



CURRENT TREND: Higher **REASON:** Trade right in the middle of two crucially slow planting weeks; weather not improving

EXPORT INSPECTIONS @ 10 AM, CROP PROGRESS @ 3 PM

MORNING TRIVIA: Which two U.S. states produce over 70% of the country's tobacco?

MARKET HEADLINES

- *Quick Editorial:* the calendar rolling to June has likely had some psychological effect on the trade to open the week; that's not necessarily a problem for bean planting, except for the sizeable portion of the crop (plus millions of corn acres) that won't be planted into soaked ground by *next* Monday. Moreover, the crops that *are* in the ground are miles behind last year's development.
- A Reuters poll of 11 grain market analysts showed Black Sea wheat exports seen up 31% in 2013/14, to 32 MMT; the combined wheat crop is seen up 43% to 90 MMT. Ukraine's Ag Ministry reported cumulative (July 1-June 1) 2012/13 grain exports at 21.86 MMT, up 9% from the previous year's pace, with wheat exports at 6.7 MMT so far, compared to 4.84 MMT a year ago. Cumulative corn exports of 12.73 MMT are up from 12.56 MMT in the first 11 months of '11/12. Ukraine's May grain exports totaled 956k tonnes, including 156k tonnes of wheat and 729k tonnes of corn.
- Friday afternoon's Disaggregated CFTC Report showed managed money traders adding a few more net longs than the trade had anticipated, with corn gaining over 38k net on the week for a 130k net long overall as of last Tuesday; beans rose a net 17k on the week, with meal, oil, and Chicago wheat up 5 -8.5k net as of 5/28. Meanwhile, producers and merchants took the other side with corn down 24k there, and the soy complex and wheat down 1-9k net.
- *'12/13 Export Sales (000 tonnes):* **This Week / Estimates / Last Week**
 Corn: **85.7** / 0-200 / 104.5
 Wheat: **35.9** / 0-200 / 239.0
 Oil: **2.9** / 5-10 / 9.6
- *'13/14 Export Sales (000 tonnes):* **This Week / Estimates / Last Week**
 Corn: **789.6** / 600-800 / 341.6
 Wheat: **728.3** / 250-450 / 713.6
 Oil: **0.0** / 0-0 / 0.0
- *Export Inspections Estimates (mln bu):* **Estimate Range / Last Week**
 Corn: **10-15** / 12.4
 Beans: **3-5** / 3.4
 Wheat: **20-25** / 21.2

NIGHT SESSION (to 7:00 AM): Grain Volume: 96,569

Symbol	High	Low	Last	Chg	Vol
CN3	668.75	660.75	667.75	+5.75	5,265
CU3	603.00	595.25	603.00	+5.75	2,650
CZ3	572.50	564.00	572.50	+5.25	12,336
WN3	714.50	706.50	713.50	+8.00	7,188
KWN3	757.00	751.25	756.00	+5.00	666
SN3	1538.75	1509.00	1536.00	+26.00	16,761
SQ3	1464.75	1435.50	1462.00	+24.25	1,385
SX3	1331.25	1300.50	1326.50	+22.25	15,696
SMN3	457.70	447.20	457.20	+10.00	3,794
BON3	48.72	48.25	48.56	+0.18	7,320
CLN3	93.19	91.26	92.74	+0.77	40,818
DXY	83.39	83.03	83.23	-0.18	7,373

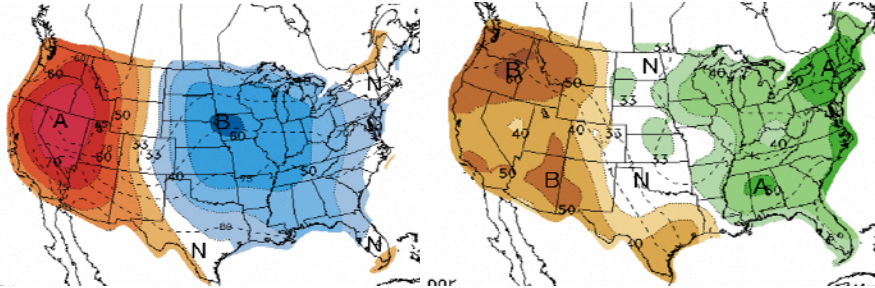
FUNDAMENTAL UPDATE

Old-crop soybean export sales suffered their third weekly net loss in the last six weeks, with new crop sales averaging over 26 million bushels per week over that span. Sales now stand just 16 mbu ahead of last year's pace, at 1344 mbu, though that's still just 6 mbu from the USDA's annual estimate (1350 mbu). We did ship another 4.1 mbu of beans last week, taking cumulative shipments to 1277 mbu; weekly shipments actually need to increase a bit, to 5.2 mbu per week through August, to meet that 1350 mbu USDA figure.

WEATHER UPDATE:

- The rain systems remain stacked up for the northern Plains and especially Midwest in the next week-plus, moving in from the northwest tonight and into the heart of the corn belt for Tues-Wed, with another one close behind on Sat-Sun. Forecasts that maybe look a bit drier (?) if for no other reason than by default, with something near normal precipitation chances possible towards the end of the 6-10 day period and into the 11-15. Temperatures also look a bit warmer after the 6-10 day span, for most U.S. growing areas.

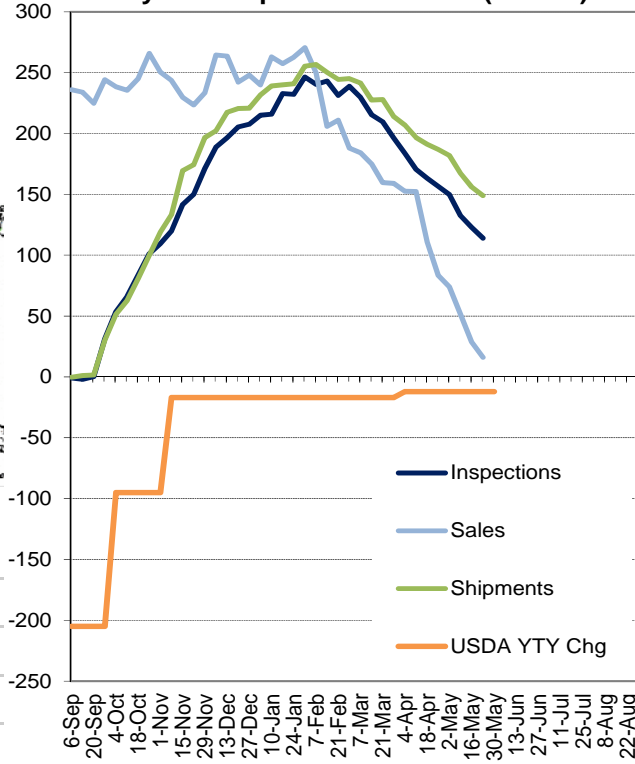
NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



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

	Corn	Beans	Meal	Oil	Wheat	KC Wht
Daily	9,000	7,000	2,000	-2,000	3,000	0
Est Net	136,952	124,721	61,229	-16,270	-34,329	10,212
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

Soybean Export Paces vs LY (mln bu)





TRIVIA ANSWER: North Carolina and Kentucky

CORN COMMENTS

July corn added 7 3/4 cents on Friday but within another lower high and low; however CN rallied overnight with a strong jump off the 660 area. If it does get through resistance at the 670 level, resistance is next up at 673 3/4 (100-day MA).

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	649.50	669.50	Neutral
Long	610.00	669.75	Negative

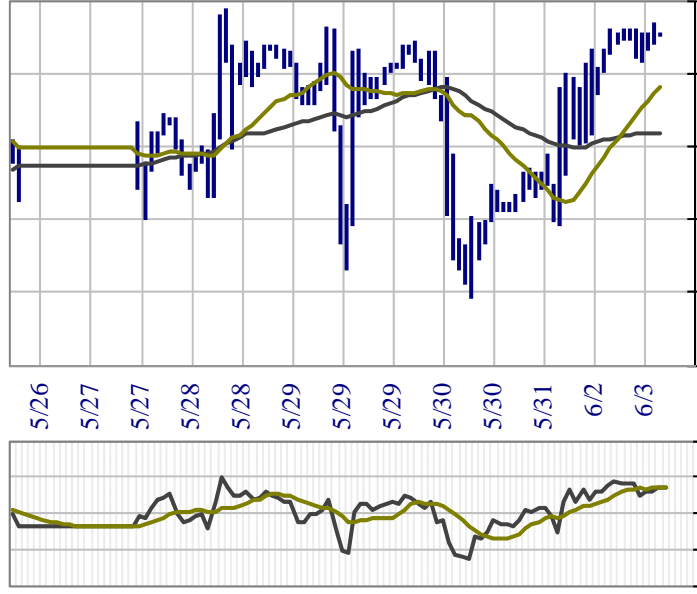
TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	660.95	664.09	Higher
Day Chart	643.43	651.51	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 have broken out of a bit of a consolidating trend Friday and overnight, well above the \$15 mark and retracements at 1514 & 1527 1/4. Highs stand at 1546 3/4 with 1550 for resistance as well; next up past that at \$16 and 1605 3/4.

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	1472.50	1538.75	Positive
Long	1341.00	1546.75	Positive

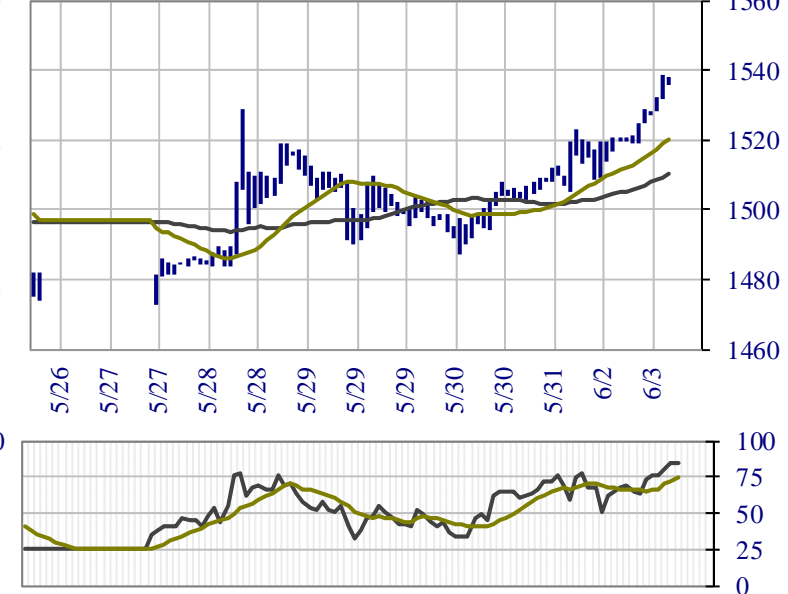
TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	1510.32	1520.26	Higher
Day Chart	1413.24	1452.01	Higher

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Decreasing	Normal	High	Very Overbought

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



WHEAT COMMENTS

July wheat made a strong move through \$7 and MA resistance up to 705 Friday, bouncing off that area overnight for a new nearly three-week high; resistance is next up near 720 (23% retracement), followed by 725-726 3/4 (100-day MA).

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	687.50	713.25	Neutral
Long	674.00	736.75	Neutral

TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	701.05	705.76	Higher
Day Chart	704.84	699.99	Lower

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Decreasing	Normal	Neutral	Overbought

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



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.