

GOOD MORNING,

Beans called down 3-5 cents and soybean oil down 30-40 points.

Higher markets Monday on delayed seeding and crushers going after beans.

In the news:

- 1) The DJIA is down 16 points, trading 15237 - neutral input - all wondering if we will see a 21st consecutive higher market on a Tuesday ;
- 2) The dollar versus the Euro is weaker 2 points trading 1.3077 - supportive input as the dollar trades recent lows;
- 3) Brent crude is down \$0.8/barrel trading \$101.98 - mixed/supportive input as crude tries to move higher;
- 4) The planting progress numbers were as follows:

Corn Planted - Selected States

[These 18 States planted 92% of the 2012 corn acreage]

State	Week ending	
	June 2, 2012	May 26, 2013
	(percent)	(percent)
Colorado	100	93
Illinois	100	89
Indiana	100	86
Iowa	100	85
Kansas	100	88
Kentucky	100	74
Michigan	99	90
Minnesota	100	82
Missouri	100	83
Nebraska	100	96
North Carolina	100	100
North Dakota	100	72
Ohio	100	89
Pennsylvania	89	84
South Dakota	100	91
Tennessee	100	87

Texas	96	95
Wisconsin	98	64
18 States	100	86

Soybeans Planted - Selected States

[These 18 States planted 95% of the 2012 soybean acreage]

State	Week ending	
	June 2, 2012	May 26, 2013
	(percent)	(percent)
Arkansas	91	44
Illinois	97	40
Indiana	96	60
Iowa	99	40
Kansas	85	37
Kentucky	79	14
Louisiana	94	73
Michigan	93	66
Minnesota	97	42
Mississippi	98	46
Missouri	87	30
Nebraska	99	63
North Carolina	47	29
North Dakota	97	33
Ohio	98	70
South Dakota	92	48
Tennessee	80	21
Wisconsin	90	29
18 States	93	44

Comments:

- This week's crop progress report for beans and corn should be considered bullish;
- Corn seeding and emergence for both are behind the 5-year average;
- IA as you have read in my daily is a concern with only 88% corn seeded and many acres potentially being flooded out or not seeded (MN, WI and ND remain concerns);
- Bean seeding remains a concern as frost enters the picture for the northern states;

- Bottom line - 158 corn yield doesn't look possible nor does the 97.3 myn acres being seeded. I'm migrating my thought process to a 150 bu/ac corn yield and acres closer to 92 myn corn acres seeded - remember I've been talking about a 155 bu/ac corn yield anyways versus the USDA at 158 bu/ac. This reduces production 1.5 billion bushels - this is huge if I'm correct - if weather doesn't improve. The low lows in corn I believe are gone - I'm talking about those who were looking at \$4 corn;
 - 74% corn emergence versus 5-yr at 82% - number is misleading as there are many problem States. Beans emerged 31 vs. 49 - lots of States that are far behind;
 - Beans too are late which makes August weather key;
- 5) Old crop bean supplies are very tight which has many saying what will be crushed the first three weeks of Sept;
 - 6) Look for some market consolidation today in beans as traders take some profit off the table as improved weather will see a big push for seeding - neutral/negative;
 - 7) Western Canada canola seeding almost complete with the exception of Manitoba who too has been facing much rain - mixed/negative input;
 - 8) Folks this morning's futures low of 48.18 on the July is within 10 points of the lowest low for that contract. Is this the June market dip? No one can predict the absolute day of the lowest low but the low gives those who waited much better coverage levels than the recent highs as outlined last week. Manage margins and not bottoms folks;

Lower markets on profit taking and corn chart trading. I will be brief today. If these lows make sense add coverage for JAS as there is nothing wrong buying a recent low.

Have a good day.