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Oh what a week so far for the cattle complex! The negotiated cash feedlot trade yesterday had beef packers acting like they just won the lottery and were spending furiously. Texas and Kansas traded numbers as high as \$134, which was up \$5-\$6 from last week. Nebraska improved a full \$7 from the high end last week and traded cattle at \$135. \$210 dressed was the Eastern Nebraska trade, which was \$10 better than a week ago. That trade happened during the futures trading session and when the news hit both the live and feeder markets found supporting buying, but not what I would consider bullish buying. Then all at once somebody hit the sell button and things turned south in a hurry.

In the live cattle futures the selling made zero sense. In feeders however, we also had the corn market that was up double digits and likely aiding in additional sell pressure in the feeders compared to the fats. Whether that's the actual reasoning or not, who knows?? Cash markets have been crazy and unexplainable at times, along with product, along with futures. In a nutshell, the cattle market price discovery system is still broken. It was broken on the way up in 2013 and 14. It's been broken on the way down as well.

Cattle slg. \_\_\_ 113,000 +5k wa -2k ya

Choice Cutout \_\_\_ 214.46 +.75

Select Cutout \_\_\_ 205.24 +2.25

Feeder Index: \_\_\_ 145.60 +1.23

Lean Index. \_\_\_ 76.05 +.44

Pork cutout \_\_\_ 83.13 +.06

IA-S.MN direct avg \_\_\_ 74.45 +1.64

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Hog slg. \_\_\_432,000 +5k wa +14k ya

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Equally wacky day in the grain and oilseed trade. The most bearish commodity in the complex, which is wheat, closed higher. Soybeans after wading through what was assumed a wildly bullish report on Tuesday based on limit up trade in a couple of contracts, started the day higher and finished lower. Corn, which is a market that has been a real dog lately in the face of beans continuing to trek into new highs all the time wasn't the dog yesterday. It was the darling of the complex with double digits gains.

Granted, there were a few tidbits of positive news flow to help that corn trade along. Weather related problems to South America's 2<sup>nd</sup> crop commodities have been a concern. There have also been a couple of sizeable daily export sales announcements this week. The weekly numbers released yesterday morning showed a friendly 43.5 mln bushels of old crop sales, compared to neutral to bearish numbers in wheat and soybeans at 7.8 mln beans and 10.8 mln wheat. Beans were the neutral number by the way... Adding a little more to the export news, at 8am this morning USDA announced 420k tonnes of US beans sold to unknown destinations. In that total, 280k were old crop sales and 140k new crop. We'll see if that has any bearing on the bean trade today.

6-10 day weather forecasts last night took an abrupt shift to warmer in the Central and Eastern states. The Central Plains, Panhandle and a narrow band through the Corn Belt shows normal temps. Above normal north and south. Below normal from the Rockies to the west. Precip was listed as below normal in the Central and Northern Corn Belt and normal to above everywhere else. That's a decent forecast for planting progress and a good forecast for wheat development.

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