



John Stewart AND ASSOCIATES

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Corn

Unwinding of spreads was the focus of today as well as warmer Argentina weather as corn closed up .0825 at 5.51 for March futures. In Argentina, areas of high pressure suppress rainfall and leave temperatures slightly warmer than normal over the next 10 to 14 days, likely resulting in four to five consecutive weeks of below-normal rainfall through March 8. The same setup also leaves southern Brazil and Paraguay much drier than normal until possibly 10 to 14 days out. USDA weekly corn export inspections came in at 1,231,810MT versus expectations of 950,000MT, of that 143,846MT was to China out of the Gulf with no loadings off the PNW. The U.S. Environmental Protection Agency will not act on any pending petitions from small refiners for exemptions to U.S. biofuel blending laws until after the Supreme Court reviews a related case, a source familiar with the matter said on Monday. Old crop selling by the farmer remains slow, but we do continue to see more and more interest in new crop at these levels. CIF corn was off 2 cents today as river conditions are improving with the warmer weather this week and everyone from Pekin and south back to loading barges. Cordonnier this afternoon left his 20/21 Brazil corn estimate unchanged at 105.0MMT and his Argentina crop unchanged as well at 45.5MMT.

Beans

Soy complex somewhat erratic trading session, as both soybean and soymeal spread markets weakened. Overnight Argentina had better than expected rains in Buenos Aires, & wire story reported Argentina crushed 3.22 MMT for January, versus 0.808 in December (when strikes & government quota talks froze farmer sales & logistics to complete stop) up 0.9 MMT from a year ago. Ag Rural pegged Brazil soybean harvest @ 15% complete, an increase of 6% for the week, vs 31% a year ago. IMEA reported Mato Gross 34.5% complete, up 12.3% on the week, vs 73.2% year ago. SK1 finished 7 ½ higher @ \$13.87 ½ (SH1-SK1 settled -3 ¾), SMK1 down \$0.70 @ \$422.90 (SMH1-SMK1 settled +0.20), while BOK1 gained 35 ticks, finishing @ 47.90. Old crop crush margins slipped today, as the May finished 4 ¾ cents lower, settling @ \$0.63. Weekly soybean export inspections were 721.8 MMT (26.5 MBU), while last week revised 0.112 MMT higher; China featured only taking 155.8 TMT. Brazil now reports a vessel lineup of 15.7 MMT of soybeans with premiums remaining on the defensive. Presumably explained by the buyer faced with significant demurrage risk. T-storm SA forecast appears to be below normal rains for Argentina, and frequent showers for central & northern Brazil over next 10 days. Ag Outlook # of 90 MLN acres planted & 50.8 BPA yield should keep firm bid under SX until March Planting Intentions. Cordonnier reporting pods dropping in Parana, and strange unidentifiable fungus in Mato Grosso.

Wheat

The wheat complex was solidly higher exceeding the strength of both corn and beans with the complex closing at its highest levels in almost a month. The \$index saw its lowest trade since early January. WH is 13 ¼ cents higher at 6.64, KWH gained 12 ¾ cents to settle at 6.44 ½ and MWH is 9 cents higher at 6.37 ¾. Matif wheat futures are at 7 ½ year highs, making a new contract high again today. US weekly exports of 325,000 mt were a not a supportive factor coming in at the low end of estimates. China was the largest receiver with 67,000 mt and soft white wheat was over half of the total with 169,000 mt. The Saudis bought 355,000 mt from Ukraine, Australia, and Canada, Japan bought 57,000 Australian and Jordan issued a new tender. Anticipated lower crop ratings and ongoing Russian confusion contributed to the strength.

| CASH BASIS BIDS | Nearby | April |
|--------------------------|--------|--------|
| Corn Cif Nola | 79+H | 70+K |
| Truck Hennepin | 18+H | 13+K |
| Truck St Louis | 47+H | 39+K |
| Iowa Interior UP | 7-H | |
| Columbus CSX | | |
| Fort Wayne NS | | |
| Dlvd Hereford | 100+H | |
| Dlvd PNW | | |
| KC RAIL | 25+H | 25+K |
| Nebraska Grp 3 | 3-H | 6+K |
| Dlvd Decatur | 15+K | 24+K |
| Wheat Cif Nola | 110+H | 110+K |
| Beans Cif Nola | 79+H | 75+K |
| Truck Hennepin | 12+H | 12+K |
| Truck St Louis | 43+H | 40+K |
| Dlvd Decatur | 15+H | 24+K |
| Dlvd Des Moines | 20-H | 15-H |
| IL R Barge Frt. | 410 | 380 |
| BNSF Shuttle Frt. | \$100 | -\$150 |