



CURRENT TREND: Lower **REASON:** Trade looking for weekly corn planting progress record—at minimum—this afternoon

EXPORT INSPECTIONS @ 10 AM, CROP PROGRESS @ 3 PM

MORNING TRIVIA: The designer of this iconic character (first appearing in 1980) was inspired by the shape of a pizza with one slice removed...

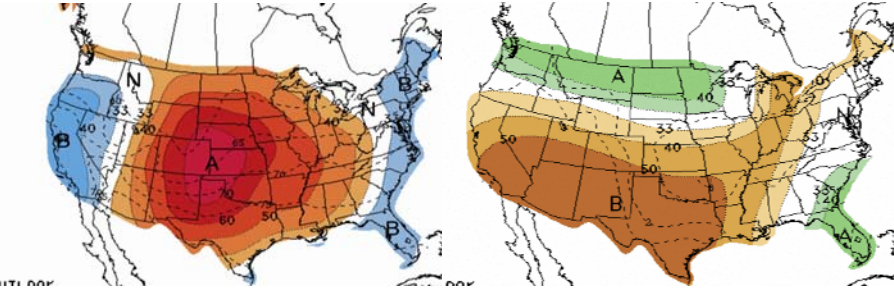
MARKET HEADLINES

- *Quick Editorial:* spot corn and beans are holding on to narrow gains this morning, but last week's planting progress is weighing on the bulk of the grain complex today; a new record U.S. corn planting week should be easily achievable (taking overall planting into the low 60's by last night), but arm-chair estimates for a 70-75% figure look a bit aggressive at this point. Either way, it will be the new-most-anticipated-Crop Progress report ever!
- Ukraine's government said they're likely to export 2.97 MMT of grain in May and June combined; they have exported 21.5 MMT so far (since July 1).
- Russia's IKAR raised their 2013 wheat forecast by 2.5% today, from 52.5 to 53.8 MMT, due to satisfactory growing conditions at this point; the entire grain crop estimate was upped by 2% to 92.0 MMT (vs 71 MMT last year).
- Private analysts Informa on Friday estimated 2013 U.S. corn acreage at 96.8 million acres, down 455k acres from the USDA's March Planting Intentions number; soybeans were pegged at 78.3 mln ac, up 1.2 mln from the USDA.
- Friday's USDA Cattle on Feed Report showed all cattle on feed as of May 1 at 96.6% of last year, just above the average trade guess of 96.3%; April placements also beat (112.1%) estimates at 115.1% of LY. April cattle marketings of 102.2% of LY fell short of the average 102.9% trade guess.
- Friday afternoon's Disaggregated CFTC Report showed managed money traders adding net long positions in corn (+14.6k), beans (+10.8k), meal (+7.9k), and oil (+8.7k) on the week ending last Tuesday, all a bit longer than where daily trade estimates had those respective numbers pegged; those funds dropped 8.6k net Chicago wheat to wind up shorter than estimates. Producers and merchants also added over 9k net corn and 3.8k net wheat, while cutting 7.7k net beans, 13.4k net meal, and 16.1k net oil on the week ending 5/14.
- *Export Inspections Estimates (mln bu):* **Estimate Range / Last Week**
 Corn: **7-12 / 12.7** Beans: **5-10 / 3.4** Wheat: **20-25 / 24.0**

WEATHER UPDATE:

- The central and western corn belt saw some ugly weather overnight and a wide swath of additional inch-plus rains, leaving an extremely wide chunk of the NW half of the corn belt with 1-3" accumulations (or more, for the unlucky areas) over the last 4-5 days. Rains will be lingering in the eastern and northern corn belt through mid-week, though most should see a couple dry days at least before the next system settles in to northern areas over the holiday weekend. 6-10 day forecasts are a bit drier this morning thanks to that weekend event moving through, though the usual rains are seen returning in the 11-15 day stretch. Overall, variable rains and temps will continue.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



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

	Corn	Beans	Meal	Oil	Wheat	KC Wht
Daily	6,000	7,000	4,000	-1,000	-2,000	0
Est Net	105,085	101,211	45,157	-19,179	-30,916	15,524
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

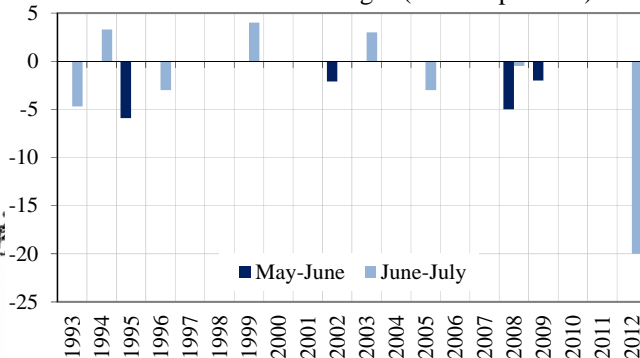
NIGHT SESSION (to 7:00 AM): Grain Volume: 80,454

Symbol	High	Low	Last	Chg	Vol
CN3	660.00	650.25	656.50	+3.75	11,062
CU3	561.00	551.75	555.25	-0.75	3,915
CZ3	523.00	514.00	517.75	-1.75	14,497
WN3	688.50	681.00	682.50	-0.75	5,194
KWN3	741.00	735.25	735.75	-1.50	708
SN3	1454.75	1445.00	1450.50	+2.00	14,743
SQ3	1384.25	1376.50	1378.75	+0.25	1,261
SX3	1229.00	1220.25	1220.75	-7.50	6,269
SMN3	428.70	424.70	427.40	+2.30	4,749
BON3	49.76	49.38	49.41	-0.11	5,312
CLM3	96.26	95.33	95.47	-0.55	11,538
DXY	84.40	84.04	84.14	-0.25	11,276

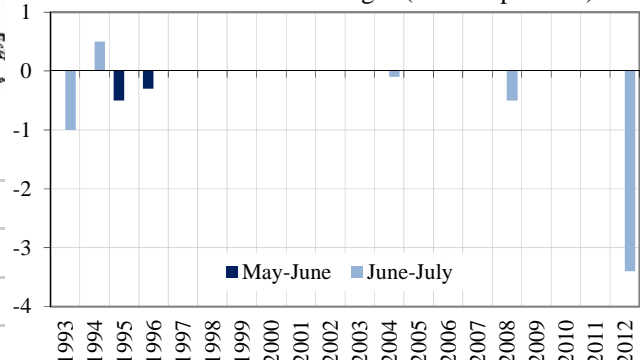
FUNDAMENTAL UPDATE

Today's charts are some of the most sparsely populated you'll see here, but such is the case with USDA June and July S&D Report corn and bean yield changes; the government is generally unwilling to mess with yields until later in the summer, after establishing the new crop S&D's in May. Last year's July yield cuts obviously skew the charts a bit. The USDA has changed corn yields just four times in June in the last 20 years, all cuts ranging from 2-6 bpa, with bean yields only down twice (half a bpa at most) over that span.

USDA Corn Yield Changes (bushels per acre)



USDA Bean Yield Changes (bushels per acre)





TRIVIA ANSWER: Pac-Man

CORN COMMENTS

July corn closed the week with a bullish outside session and 11 1/4 cent gain, finding resistance right at the 50-day moving average at 656; further resistance emerged overnight at 660 1/2 (23% retracement) and 669-670, with the report gap at 676.

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	638.25	660.00	Neutral
Long	610.00	669.00	Negative

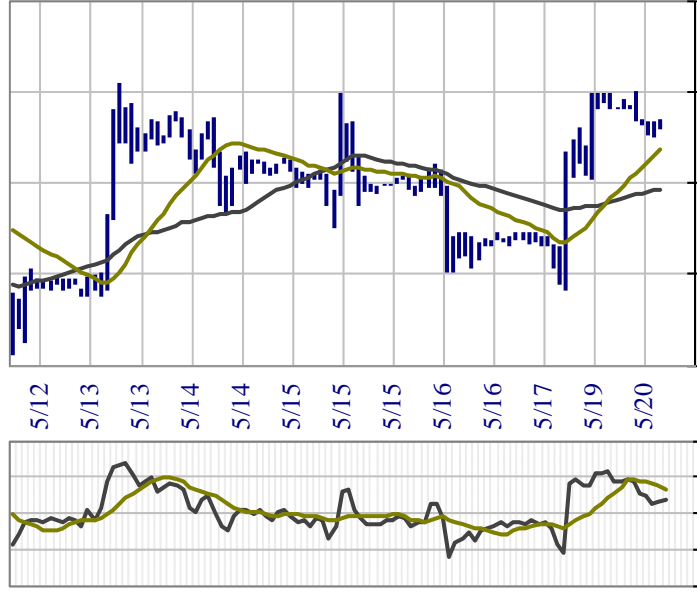
TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	649.33	653.54	Higher
Day Chart	643.77	643.01	Lower

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Increasing	Normal	Low	Neutral

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



SOYBEAN COMMENTS

July beans surged into the end of the week with a gain over 20 cents on Friday, through the 200-day MA at 1432 and to a new two-month best. SN finally found resistance at 1450, but that was taken out overnight as well; 1457 1/4 (38%) is next up.

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	1402.25	1454.75	Positive
Long	1337.75	1454.75	Neutral

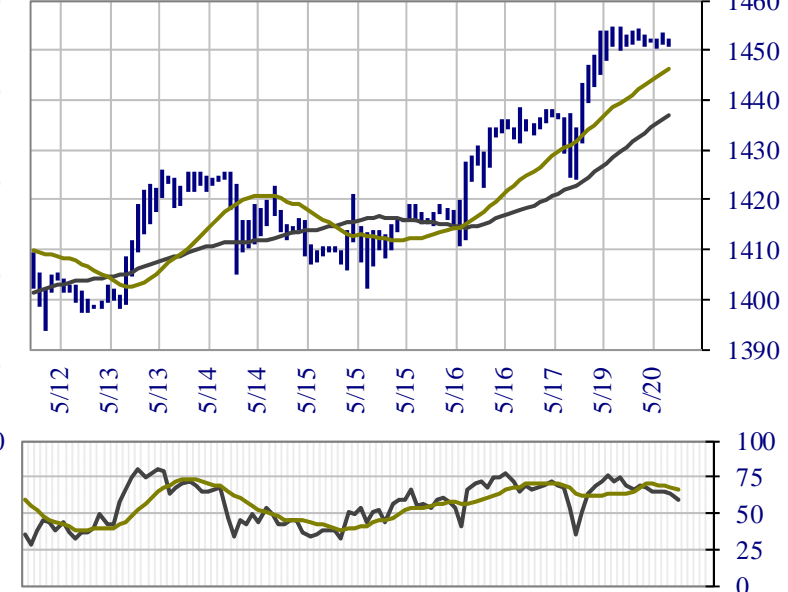
TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	1436.94	1446.26	Higher
Day Chart	1386.84	1396.04	Higher

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Increasing	Normal	Low	Very Overbought

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



WHEAT COMMENTS

July wheat continued to lag into the end of the week last week, to a new 6+ week low, but finally holding up in the 680 range. Further support is awfully clear at previous lows at 664 3/4 (contract) and just short of 660 (11-month spot bottom).

SUPPORT / RESISTANCE OUTLOOK

Term	Support	Resistance	Our Bias
Short	680.25	716.75	Neutral
Long	680.25	736.75	Neutral

TREND OUTLOOK

Term	40-Per MA	20-Per MA	Trend
60 Minute	686.98	684.55	Lower
Day Chart	706.18	705.76	Lower

TECHNICAL INDICATORS

Open Int	Volume	Volatility	RSI Levels
Increasing	Normal	Low	Oversold

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



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