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**Commodity Consulting/Brokerage**  
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After another enormous jump in cash feedlot trade on Friday that had most areas up at least \$9, it was no surprise that futures came out of the gate surging higher to start off the week. Live and feeder cattle both had contracts up \$2.00+ at the close and during the trading session there were times some of the net changes were \$3.00+. The market is obviously on a bullish roll right now with cash, product and futures all looking good. The demand structure of the domestic and export markets still isn't up to par, but that hasn't stopped packers from chasing cash live animals and also trying to force product prices up in the process as well.

The problem is this bullish hype isn't sustainable long term. Sustainable short term, yes. The question is, for how long and how much. My guess is the charts may give a better tell on that answer than fundamentals, because the fundamentals still don't match up with the market very well.

This coming Friday we get On Feed data from USDA. Early estimates have the average guesses for the on feed total on October 1 in a range from 100.5% of a year ago up to 103.3%. Marketings in the month of September were estimated at 96.7% to 97.7%. The ranges on the placement guesses last month are from 91.2% up to 104.4% of last year.

Cattle slg. \_\_\_112,000 unch wa -2k ya

Choice Cutout \_\_213.64 +1.94

Select Cutout \_\_\_207.73 +1.37

Feeder Index: \_\_\_190.78 +2.77

Lean Index. \_\_74.59 -.37

Pork cutout \_\_\_88.90 -.41

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IA-S.MN direct avg\_\_70.53 +1.72

Hog slg.\_\_\_410,000 +12k wa -20k ya

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Grain market trade was mired in red ink yesterday with KC wheat taking on the biggest losses. Wheat enjoyed about 5-6 weeks of rally through September and early October, but erased the lion's share of the price increase in about three sessions. With fundamentals both domestically and on the world balance sheets bearish throughout the price rise, there shouldn't be much question as to why we've had the pullback here recently. Granted, there have been some friendly developments in dryness over a big part of HRW wheat country as well as some chatter about Australian dryness and dryness in Russia and the Ukraine. The big overshadowing picture clouding fundamentals are a US stocks to use ratio of 41.6% and a world number at 31.9%, plus the fact US wheat hasn't been competitively priced in the world export trade for a very long time.

Crop progress and condition numbers yesterday once again gave us an unchanged corn condition rating. Harvested in corn jumped to 59% which is 5 points ahead of normal. There wasn't a soybean condition rating released yesterday because soybean harvest is so close to being completed. 77% of the nation's crop is out, up from 68% normally. Winter wheat seeding was 76% complete, which is 1 point behind normal pace.

6-10's showed normal to above temps across the US and above normal precip east and below normal over all of HRW wheat country all the way up into the northern plains. That's actually a friendly forecast for KC Wheat IF enough areas miss the rain chances that are predicted for later this week from Kansas south.

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