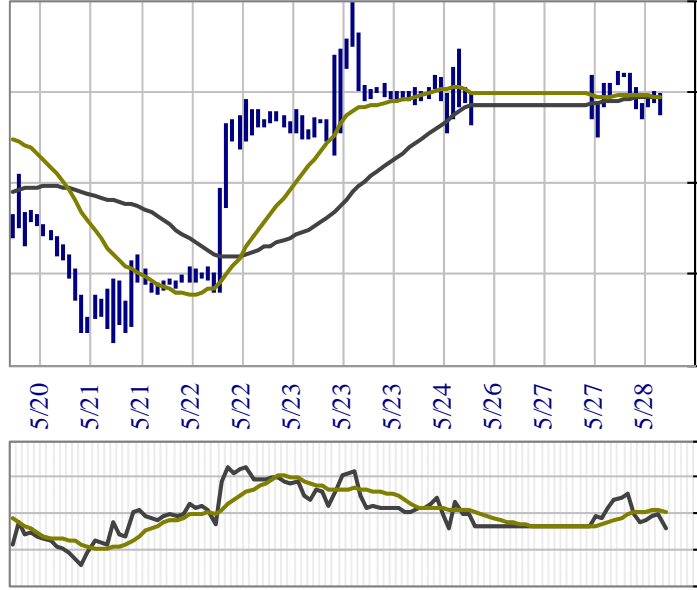
TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	659.46	659.39	Lower
Day Chart	639.32	649.61	Higher

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Decreasing	Normal	Neutral	Neutral

60 MINUTE JULY CORN - eCBOT, w/ MA's & RSI



SOYBEAN COMMENTS

July beans suffered a 23 1/4-cent loss on Friday but has gained back about half that this morning; SN still has yet to close above the \$15 mark since last September. Further resistance stands at retracements at 1514 (contract) and 1527 1/4 (spot).

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	1456.00	1546.75	Positive
Long	1341.00	1546.75	Neutral

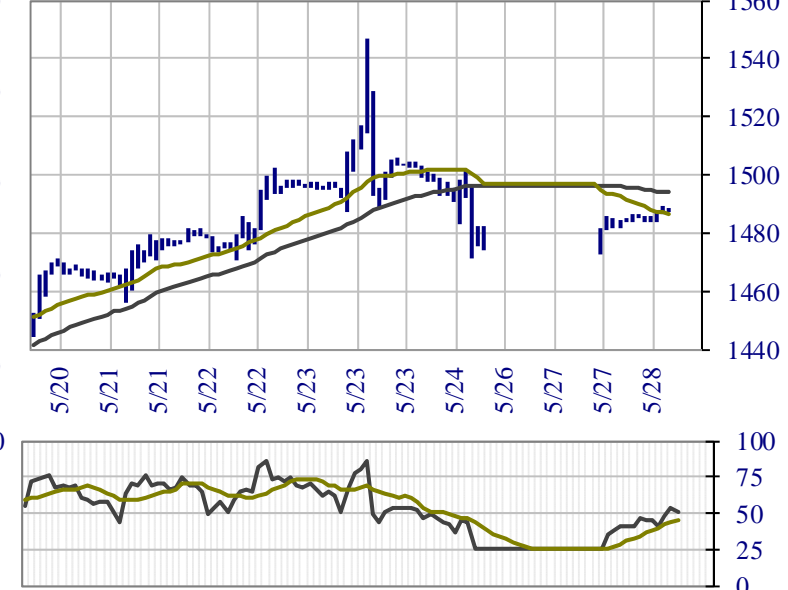
TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	1493.96	1486.29	Lower
Day Chart	1397.26	1425.23	Higher

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Increasing	Heavy	High	Overbought

60 MINUTE JULY BEANS - eCBOT, w/ MA's & RSI



WHEAT COMMENTS

July wheat couldn't sustain life at the \$7 mark late last week, dropping 5 3/4 cents Friday after finding MA resistance there on up. Support is clear at the 675 level from last week's move, followed by recent lows near 665 (contract) and 660 (spot).

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	674.00	709.00	Negative
Long	674.00	736.75	Neutral

TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	699.81	698.54	Lower
Day Chart	703.96	704.18	Higher

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Decreasing	Normal	Low	Neutral

60 MINUTE JULY WHEAT - eCBOT, w/ MA's & RSI



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