



CHS ROCHESTER WEEKLY GRAIN MARKET RECAP

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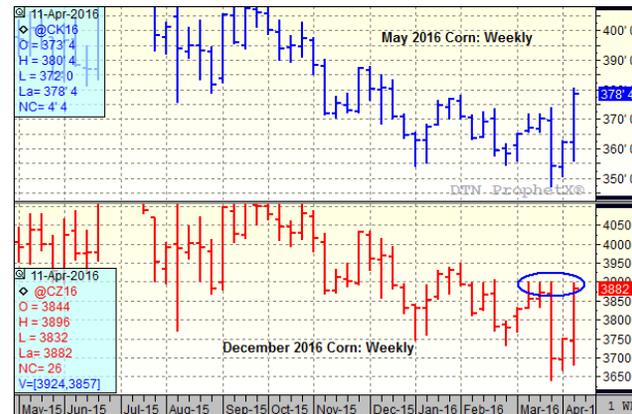
CLOSING FUTURES PRICE SUMMARY 4.15.16							
	CK16	CN16	CZ16		SK16	SN6	SX16
This week	\$3.7850	\$3.8200	\$3.8825		\$9.5600	\$9.6425	\$9.6650
Last Week	\$3.6225	\$3.6500	\$3.7500		\$9.1675	\$9.2500	\$9.3075
Weekly Change	+ 0.1625	+ \$0.1700	+ \$0.1325		+ \$0.3925	+ \$0.3925	+ \$0.3525

Check current cash bids: <http://www.chsrochester.com/grain/cash-bids/>

Solid gains on the heels of macro market influences this week. Fundamentally, the weather has turned more agreeable to crop progress through much of the Corn Belt and there is still a lot of grain in the US to be marketed. Therefore, we are left with money flow and South American weather to drive our markets. This week chatter, and photos, of Argentinian soybeans sprouting in pod due to rain-delayed harvest took over social media and pushed the soy market higher. Fund money moving around the commodity space was seen as a primary driver for the corn market. Another contributing factor for corn has been the continued strength in weekly export sales pushing the cumulative sales to 26.8 million tons, a 4.5 million ton increase compared to this time last year.

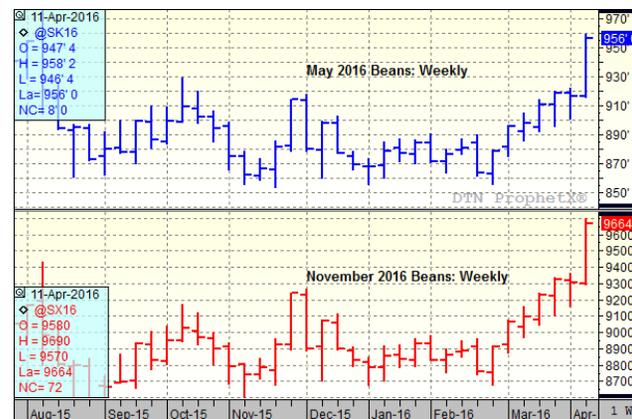
Despite a general focus on spring field work, rallies in corn and soybeans this week caught the attention of producers across the country. As a result of the massive cash movement, basis levels in corn and beans both too a hit in most areas. Corn basis was seen as generally two to three cents lower at most terminals and processors. Soybeans took a larger hit with old crop down five to eight cents and new crop down five to ten in many locations.

Where to from here? Some indications point to a short term correction, however the intermediate term trend looks to be mixed. Corn only breached the high end of our recent range today after recovering the planting intentions report losses. The soybean trend looks to continue higher with month with six of the previous seven weeks closing higher since the low was set at the end of February.



Corn:

A very solid performance in corn this week. Nearby May futures broke through to \$3.8050 today, a new nearby high. December futures challenged the \$3.90 mark again. This seems to be a tough resistance level with four the previous five weeks touching \$3.8975 to \$3.90 without breaking through. Hopefully momentum and seasonality are on our side this time around and we can push through in the coming days.



Soybeans:

Soybeans continued their massive rally this week as well. As cash prices near \$9.00 for both old and new crop, scale up selling seems to be a common theme. With ideal corn planting weather ahead of us, it is reasonable to believe we will see continued strength in beans, an effort to grab any potential flex acres away from corn. The magnitude of crop damage in Argentina will also be a major factor ahead.

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