

Highlights:

- A new plan for Greece. Fed Chairman Bernanke spoke at a Senate Budget Hearing.
- Outside markets. As of 2:00pm: S&P was 1.96 better, Nasdaq was 2.66 better, DJIA was up 40 points, crude was up \$1.67 and gold was \$25.00 higher.

Corn Recap:

- Choppy, light volume, pre-report type trade. USDA is expected to lower Argentina's and Brazil's corn production because of drought. Scattered rains still fall across parts of South America, which may stop any further deterioration as the crop is at widely varying levels of development.
- New crop corn futures are being weighed down by the prospect of increased acres this spring. Plus the number crunchers are using a trend-line yield of 160bpa+ in their balance sheets.
- There are scattered reports of weakening corn basis throughout the cornbelt. Spreads were mostly firm as many traders expect the USDA to tighten the US corn carryout.

Soybean Recap:

- Soybeans spent most of the session chopping around unchanged in uneventful trade. South American weather still dominates the headlines as many expect reduced production from the USDA on Thursday.
- Recent precipitation may have helped stabilize production prospects. Paraguay's crop is being estimated at 4.6mmt, down 45% from last year.
- SX: CZ is 2.16:1.

Wheat Recap:

- Cold temperatures in parts of Europe raise production concerns, but Paris Milling wheat was lower on fund selling.
- Algeria is tendering for 100tmt, Tunisia is tendering for 50tmt.
- France is estimating 2012 acres to be up almost 2% from last year.
- US spring wheat will compete for acres.
- Southern US HRW areas receive precipitation.

Chris Steinhoff csteinho@countryhedging.com

Closes	MAR	MAY	JUL	AUG	SEP	NOV	DEC	JAN
Corn	6.42 ¼	6.48 ½	6.52 ½	---	5.98 ½	---	5.75 ¼	---
Soybeans	12.32	12.41	12.50 ¾	12.49	12.43 ½	12.41 ¼	---	12.47 ¼
Soymeal	325.40	327.00	329.40	329.20	328.00	---	325.70	326.60
Soybean Oil	52.17	52.57	52.97	53.09	53.18	---	53.45	53.60
Wheat	6.62 ¼	6.72 ¼	6.84 ¾	---	7.00 ½	---	7.18 ¾	---
KC wheat	7.12	7.19	7.26 ¼	---	7.37 ¼	---	7.55 ¼	---
MPLS wheat	8.38 ½	8.25 ¾	8.10 ¾	----	7.83 ¾	---	7.90 ¾	---

	Front Month Spread	Change	% Full Carry	Basis
Corn	-6.00	+1.00	43%	CIF: 72/75 up 4
Soybeans	-8.75	+0.25	63%	CIF: 70/74 dn 5
SRW	-9.50	+1.75	29%	CIF: 70/75 up 1
HRW	-7.50	+0.50	45%	CIF: 118/123 unch
MWheat	13.50	-0.75	Inverse	13.0 pro: 85 unch
				14.0 pro: 125/165 unch
				15.0 pro: 170/190 unch
negative numbers represent carries				