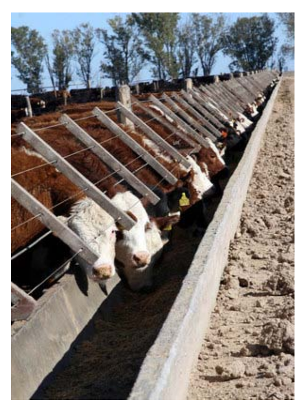
Weekly Roberts Agricultural Commodity Market Report March 16, 2010

CORN futures on the Chicago Board of Trade (CBOT) closed down on Monday. The MAY'10 contract closed at $3.632; off 1.0¢/bu and 11.75¢/bu lower than last week. DEC'10 corn futures closed off 0.75¢/bu at $3.930/bu and 1.0¢/bu down from last Monday. While weather concerns that could delay spring planting were somewhat supportive a stronger dollar and ample corn supplies inhibited prices. Exports remained neutral with USDA posting 36.5 mi bu of corn-inspected-for-export vs. expectations for 33-36 mi bu. South Korea bought 275,000 tonnes (10.8/ mi bu) of U.S. corn. Cash corn was steady-to-firm amid reasonable farmer selling. It is still a good idea to hold off selling on any more of the 2010 corn crop sales at this time; remaining at 60% sold.

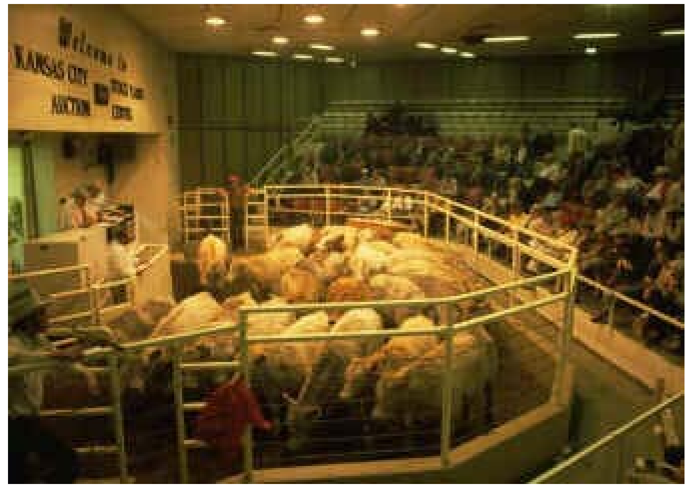
SOYBEAN futures on the Chicago Board of Trade (CBOT) were mixed on Monday with nearbys down and contracts after September turning a corner. The MAY'10 soybean contract closed at $9.300/bu; up 4.5¢/bu. NOV'10 futures finished even with Friday's close at $9.14.0/bu but 17.0¢/bu lower than last report. Shipping problems from Brazilian ports were supportive. In addition, a strike is rumored for the port of Rosario, a major exporting port from Argentina. The stronger dollar kept gains in check. Exports were a disappointing 31.5 mi bu vs. expectations for 34-37 mi bu and China cancelling orders last week for 192,400 tonnes (7.1 mi bu) didn't help. China's tightening credit market to curb inflation was negative for prices and exports. Weather in South America helped U.S. soybean prices as rains continue to slow soybean harvest in both Brazil and Argentina. Cash soybeans were steady amid steady farmer selling. The world supply outlook remains large and the notion that U.S domestic supply is shrinking is price friendly. However, the overall fundamental theme remains bearish for soybeans on the back of a projected record South American harvest. It is a good idea to hold at 70% sold in 2010 soybeans.

WHEAT futures in Chicago (CBOT) took a hit on Monday. MAy'10 futures closed at $4.792/bu; down 6.0¢/bu. The JULY'10 wheat contract closed at $4.920/bu; off 6.0¢/bu and 15.75¢/bu lower than last Monday. As with corn and wheat, a strong dollar kept the pressure on prices amid thinking that importing countries can get cheaper wheat elsewhere. Iraq put out a tender for 100,000 tonnes (3.7 mi bu) of wheat and Algeria is seeking to buy milling wheat. USDA on Monday put wheat-inspected-for-export at 9.2 mi bu vs. expectations for 17-20 mi bu. Good growing weather in the U.S. wheat belt also put pressure on prices. Cash wheat bids were steady to weak amid ample supplies and subduede overseas demand. Hopefully another 5%-10% of the 2010 crop was sold on last week's advice.



LIVE CATTLE futures on the Chicago Mercantile Exchange (CME) continued to soar on Monday. The APR'10LC contract finished at $95.650/cwt; up $0.550/cwt and $1.450/cwt higher than last week at this time. JUNE'10LC futures were up $0.800/cwt at $93.600/cwt and $1.325/cwt over last Monday's close. Fundamental support countered early profit taking initiated on overbought conditions. Fund buying fueled the rally setting an open interest record at 339,074 contracts. Cash cattle were steady-to-firm, up $1-$3 in the Plains. USDA put the 5-area average at $93.35/cwt; up $2.40/cwt from last Monday. Packers continued bidding up prices as feedlots remained mud pits stressing cattle while keeping them from making decent daily gains.
Exports were supportive with U.S. total beef exports up in January from a year ago. Beef exports are going well; up 9% in volume and 6% in value from the same time last year. USDA put the choice cutout at $150.79/cwt; up $1.15/cwt and $1.36/cwt higher than last report. Spreading was noted as traders bought April and sold August while others bought June and sold April and October. Futures Bulls also jumped into the wholesale beef buying on good packer margins. According to

HedgersEdge.com, the average packer margin was lowered $9.40/hd from last report to a positive $18.45/hd based on the average buy of $90.91/cwt vs. the average breakeven of $92.34/cwt. Feed buyers might consider buying more feed at this time.



FEEDER CATTLE at the CME were mixed on Monday. MAR'10FC futures finished at $102.900/cwt; down $0.100/cwt but $0.375/cwt higher than last report. The MAY'10FC contract closed up $0.075/cwt at $107.375/cwt and $0.75 cents over last Monday. Spreads were noted ahead of the March expiry date of March 25. Feeders followed live cattle for a while but couldn't hold on to gains in some contracts. Demand for feeders remains firm in light of good cattle prices and spring pastures beginning to show good grass. The CME feeder cattle index for March 12 was placed at $102.33/lb; up $0.24. Futures were limited as most months showed large premiums to the CME index and the market remains overbought. If you don't quite have grass ready yet it would be a good idea to price enough feed to get you there at this time.

LEAN HOGS on the CME closed down on Monday. APR'10LH futures finished at $71.800/cwt; down $0.850/cwt and $1.000/cwt lower than last Monday. The MAY'10LH contract closed down $0.375/cwt at $77.575/cwt and $1.225/cwt lower than last report. Profit taking and weak fundamentals pressured prices. Spreading out of the nearby April into June and July also put pressure on April futures. The premium of most months to the CME lean hog index supported selling. The latest CME lean hog index was placed at $74.95/lb; down $.0.05/lb but $2.57/lb over last week at this time. USDA put the average pork price at $73.83/cwt; off $0.28/cwt and $1.88/cwt lower than last report. Exports were depressing as Russia is yet to reopen its border to U.S. poultry or hogs. The Russian negotiator was quoted as saying, "We made 'stunning' progress today but need to work harder to close the deal" … whatever that means. Packers had ample supplies for the week and weren't too excited about bidding up cash hogs on Monday. According to HedgersEdge.com, the average pork plant margin was lowered $0.90/hd from last report to a negative $0.55/hd. This was based on the average buy of $52.95/cwt vs. the average breakeven price of $52.76/cwt. It is a good idea to price some feed at this time.

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Don't be the rabbit caught by the hawk of falling prices. It might be a good idea to place sell-stop-at-closing orders around $91.00/cwt if prices go over $91.50 or reach the measuring objective of $91.752/cwt.

Remember, when working with futures risk is involved. Past performance does not indicate a promise of future results.

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