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Cattle complex trade was a little disappointing yesterday because the futures trade didn't perform as friendly as most had expected. Some of the opening calls were looking for triple digit gains in live and feeders and they opened only mildly higher instead and remained mixed to mildly higher the rest of the day. Hog trade was very similar, closing lower on the front four months and mildly higher in the deeper deferreds.

Yesterday also brought another change to trading hours for the livestock futures, opening at 8:30am every day of the week now and closing at 1:05pm CST. Cutting the last 2 hours and 55 minutes of the trade short brings the contract back very close to the hours it used to trade in the open outcry days before electronic trade. I think it will be very beneficial to the liquidity of both the futures and the options, but the detriment is for anyone buying or selling physical cattle or hogs after the market close and needing to implement or lift hedges. That wasn't such a big deal back when volatility and daily market movement were significantly quieter than today's world. Now it brings the risk that the market may move several dollars against the position between the actual cash transaction and when hedging is done. Of course the flipside is that it might move favorably too. I still don't like that risk either way.

Southern auction trade was stronger in all classes yesterday in Joplin and OK City, plus we had the $3.00 gains in the negotiated cash feedlot trade to factor from last Friday as well. February live cattle expired at a premium price to the cash. The now spot April contract is very close to par with cash, so perhaps we shouldn't have been so optimistic towards the potential market action yesterday morning.

Cattle slg.___ 104,000 +1k wa -4k ya

Choice Cutout__217.18 -.51

Select Cutout___212.84 +.84

Feeder Index:___159.19 +1.01

Lean Index.__ 66.78 +.17

Pork cutout___74.96 +.84

IA-S.MN direct avg__62.96 -.54

Hog slg.___404,000 -33k wa -27k ya

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In the grain futures trade yesterday, wheat settled mildly higher, corn and soybeans mildly lower. Last night that trend was reversed with wheat lower and corn and beans higher. Grain market action on most days is just about as exciting as watching paint dry. We are slowly moving into a timeframe of the year where volatility has a chance to pick up though, with wheat breaking dormancy and chatter starting to pick up about corn and soybean planted acreage in the US this spring. The next quarterly stocks and the first planting intentions report will be released on the last business day of March. Early guesses continue to come in steady to a little higher than a year ago in soybean acres and mildly higher in corn.

Crop analyst Cordonnier put out weekly South American corn and bean production estimates again. Total S.A. corn production remained unchanged for the second week in a row. Total soybean production was raised to 175 mmt's, which would be about 4 mmt's higher than last year. He raised Brazil and Argy production by 1 mmt compared to last week.

6-10 day weather forecasts were showing above normal temps and above normal precip for most of the major crop areas in the Central US. Good weather for winter wheat development.

Overnight export news showed 140,000 tonnes of US beans sold to unknown destination.

Export inspections yesterday were dropping even more from recent weeks as Southern Hemisphere production is rapidly moving into exportable position. Corn shipments were 29 mln bushels. Soybeans were 38.5 mln, which is down 18 mln from last week. Wheat loadings were pretty good at 13.7 mln. Milo was half what it was last week at 4.3 mln bushels.

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