



Loewen and Associates, Inc.

Commodity Consulting/Brokerage

**Pete Loewen, Matt Hines,
Doug Biswell, Matt Burgener
866 341 6700**

www.loewenassociates.com

Date: April 22, 2016

Grain and oilseed trade going into yesterday came out of the overnight session from the previous night with new recent highs again with corn nearly hitting 4.10 on new crop and beans flirting with 10.25 on new crop as well. Right into the close everything sold off though and that pressure mounted as the day progressed. Corn futures had some contracts down in the double digits. Wheat was under mild to moderate pressure. Soybeans managed to continue their theme of old crop months being strong compared to the new crop. New crop closed lower while everything ahead of it was higher.

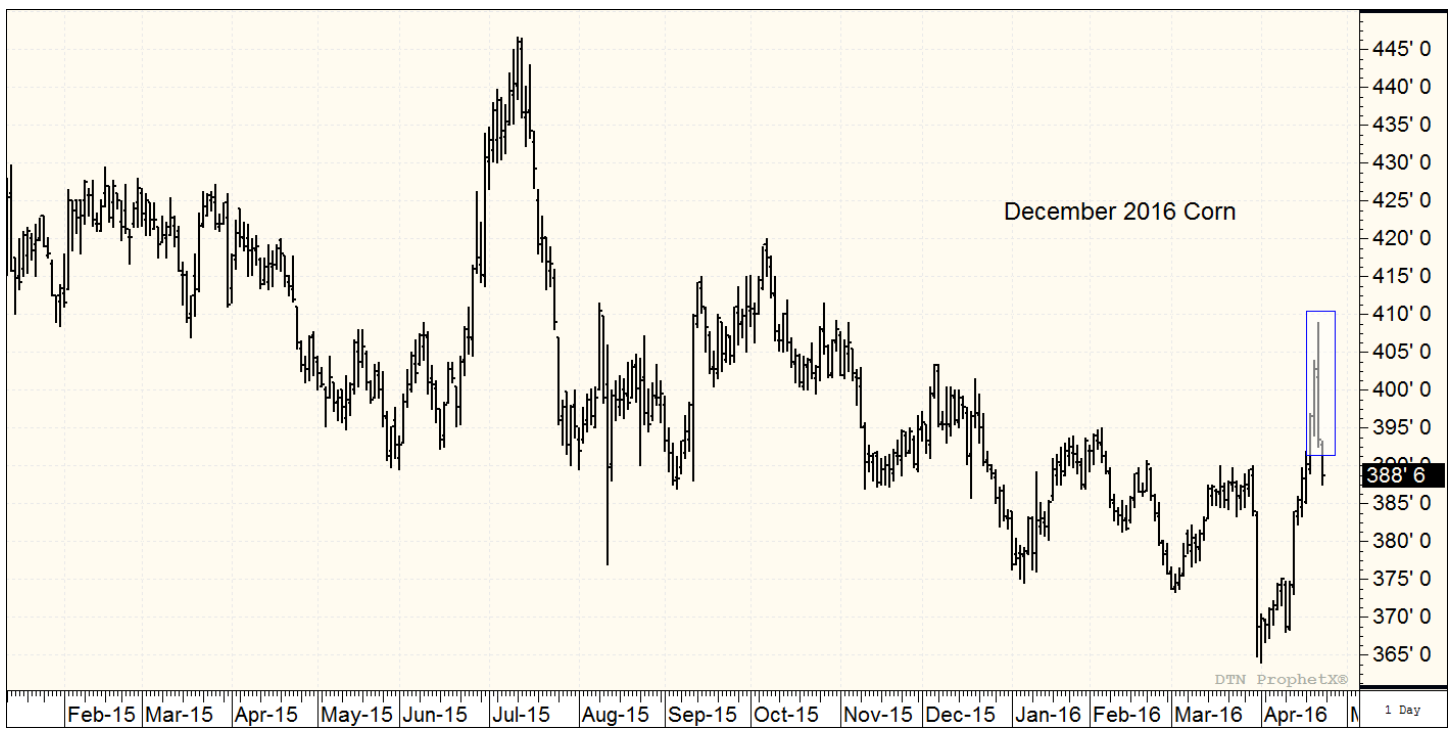
Weekly export sales data had a bullish showing for corn and soybeans with 47.4 mln old crop corn and 15 mln old crop beans being the headliners. Wheat was bad once again at 10.8 mln.

Chart technicals on new crop contracts yesterday finished with a giant bearish key reversal in corn and much milder hook reversals in Nov beans and July KC wheat. Spec traders with some risk tolerance jumped on the sell side based on those charts last night and pushed things actively lower, although interestingly not as weak in corn as what the wheat and beans traded. Beans finished the overnight down 12 ¼ on the Nov, but 22 lower on the front month. Wheat was 11-16 lower in KC and 10-13 lower in Chicago, while corn was only down 2-4 cents. That's going to make for an interesting session today.

This rally has happened amidst only mildly improving fundamentals in soybeans and corn based on South American weather and dollar devaluation relative to Brazil and Argy currencies. Wheat rallied after incredibly beneficial rains fell over most of HRW wheat country. In our opinion there has been little if any legit bullish fundamentals backing this rally. Instead it has been fund managed money and speculative driven. That doesn't mean it's over and can't keep going up, but at some point in the bigger picture fundamentals have to match the market or the market has to go back and match the fundamentals. Ponder that last statement for a bit...

Copyright © Loewen and Associates, Inc.

This does constitute a solicitation to buy or sell commodities futures and/or options. The information contained herein is provided for informational purposes only. The information is not guaranteed as to its accuracy or completeness, although the information was taken from sources we believe to be reliable. The market recommendations of Loewen and Associates, Inc. are based solely on the judgment of Loewen and Associates, Inc. personnel. We do not guarantee or warranty, either expressed or implied, of success to you in the use of this information. Loewen and Associates, Inc. disclaims responsibility for or loss associated with use of information from our commentary, analysis or recommendations. **There is risk of loss in trading commodity futures and options. The risk in trading can be substantial; therefore only genuine "risk" funds should be used.**



Pete Loewen

Loewen and Associates, Inc.

Pete Loewen / Matt Hines / Doug Biswell / Matt Burgener

www.loewenassociates.com

peteloewen@cox.net

866 341 6700

Copyright © Loewen and Associates, Inc.

This does constitute a solicitation to buy or sell commodities futures and/or options. The information contained herein is provided for informational purposes only. The information is not guaranteed as to its accuracy or completeness, although the information was taken from sources we believe to be reliable. The market recommendations of Loewen and Associates, Inc. are based solely on the judgment of Loewen and Associates, Inc. personnel. We do not guarantee or warranty, either expressed or implied, of success to you in the use of this information. Loewen and Associates, Inc. disclaims responsibility for or loss associated with use of information from our commentary, analysis or recommendations. **There is risk of loss in trading commodity futures and options. The risk in trading can be substantial; therefore only genuine “risk” funds should be used.**