

April 29, 2011

Friends:

Please find that I have attached some interesting updated charts for your consideration.

The most striking thing of the last few weeks to me is the level of emotional noise that is permeating the marketplace. Everyone has gotten emotional. Just go to Agonline and see if you can find a bear in those woods.

As I mentioned in the last update, you just have to IGNORE the news, the weather, the neighbors, and even the talking heads, and a wise person would add "Ken" to the list that should be ignored for your farm.

Just look at the charts, VERY WEARY. In all respects, and in all regards.

Simply put....the only thing holding this together is adverse weather. As we all know, the market tops before the weather changes, so again we must IGNORE the weather forecast and look at the charts.

BEST GUESS:

The new crop corn may have a few more pops higher left in it, but will those make new highs, it is doubtful but possible.

Bottom Line: It is just a very bad time to be taking price risk.

Caveat: I am obviously talking my position. Yesterday was a very good for us as all of hedges are in the deferreds, with a big hedge in WN12 as it approached Purple diamond on that chart. That was an EASY hammer down sale.

Hope this is useful.

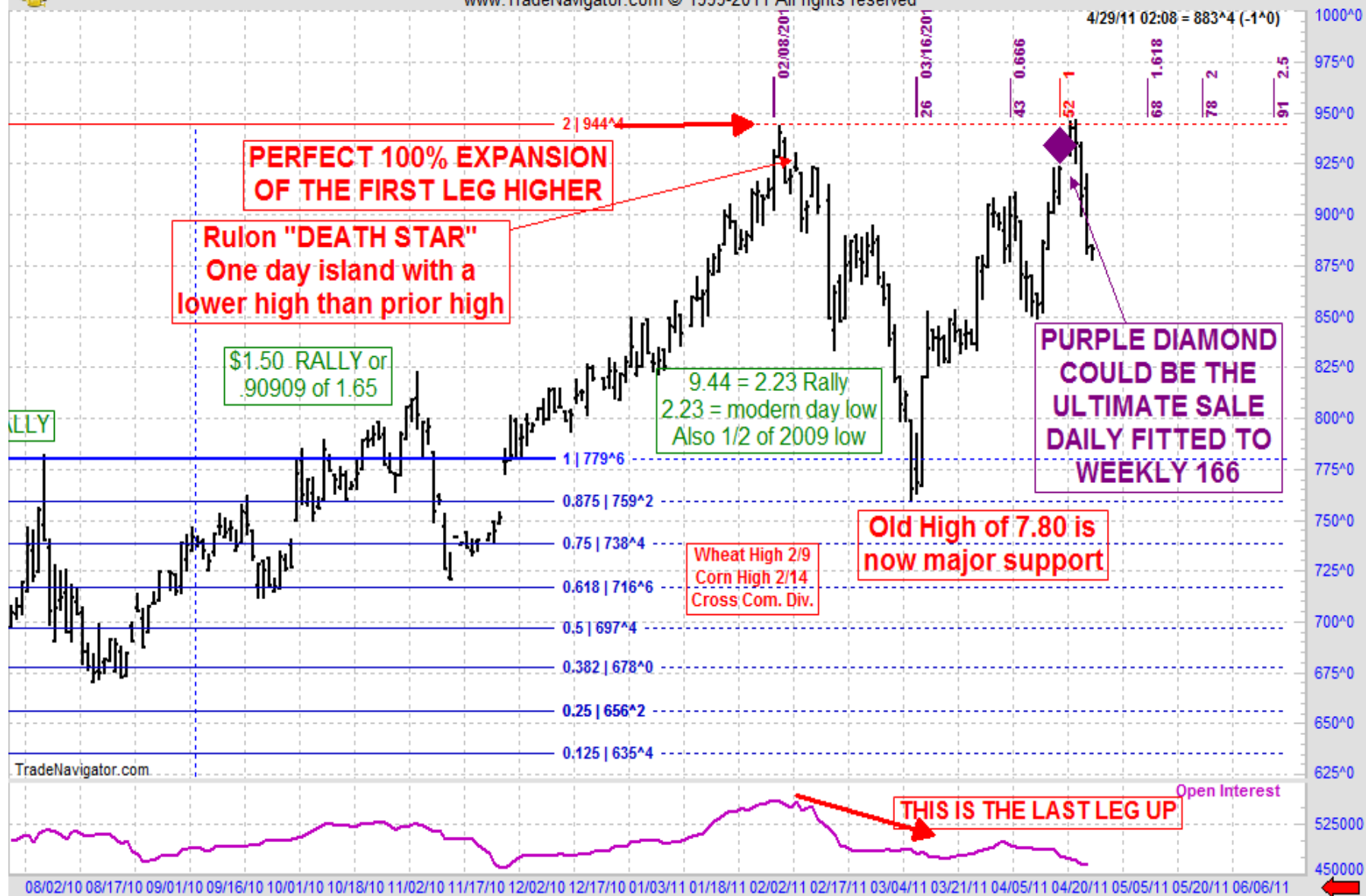
By the way...the argument that we will have a drought and thus should not be selling here is pretty statistically bogus. Even if we have a drought, the time to manage that is in late June, not today.

Ken



W2-201207: Wheat CBT (Comb) Jul 2012 (Daily bars)

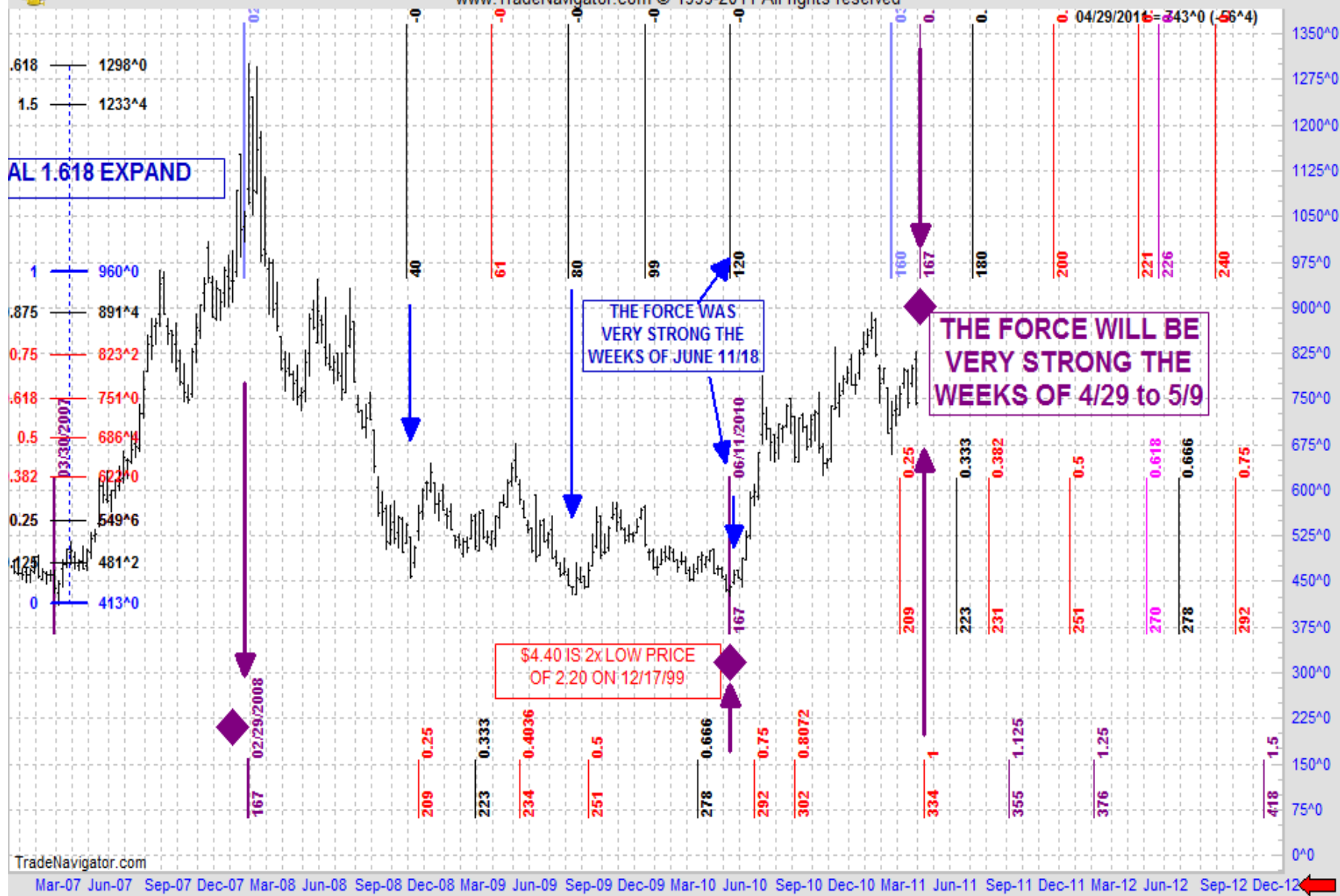
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W-056: Wheat CBT (Pit) Cont Exp (Weekly bars)

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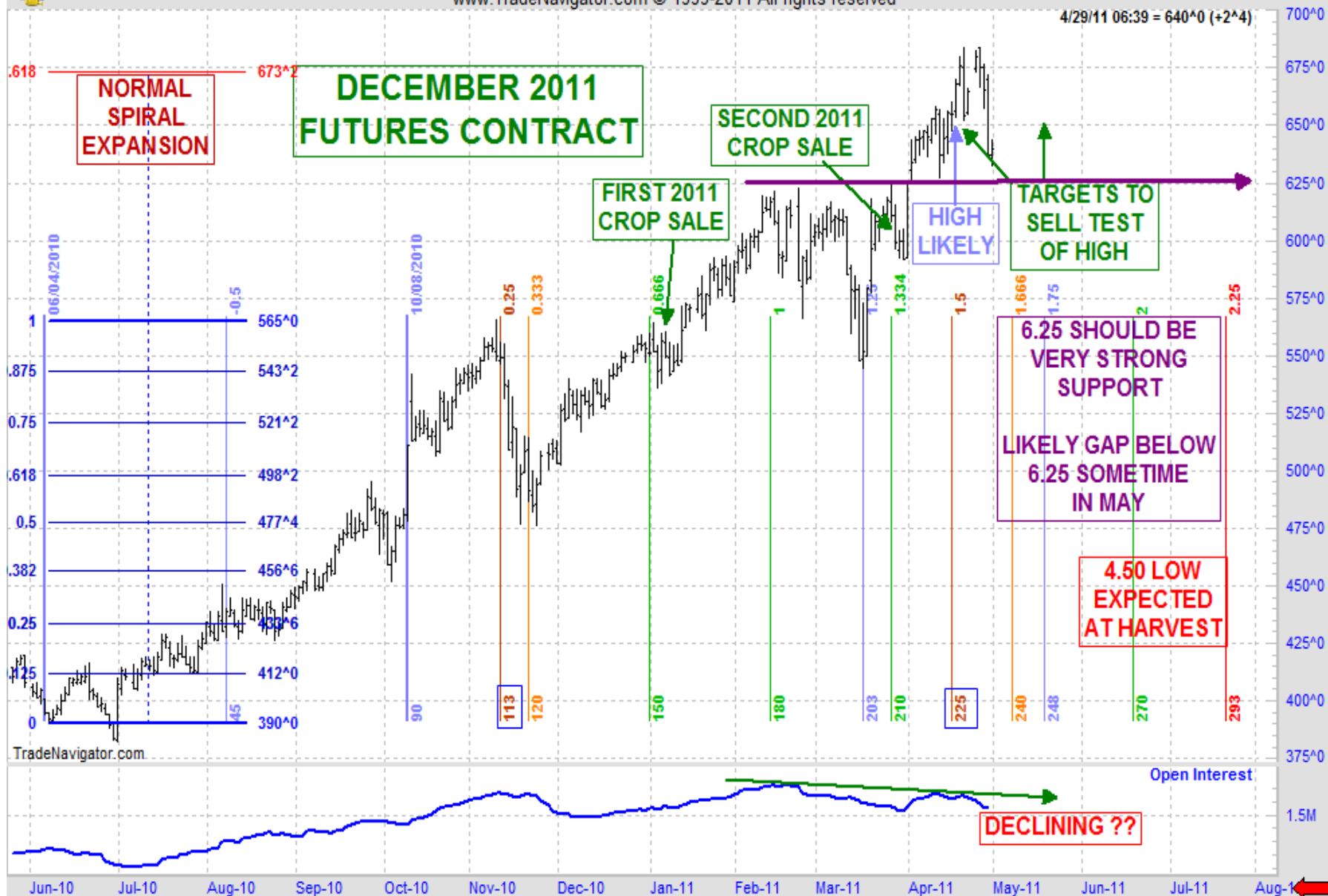




C2-201112: Corn CBT (Comb) Dec 11 (Daily bars)

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4/29/11 06:39 = 640^0 (+2^4)





C2-201105: Corn CBT (Comb) May 2011 (Daily bars)

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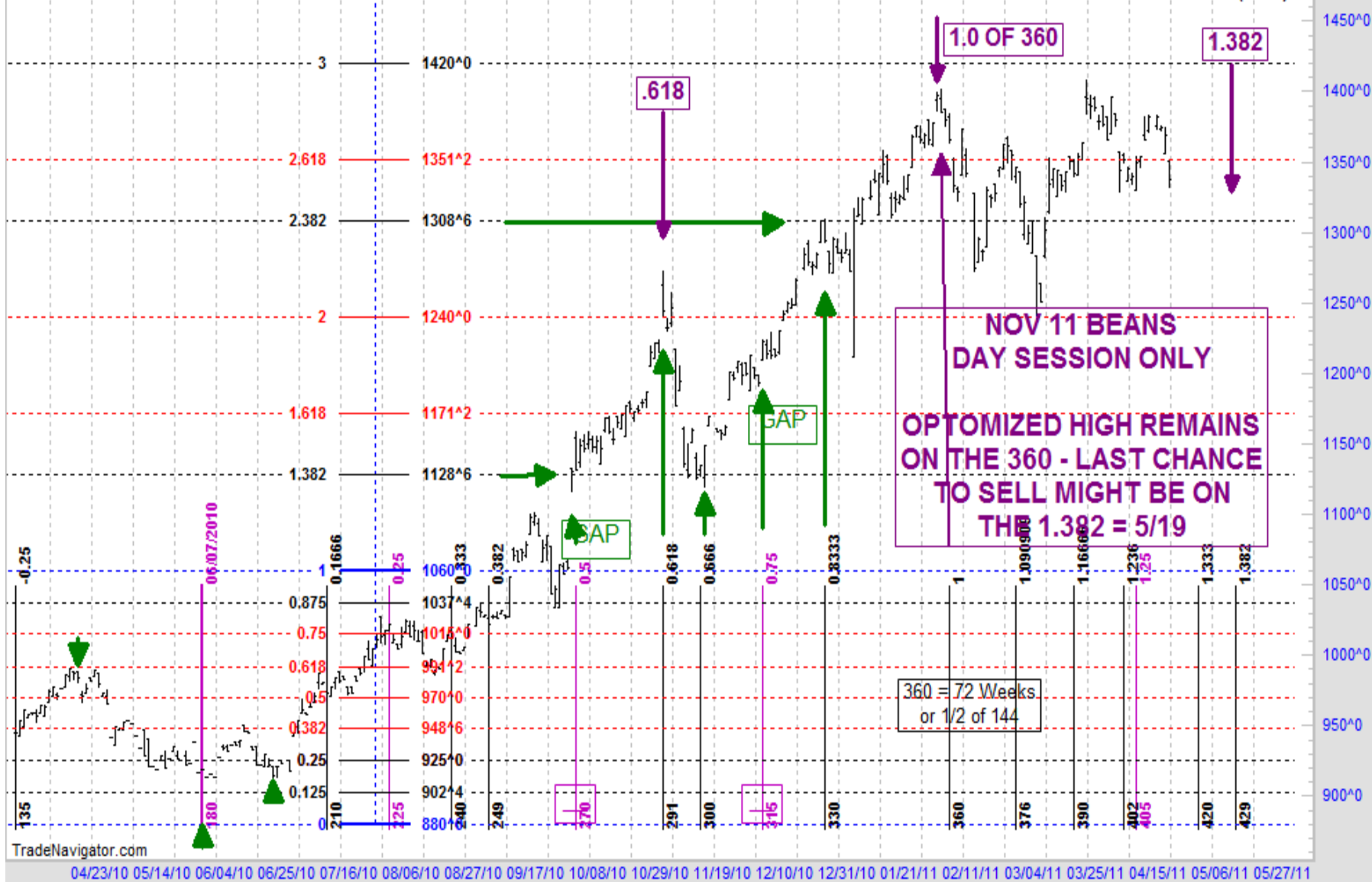




S-201111: Soybeans CBT (Pit) Nov 2011 (Daily bars)

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04/28/2011 = 1337^6 (-30^6)

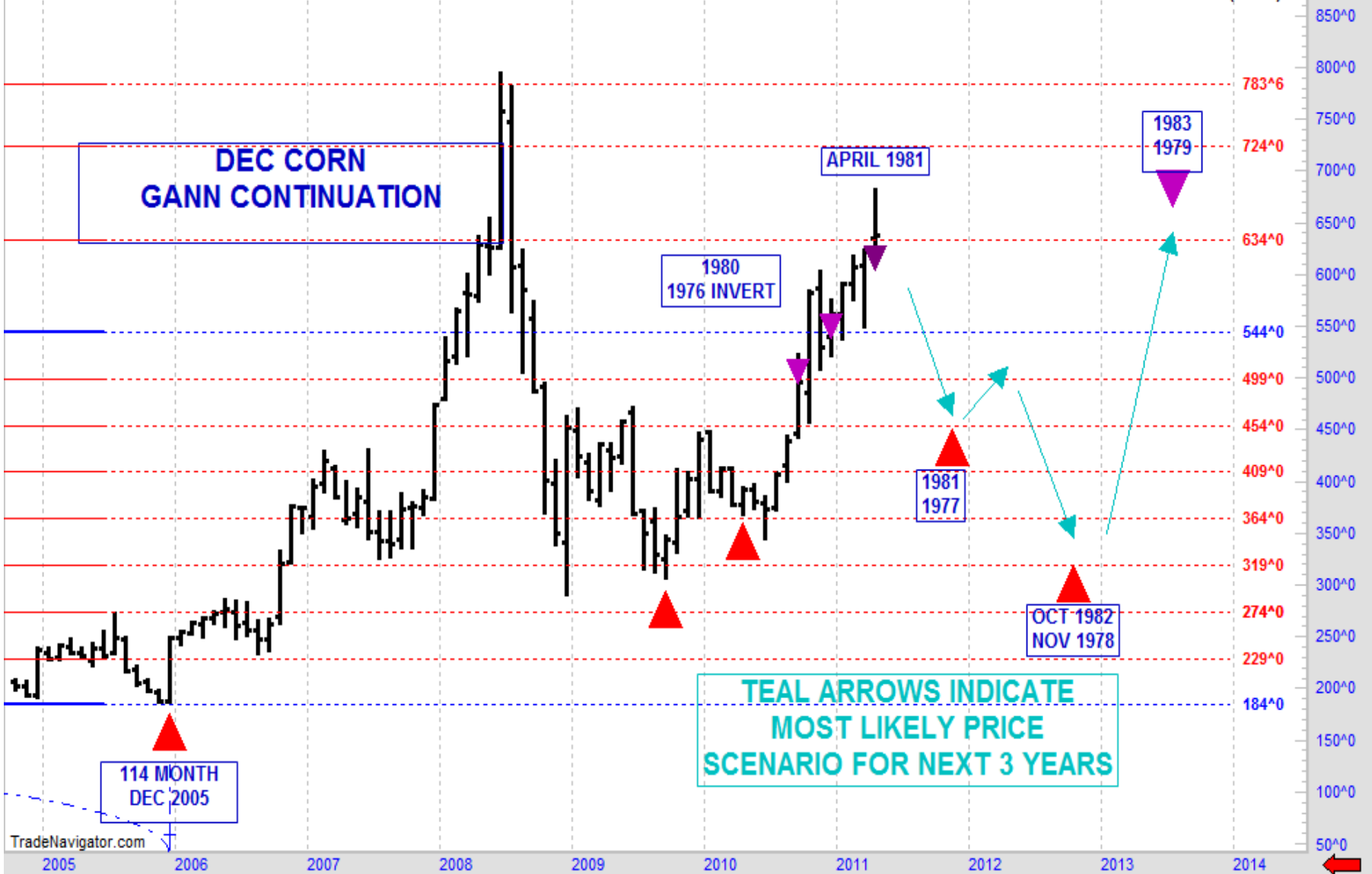




C-092: Corn CBT (Pit) Dec Gann (Monthly bars)

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04/29/2011 = 637^4 (+12^2)

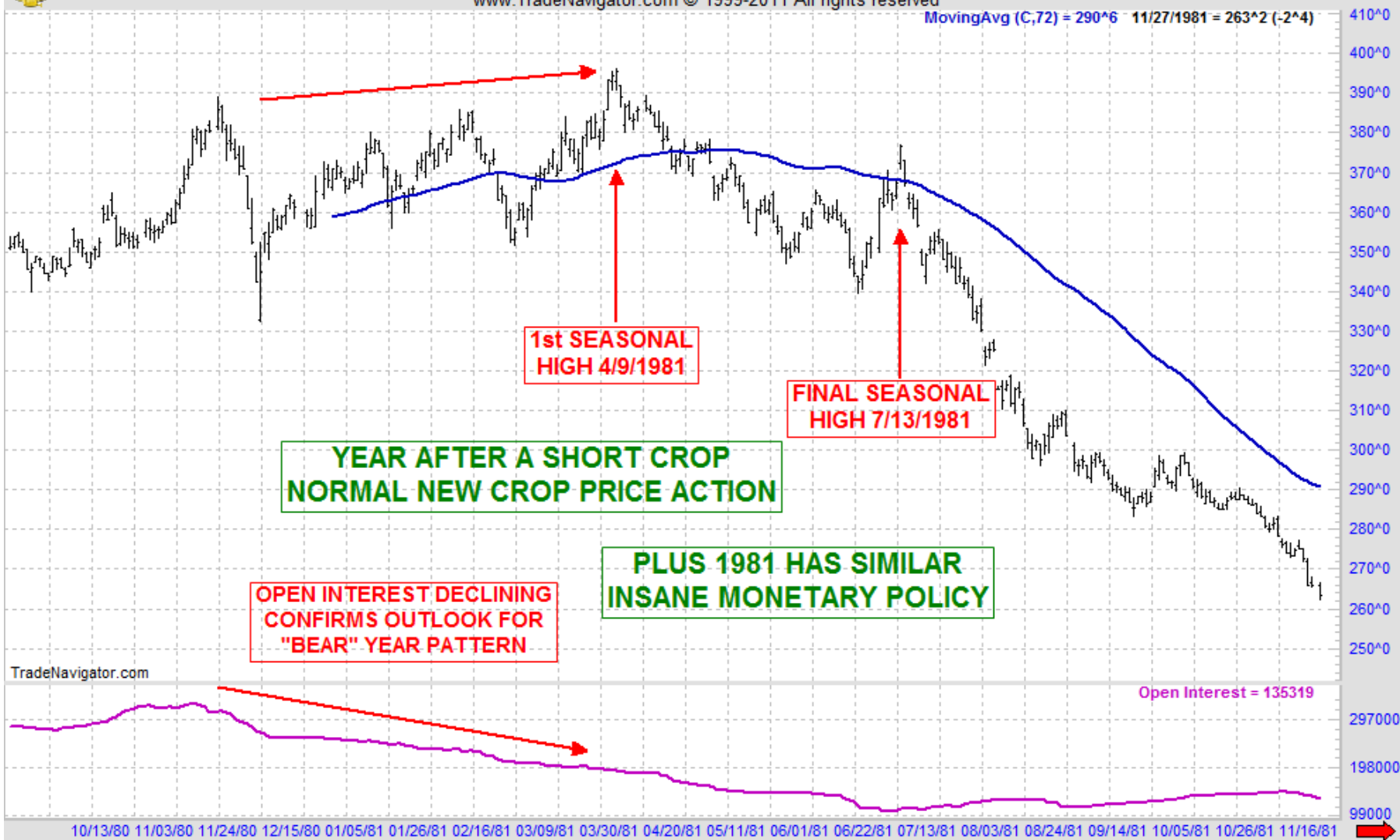




C-198112: Corn CBT (Pit) Dec 1981 (Daily bars)

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MovingAvg (C,72) = 290^6 11/27/1981 = 263^2 (-2^4)





LH2-056: Lean Hogs (Comb) Cont Exp (Weekly bars)

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4/29/11 01:56 = 96.275 (-5.325)

