



Loewen and Associates, Inc.

Commodity Consulting/Brokerage

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Cattle complex futures traded on both sides of the fence on Wednesday with feeders down more than \$1.00 at one point, yet both the feeders and live contracts ended mild to moderately higher. Hog futures on the other hand, fell to another day of active selling and new recent lows with a lot of triple digit losses showing on the different contract months.

Fed Cattle Exchange internet fat cattle trade was painful to watch once again, although not as painful as the previous two weeks where only 1 lot of cattle sold between those previous auctions. Yesterday, out of 4446 head consigned, 701 head sold and that's only 15% of the total offerings. Zero Nebraska cattle sold and the weighted average price across the 701 head was 128.62, very close to last week's Texas and Kansas negotiated average. Negotiated trade outside the Fed Cattle Exchange showed moderate numbers of Southern Plains cattle selling at \$132 in Texas and \$130-\$131 in Kansas. Nebraska reported a few at \$133. That's a \$4/cwt jump over last week in Texas and Nebraska and \$3 higher in Kansas.

The mild to moderate gains I was reporting across the cattle complex futures were aimed at all the contracts except the front month April Fats. That contract was up over \$1 at the close and from the top end of the Nebraska trade, was a \$5 positive basis. It definitely leaves some room for more upside in live futures in that April contract.

Weekly export sales in the meats this morning showed 19,700 mt's of net beef sales, which is up 26% from the previous week. Pork net sales were 36,200 mt's, up 48% from the week prior. Both are very healthy totals and bullish numbers.

Cattle slg.____ 115,000 unch wa +6k ya

Choice Cutout__215.17 -.82

Select Cutout__202.00 -.20

Feeder Index:___136.64 +.03

Lean Index.___61.89 -.23

Pork cutout___74.79 -.69

IA-S.MN direct avg__54.34 -.79

Hog slg.____442,000 -4k wa +11k ya

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Grain and oilseed trade was quiet with corn settling fractionally mixed, wheat mildly lower and beans mildly higher. There was very little news out there to move the market and the closes were very representative of that factor. Corn planting pace has been slow in a lot of areas from the persistent rains and active in others, but in today's world of technology and equipment, planting delays aren't as big of market movers as they were a decade or more ago. Throw another two weeks of wet at this thing though and get into May with big Corn Belt delays and I'm guessing we'll get some reaction to the upside out of corn.

6-10's last night showed normal temps in NW Kansas and below normal from the Nebraska Panhandle to the north and west. The rest of Kansas down into the Southern Plains was above normal and the Central and Eastern Corn Belt were above normal as well. All of North and South Dakota was below normal, along with above normal precip. That could support Minneapolis wheat in coming days. Moisture in the Texas Panhandle was normal to above and that stretched all the way to Canada to the north and through the Eastern Corn Belt. South Texas was below normal.

Weekly export sales numbers were bearish wheat, neutral soybeans, bearish milo and bullish corn. Corn sales were 29.8 mln bushels of old crop and 3.6 mln new. Milo was 1.8 mln old crop and zero new. Soybeans finally fell to single digits with a 7.8 mln old crop total and 500,000 new. Wheat sales were 15.2 mln old and 5 mln new. This is the first time in a long time that bean sales have been single digits. This time of year, with South American harvest and exports in full swing, anything in the double digits is bullish, single digits is neutral and net negative sales are bearish. So, today's bean number is neutral.

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