

# THE CLOSING BELL

By Tom Leffler and Larry Glenn

TODAY'S THOUGHT

Friday, May 01, 2009

Every moment is an experience

## CATTLE

Contract	Net Change	Closing Price	Today's High	Today's Low	14-Day RSI	10-Day Moving Avg.	50-Day Moving Avg.	Contract High	Contract Low	30-Year High	30-Year Low
Jun 09 LC	-0.40	82.100s	82.68	82.00	44.77	82.64	82.73	116.10	78.60	116.10	52.30
Aug 09 LC	-0.63	82.025s	83.00	82.00	40.36	82.92	83.41	117.50	78.15	117.50	49.85
May 09 FC	-1.13	97.450s	98.50	97.40	48.81	98.65	95.90	118.25	86.50	118.25	46.15
Aug 09 FC	-1.18	98.450s	99.55	98.40	44.21	100.11	98.47	113.17	88.30	118.70	49.25

- Cattle futures were under pressure the entire session today with the feeder cattle leading the downside
- Even the higher trade and close of the lean hogs and the DOW today did not lend support to the cattle
- Cash cattle in the Southern Plains traded today at \$86, the two previous week's cash was \$88
- Cash cattle traded in Nebraska today at \$138, last week's trade was at \$144
- Today's average beef plant margin according to *HedgersEdge* is estimated at **\$0.10** per head profit, week ago was estimated at **\$32.70** per head profit
- The April 22<sup>nd</sup> choice box beef price at \$154.37 was the highest since November 24, 2008, that week cash cattle traded in the feed yards at \$87-\$88 and the next week trade was as high as \$90
- The feeder steer average cash settlement price has been lower the past 4 days for a total loss of \$0.78
- The weekly slaughter estimated at 665,000, last week 644,000 and a year ago 701,000

*Tom Leffler*

**June Live Cattle** traded mixed today on an inside trading session and closed negative. The April 27<sup>th</sup> low was the lowest of the past 22 sessions. The April 16<sup>th</sup> high is the highest trade since February 11<sup>th</sup>. The March 30<sup>th</sup> low of \$80.00 was the lowest trade of the past 99 sessions. From the June contract high to the December contract low the contract dropped \$37.50.

**August Feeder Cattle** made a new low for the week had its lowest trade since April 3<sup>rd</sup> and closed negative and on the 50-DMA. The April 16<sup>th</sup> high was the highest trade since November 10<sup>th</sup>. From the August contract high to December '08 contract low the contract dropped \$24.87.

F.I. Cattle Kill daily/wk totals

Today	126K / 634K
Week Ago	115K / 616K
Year Ago	127K / 639K

Box Beef

Prices	Net Change
Choice 600-900	\$148.50
Select 600-900	\$145.64
<b>Choice/Select Spread</b>	<b>\$2.85</b>

**CME Cash Feeder Index \$99.52 -0.32**

Box Beef Load Count

Choice Cuts	115
Select Cuts	72
Trimming	31
Coarse Grinds	65

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## CORN

Contract	Net Change	Closing Price	Today's High	Today's Low	14-Day RSI	10-Day Moving Avg.	50-Day Moving Avg.	Contract High	Contract Low	30-Year High	30-Year Low
Jul 09 C	10' 2	413' 6s	415' 6	401' 2	61.73	3.90'2	3.91'4	8.26'0	3.09'4	7.65'0	1.54'0
Dec 09 C	10' 0	433' 2s	435' 0	421' 0	60.84	4.10'6	4.12'4	7.07'0	3.02'0	7.99'2	1.51'2

- Corn futures traded higher during today's session but were the weakest in the grain complex. Spread trading slowed down the advance in the corn market. A late round of buying posted double digit gains in the corn.
- Friday's trading was quiet and in a narrow trading range. The grain traders were busy watching the advance in the wheat and soybeans.
- Spread trading was active with corn on the sell side against wheat and soybeans.
- Corn exports are down 34% from last year. The USDA projected a 30% decrease. We have some catch up. With feed wheat out of the equation, corn sales should increase as we go into the summer months.
- December corn shows a \$4.15 support and a \$4.38 resistance. With the wet conditions and a wet forecast for next week, corn futures should hold the recent gains.

*Larry Glenn*

**July Corn** made another new high for the week and closed higher today. Today's high was the highest since April 6<sup>th</sup>. The April 27<sup>th</sup> low equaled the low made on April 20<sup>th</sup>. The contract was in a wedge formation that reaches back to early-December, the bottom side of the wedge is at \$3.77 and the topside at \$4.08. Today the contract traded and closed above the topside of the wedge.

## SOYBEAN COMPLEX

Contract	Net Change	Closing Price	Today's High	Today's Low	14-Day RSI	10-Day Moving Avg.	50-Day Moving Avg.	Contract High	Contract Low	30-Year High	30-Year Low
Jul 09 S	36' 0	1091' 0s	1095' 4	1044' 0	67.78	10.30'0	9.49'5	16.50'0	6.85'0	16.60'0	4.01'4
Nov 09 S	27' 4	971' 0s	975' 0	935' 0	64.54	9.26'5	8.80'0	15.57'4	6.70'0	16.63'0	4.05'2
Jul 09 SM	11.50	342.0s	342.50	326.50	69.79	319.30	291.70	435.50	240.50	456.80	117.50
Jul 09 BO	1.24	37.75s	37.84	36.17	65.41	36.27	33.68	71.90	29.35	73.32	14.49

- Today large fund buying lifted the entire soybean complex along with strong technicals
- There was a lack of any fresh news today, be it bullish or bearish
- The July/November spread **today made a new contract high closing at \$1.20**
- Funds were estimated buyers of 8,000 contracts of soybeans, were estimated buyers of 2,000 contracts of soybean meal and were estimated buyers of 2,000 contracts of soybean oil today

*Tom Leffler*

**July Soybeans** made another new high for the week and closed positive and near the daily high. Today's high was the highest trade since October 2, 2008. The April 27<sup>th</sup> low was the lowest of the past 19 sessions.

**July Soy Meal** made a new high for the week and closed higher today. The April 27<sup>th</sup> low was the lowest of the past 16 sessions. Today's high was the highest trade since September 25, 2008. The past 21 straight sessions the contract has traded above \$300.

**July Soy Oil** today traded and closed strong to the upside. The April 27<sup>th</sup> low had its lowest trade today of the past 16 sessions. The contract has traded above 34.00 the past 21 straight sessions. Today's high is the highest trade since January 12<sup>th</sup>.

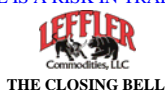
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5/1/2009



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# WHEAT

Contract	Net Change	Closing Price	Today's High	Today's Low	14-Day RSI	10-Day Moving Avg.	50-Day Moving Avg.	Contract High	Contract Low	30-Year High	30-Year Low
Jul 09 KW	30' 0	614' 6s	622' 4	585' 2	60.90	5.82'7	5.83'2	11.50'0	4.60'0	13.20'0	2.30'0
Sep 09 KW	29' 4	624' 6s	631' 6	595' 0	60.95	5.92'6	5.93'4	11.25'0	5.30'5	13.00'0	2.33'6
Jul 09 W	33' 4	570' 0s	574' 0	536' 4	60.67	5.32'7	5.38'7	11.44'6	4.47'0	12.72'6	2.30'0
Sep 09 W	33' 2	596' 4s	600' 0	563' 0	60.80	5.59'7	5.64'3	11.26'0	5.22'6	12.78'0	2.32'2

- Wheat futures exploded to the upside after a higher opening. Buy stops were triggered when wheat traded above resistance points.
- Funds unloaded short position in the Chicago wheat market. This provided the early rally. The bullish factor is the gains held.
- Talk out of Russia indicates they may be done selling wheat for the near term. They have 7 million metric tons in government reserve. They could keep this amount in storage for domestic usage.
- It has been wet in the Plains States. Producers are concerned about the possibility of rust and insect damage. Next week's wheat crop tour will provide some comments on this situation.
- Although the wheat exports are slow, we are still on pace to meet USDA's projection in the wheat.
- The picture in the charts shows improvement. Wheat broke out of a sideways, short term trading pattern. Look for price to improve on hope of increase demand and possible problems in the soft and hard red winter wheat.

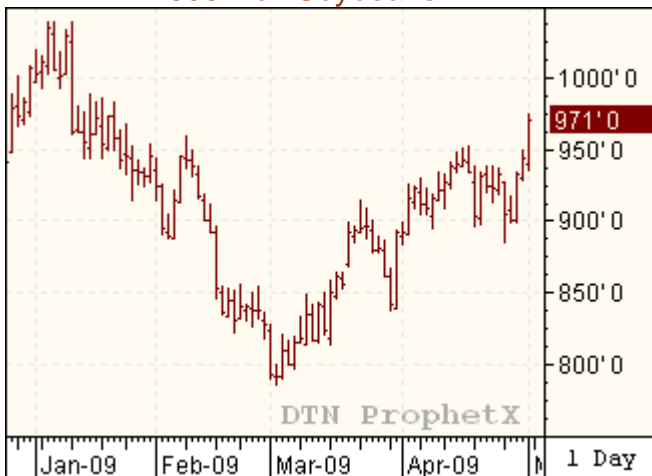
Larry Glenn

**July KC Wheat** traded and closed higher today and had a huge breakout to the upside. The April 20<sup>th</sup> low was its lowest trade of the past 24 sessions. Today the contract broke above and closed above the 50 & 100-DMA's and the trendline that reaches back to the early January high of \$6.92.

**July Chicago Wheat** traded and closed higher today and had a huge breakout to the upside. The April 20<sup>th</sup> low was its lowest trade since March 4<sup>th</sup>. Today the contract broke above and closed above the 50 & 100-DMA's and the trendline that reaches back to the early January high of \$6.70.

## NOTES OF INTEREST:

2009 Nov Soybeans



2009 Dec Corn



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TODAY'S CLOSING PRICES VERSUS WEEK AGO and VERSUS A YEAR AGO					
	Today's Close 1-May-2009	WEEK AGO 24-Apr-09 NET CHANGE		YEAR AGO 1-May-08 NET CHANGE	
		Jun Live Cattle	82.10	82.60	(0.50)
Aug Feeder Cattle	98.45	100.35	(1.90)	107.27	(8.82)
Jun Lean Hogs	65.57	71.65	(6.08)	71.10	(5.53)
Jul Corn	4.1375	3.8575	0.28	6.1725	(2.04)
Dec Corn	4.3325	4.0675	0.27	6.3150	(1.98)
Jul Soybeans	10.9100	10.3400	0.57	12.7100	(1.80)
Nov Soybeans	9.7100	9.3325	0.38	11.9325	(2.22)
Jul Soy Meal	342.00	318.30	23.70	329.50	12.50
Jul Soy Oil	37.75	36.65	1.10	56.35	(18.60)
Jul KC Wheat	6.1475	5.9350	0.21	8.3950	(2.2475)
Sep KC Wheat	6.2475	6.0300	0.22	8.5150	(2.27)
Jul CH Wheat	5.7000	5.4325	0.27	7.9000	(2.20)
Jun Crude Oil	53.20	51.55	1.65	112.52	(59.32)
Jun Heating Oil	1.3884	1.3858	0.0026	3.1177	(1.7293)
DOW	8212	8076	136	13010	(4798)

WEEKLY Live Cattle



WEEKLY KC Wheat



WEEKLY Corn



WEEKLY Soybeans



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**Charts Reflect Combined Electronic & Day Sessions**

**Dark Red Line is Trend Line // Blue Line is 50-Day Moving Avg. // Red Line is 100-Day Moving Avg.**

**2009 JUNE LIVE CATTLE**



**2009 AUGUST FEEDER CATTLE**



**2009 JULY CORN**



**2009 JULY SOYBEANS**



**2009 JULY KC WHEAT**



**2009 JULY CHICAGO WHEAT**



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