

**Strong overnight trade on the heels on solid gains yesterday. Corn helped in part by increasing dry weather talk in Brazil and overall inflationary concerns toward the US economy. New spec position limits also in the background.**

**At 0600 CK21 trading 7¢ higher at \$5.87 with SK21 10¢ higher at \$13.99 ½. Decent vol of near 18 and 15K to this point respectively on each. KC wheat 9 higher at \$5.93 ½. Dalian corn futures overnight the equivalent of 6¢ higher.**

**Dow futures off 25 points at 33.543. Crude near a buck higher at \$61.13. US \$ Index just under yesterday's close.**

**Brazil bought two cargoes of Argentine corn to help ease its tightening old crop domestic balance sheet.**

**CZ21 making a new contract high overnight at \$5.10 ¼. This high is \$0.37 ¼ higher than the highest high of a CZ contract over the previous 6 years. CZ21 daily chart has an open chart gap between \$4.77 ½ and \$4.80 ¾ from April 1<sup>st</sup>.**

**7 period RSI on CZ21 at 81 this morning. Back in January it traded as high as 96 before a 45¢ price correction.**

**Soybean meal flirting with some major technical support on the daily chart.**

**Strong domestic corn basis keeping CKCN sharply inverted. Today is the last day of the Index Fund roll. Delivery corn values continue to pencil under CIF calculations.**

**CKCN trading 14¢ and have seen a ½¢ range overnight with near 6K contracts trading. Open interest in the CK21 contract at 435K. To compare OI in CN21 stands at 606K contracts.**

**Funds credited with buying 20K corn yesterday. Now net long an estimated 427K contracts. If confirmed with CFTC data will be a record net long.**

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