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Day two of the heavy beating was disheartening in the cattle complex. The feeders were hit much harder than live cattle futures, but the entire meat complex had contracts down in the triple digits in live cattle, feeders and in the hogs as well. Friday's COF report had some bearish implications with placements in February strongly higher than a year ago. Some might think that was the precursor to yesterday's activity, but Friday's cattle market trade was under heavy pressure as well and that On Feed report came out after the futures had closed.

The technical analysis aspects of the cattle complex turned bullish back in late February when futures broke out above long standing downtrend resistance. At first the move was very sluggish, but it was also slow and steady to the upside making the charts look quite friendly. The last two days did a lot of damage to those charts, so it will be interesting to see what the managed money does with positioning. Another day or two like yesterday and I could see them getting very involved on the sell side again.

Product trade in the beef was super strong last week early, along with Friday's negotiated cash being $2 higher than the last action. Product started to tank on Friday though and also yesterday. That's not a good sign for cash gains or maybe even stability this week if futures can't find some buyers.

Cattle slg.___ 109,000 -1k wa +4k ya
Choice Cutout__229.80 -2.01
Select Cutout___220.67 -1.66
Feeder Index:___163.45 +1.21
Lean Index.__ 66.19 +.42
Pork cutout___76.91 +.56
IA-S.MN direct avg__61.52 +.46
Hog slg.___385,000 -45k wa --49k ya

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In the grain and oilseed trade, everything started and finished the green, but some of the gains faded as the day wore on, particularly in the wheat. A couple of significant cold snaps have hit HRW wheat areas, which had the bulls crowing about explosive market potential from freeze damage. Evidently the market wasn't in total agreement though as KC wheat futures opened about 10 higher yesterday, but cut those gains in half by the close.

National crop condition data isn't being released yet for wheat, but statewide data showed Kansas wheat 20% jointed, Oklahoma 38% and Texas 47% jointed, along with 2% headed. G/ex ratings showed Texas 47%, up 1 from last week, Oklahoma 63% g/ex, down 4 points from last week. Kansas was 57% g/ex, which is up 1 from a week ago.

Texas corn planting pace is 29% complete, which was up 9% from last week and 16% over last year. The 5 year average is 31%.

Weekly export shipments showed wheat at 17.2 mln bushels, which isn't terrible. What is terrible is the cumulative pace for the marketing year so far. To date, total shipments are 593 mln bushels versus 847 mln last year at the same time. Corn loadings were 39.9 mln, bringing ytd to 692 mln versus 847 last year. Soybeans were 21.1 mln. YTD for beans is 1.501 bln versus 1.604 a year ago. That's a lot narrower margin than corn or wheat, but the overall pace for the year in all three is disappointing.

6-10 day weather shows below normal temps through the entire central US from north to south and above normal on the east and west coasts. Precip was below normal on the west coast and through SW Texas. Above normal precip was forecast for all of Kansas, most of Oklahoma and through most of the Central and Eastern Corn Belt. The far northern Plains was dry.

Next week on Thursday we get quarterly stocks and first planting intentions reports out from USDA. Both are pretty significant reports this year, yet the banter regarding corn and bean acres has probably been more quiet this year than others and I don't have a good explanation for that happening.

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