

April 27, 2012

Dear Subscriber:

We begin today saying a fond (but quite sad) farewell to one of the true founders of our WILLAG.ORG service – Paul Coolley of ADM Grain Group is retiring from the WILL AM 580 airways after some 27 years of dedicated service. It was Paul – who along with a few other of our long time analysts -- who shaped the service to include daily shows as well as our flagship show Commodity Week – our weekly look at agricultural markets.



Paul Coolley accepting a one of a kind life-time achievement award for his 27 plus years of service to WILL AM 580 agriculture. The slate plaque is actually a roofing tile from Mumford Hall, the home of ag communications. Dave is on the left and Todd is on the right.

Over the years Paul has been a passionate supporter of our agricultural service and his wise counsel on Wednesday morning and afternoons has I am most sure led to producers “having a profitable day.” He will certainly be missed for his insight on the marketplace. Paul’s departure means some changes among our on air analysts. Here will be the new analyst schedule – beginning on Monday, April 30:

<i>Day of Week</i>	<i>Show</i>	<i>Analyst</i>
Monday	Pre-Opening Market Report	Aaron Curtis, MidCo, Normal, Illinois
Monday	Opening and Closing Market Reports	Curt Kimmel, Bates Commodities, Normal, Illinois
Tuesday	Pre-Opening Market Report	Pete Manhart, Bates Commodities, Normal, Illinois
Tuesday	Opening and Closing Market Reports	Wayne Nelson, L and M Commodities, New Market, Indiana
Wednesday	Pre-Opening Market Report	Bill Gentry, Risk Management Commodities, Lafayette, Indiana
Wednesday	Opening and Closing Market Reports	Jacquie Voeks, Stewart Peterson Group, Champaign, Illinois
Thursday	Pre-Opening Market Report	Ellen Dearden, Ag Review, Morton, Illinois
Thursday	Opening and Closing Market Reports	Dan Zwicker, ADM Grain Group, Decatur, Illinois
Friday	Pre-Opening Market Report	Bill Mayer, Strategic Farm Marketing, Champaign, Illinois
Friday	Opening and Closing Market Reports	Mike Zuzolo, Global Commodity Analytics, Lafayette, Indiana

Fund Drive Update

Todd and I give a HUGE tip of the hat to those who recently contributed in support of agricultural programming during our just completed April pledge drive. While we are still finalizing the totals – we can share that we received at least 143 pledges for agriculture totaling \$18,734. We also want to give a hearty thanks to our fine agri-business partners who put forth challenges worth \$3,000 – Bozdech Farm, Risk Management Commodities, Global Commodity Analytics, Strategic Farm Marketing, AgriGold Hybrids, and Bates Commodities – bringing our unofficial pledge drive total to \$21,734. THANK YOU!!!

WEEKLY OUTLOOK

University of Illinois ag economist Darrel Good says there is considerable discussion about the potential size of new crop ending stocks. Darrel writes:

"Anecdotal evidence suggests that some acreage intended for corn will be planted to soybeans due to the shift in price relationships following the March survey. On the other hand, an early start to corn planting and the potential that total crop acreage will exceed intentions

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<http://www.andersonsinc.com/>

<http://www.agrigold.com>

In our 9th year as a major corporate underwriter of quality on-air Agricultural Programming at AM-580, **AGRIGOLD** is pleased to provide additional funding for this E-newsletter for the benefit of **AGRIGOLD** customers and other farmers across the country.



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supports ideas that corn acreage could still reach intentions. The deviation from March intentions should be small, with a projection of 88 million acres harvested for grain used here.

Yield expectations for 2012 also vary considerably, reflecting differences of opinion about the magnitude of the trend yield for 2012, the likely impact of early planting, and likely summer weather conditions.

**WILL AG.ORG Introduces NEW
Smart Phone Website!**

m.willag.org

- **Market Analysis**
- **The Pre-Opening Market Report**
- **The Opening Market Report**
- **The Closing Market Report**
- **Commodity Week**
- **Agricultural News and Weather**

The long term trend for the U.S. average yield in 2012 is between 160 and 161 bushels. Prospects for a smaller than average portion of the 2012 crop to be planted after optimum dates for maximum yield potential add about two bushels to the average yield expectation. That impact can be thought of as more or less permanent.

That is, whatever the average yield turns out to be, it might be about two bushels higher than if an average amount of the crop had been planted late. In the end, summer weather will be the largest determinant of the

average yield. A yield expectation of about 162.5 bushels seems most reasonable at this time, pointing to a crop of 14.3 billion bushels.

Consumption of U.S. corn during the year ahead is also subject to a lot of uncertainty due to the unknowns surrounding a wide array of factors that include crop production in the rest of the world, U.S. biofuels policy, and domestic and world economic conditions."

Darrel talked with Todd Gleason this past Wednesday. We'll hear stories from the conversation during the Closing Market Report next week, but because you're subscribed to our newsletter you get to listen to the raw uncut interview here...

<http://www.will.uiuc.edu/media/DG-April25.mp3>



USDA reports this week's corn export sales at 32.5 million bushels (25.4 this year, 7.1 next year). Trade guesses were for 21.7 to 27.6 million bushels. On the year, total commitments for corn are 1416.1 million bushels vs. 1603.2 million bushels a year ago at this time.

Export Sales for the Week Ending April 19, 2012

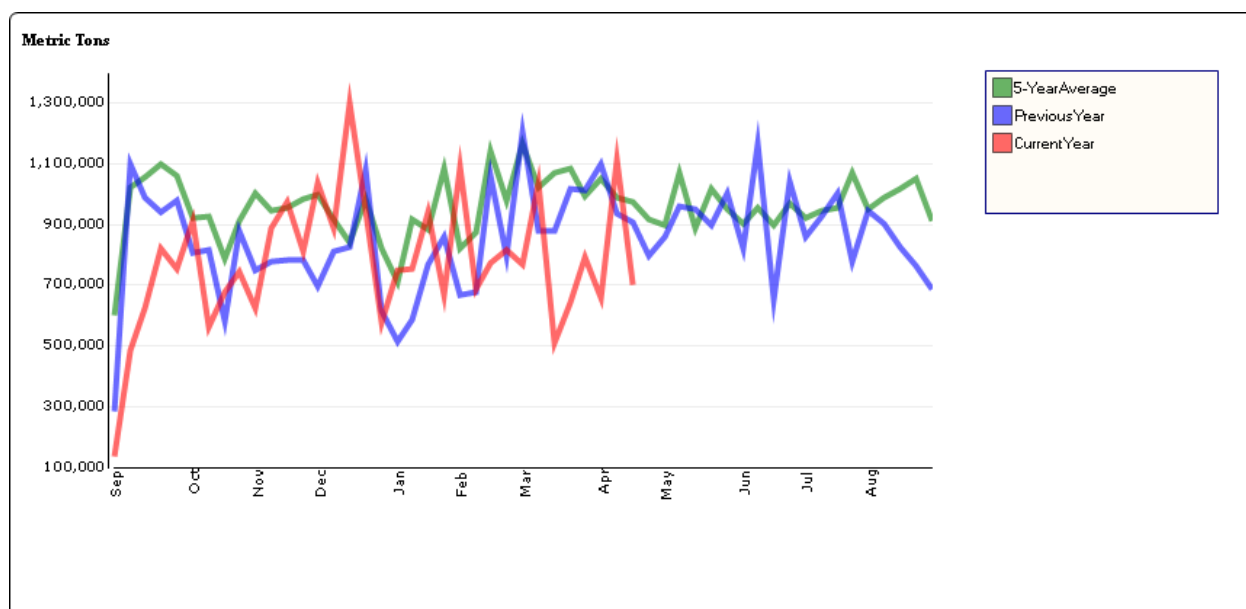


Chart Courtesy of FAS

For information on basis in Illinois this past week go to:

[http://www.ams.usda.gov/mnreports/GX GR113.txt](http://www.ams.usda.gov/mnreports/GX_GR113.txt)

The Iowa basis report is at:

[http://www.ams.usda.gov/mnreports/NW GR110.txt](http://www.ams.usda.gov/mnreports/NW_GR110.txt)

In Friday afternoon's commitments of traders report for the week ending April 24, non-commercials decreased its net long position. Non-commercials were long 313,627 contracts, a decrease of 32,027 contracts, and were short 166,553 contracts, an increase of 31,330 contracts from the previous reporting period.

Meanwhile in futures and options combined non-commercial traders decreased its net long position for the period ending April 24. Non-commercials were long 319,639 combined future and option contracts, a decrease of 18,436 combined future and option contracts and short 173,494 contracts, an increase of 28,290 combined future and option contracts from the previous reporting period.

The CFTC Supplemental Report for April 24 indicated the following combined future/options positions (INDEX ONLY):

	Long	Short	Long Change from Previous Report	Short Change from Previous Report
Index Traders	486,404	78,797	-6,903	-10,556



USDA reports this week's soybean export sales at 51.7 million bushels (34.0 this year, 17.7 next year). The trade was anticipating sales of 29.4 to 36.7 million bushels. On the year, total commitments for soybeans are 1227.9 million bushels vs. 1508.9 million bushels a year ago at this time.

Export Sales for Week Ending April 19, 2012

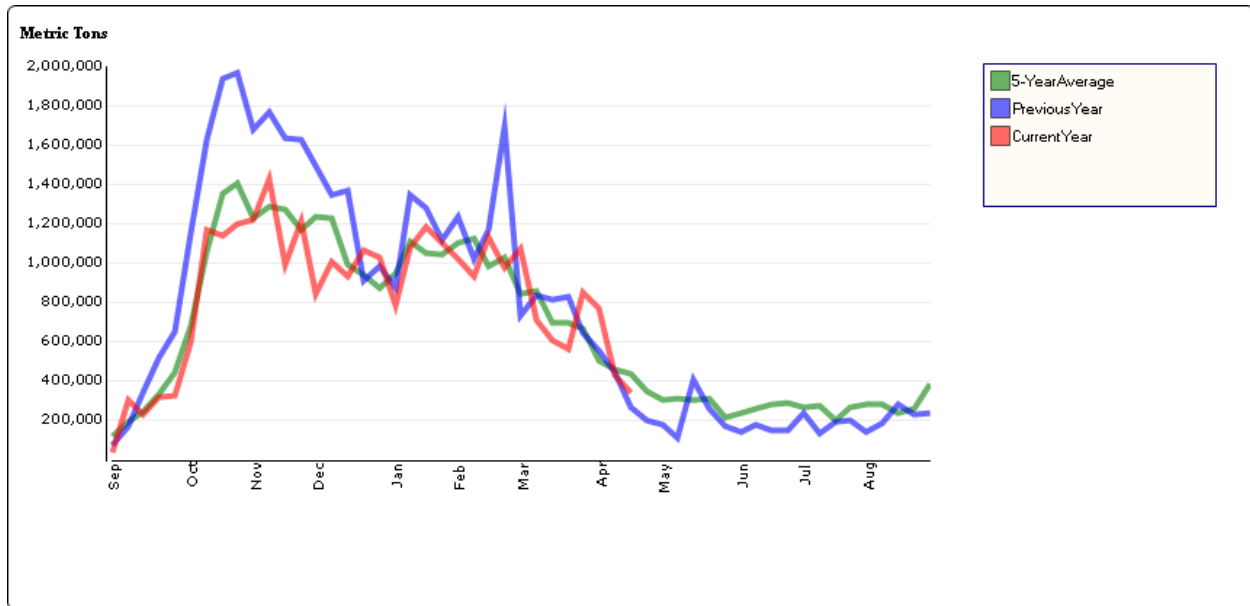


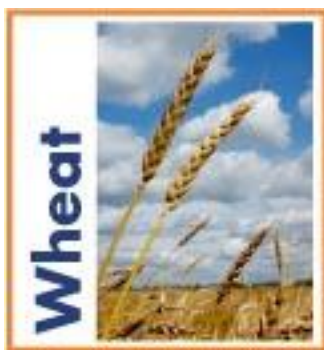
Chart Courtesy of FAS

In Friday afternoon's commitments of traders report for the week ending April 24, non-commercial's increased its net long position. Non-commercial's were long 297,462 contracts, an increase of 11,293 contracts, and were short 48,120 contracts, a decrease of 4,644 contracts from the previous reporting period.

Meanwhile in futures and options combined non-commercial traders increased its net long position for the period ending April 24. Non-commercial's were long 292,910 combined future and option contracts, an increase of 5,734 combined future and option contracts and short 44,978 contracts, an increase of 1,961 combined future and option contracts from the previous reporting period.

The CFTC Supplemental Report for April 24 indicated the following combined future/options positions (INDEX ONLY):

	Long	Short	Long Change from Previous Report	Short Change from Previous Report
Index Traders	208,014	57,463	-1,841	-4,006



USDA reports this week's wheat export sales at 27.3 million bushels (14.2 this year, 13.1 next year). The trade was anticipating wheat sales between 12.9 million bushels and 25.7 million bushels. On the marketing year wheat sales have totaled 993.0 million bushels compared with 12744 million bushels a year ago at this time.

Export Sales for Week Ending April 19, 2012

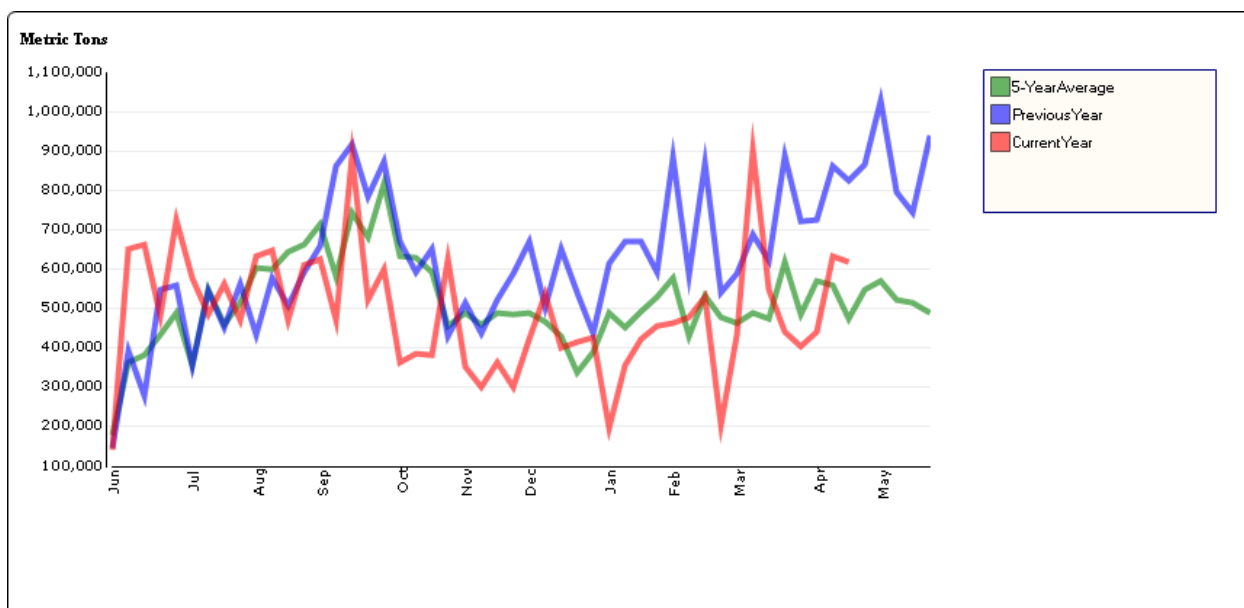


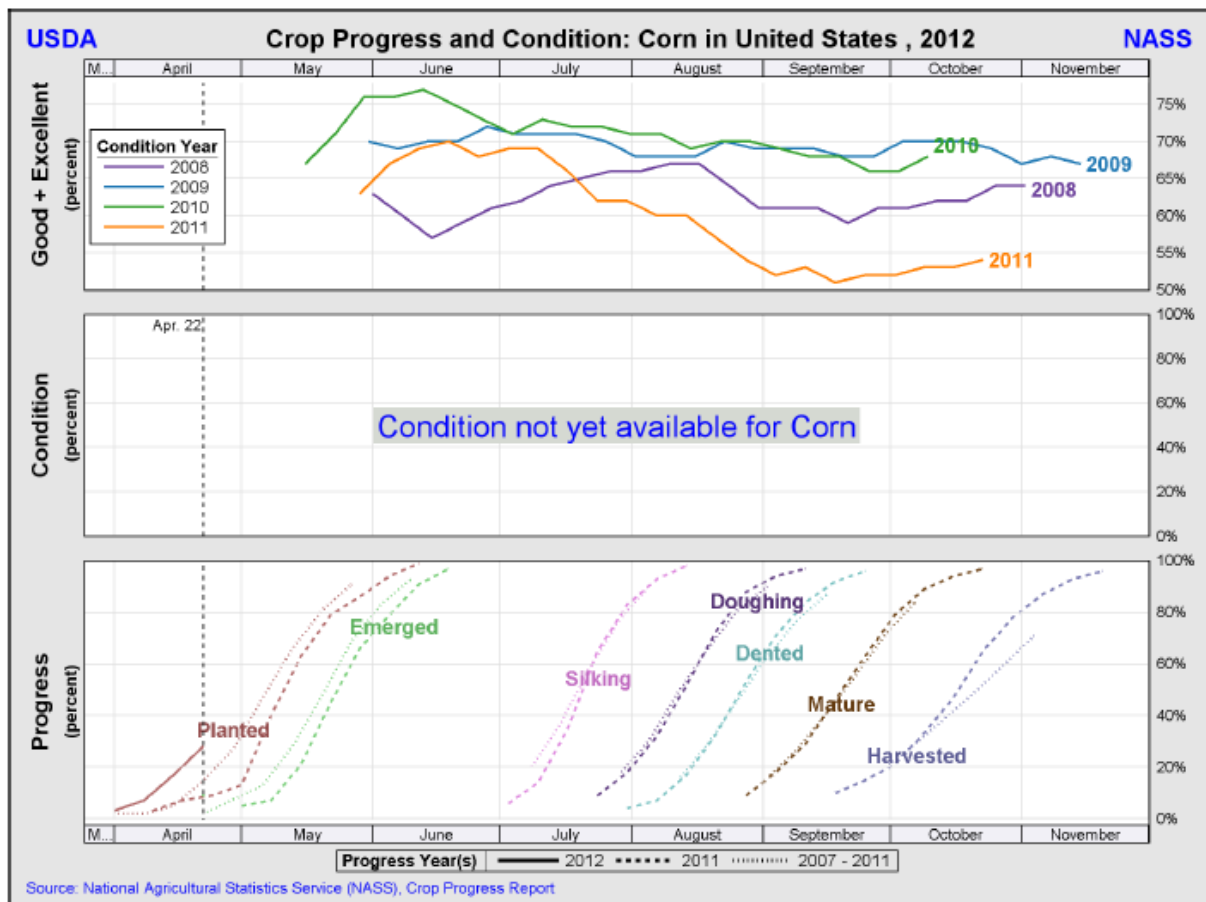
Chart Courtesy of FAS

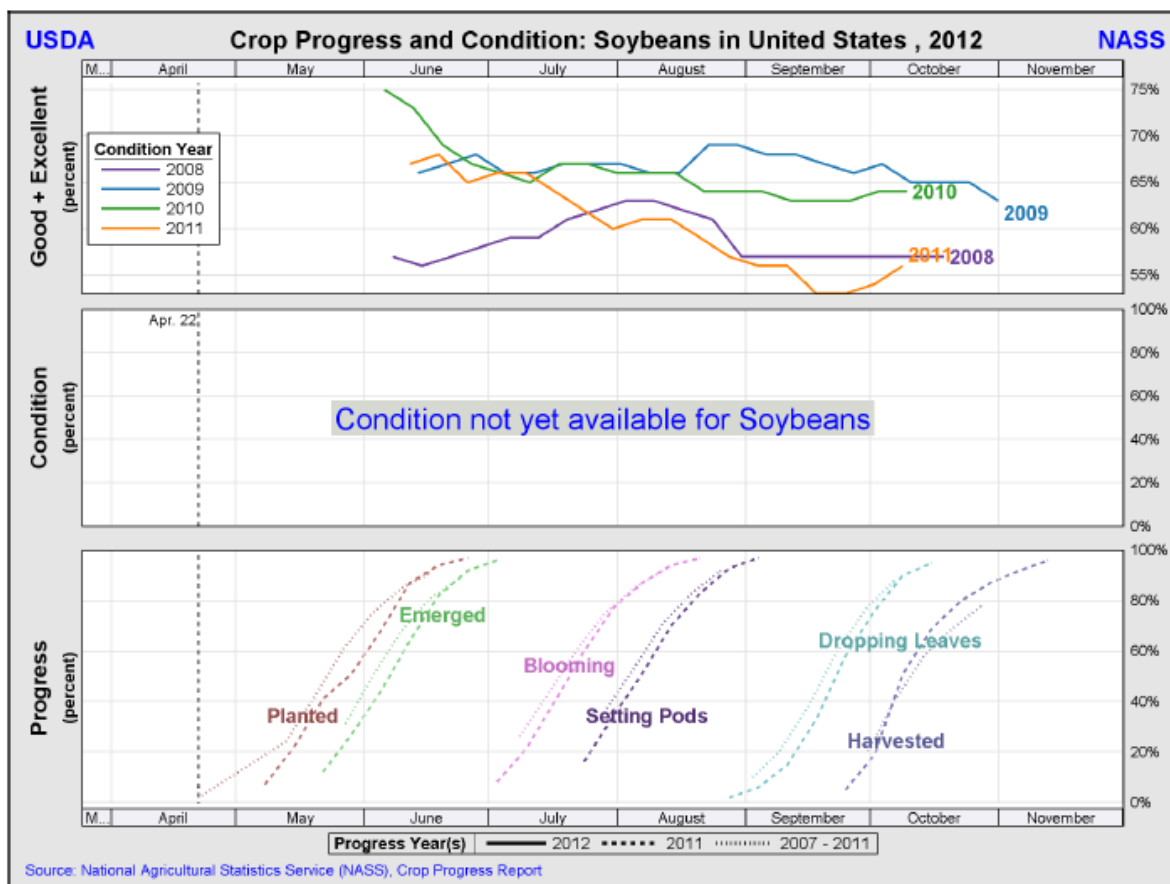
In Friday afternoon's commitment of traders report for the week ending April 24 non-commercial's decreased its net short position. Non-commercial's were long 104,859 combined future and option contracts, an increase of 9,651 combined future and option contracts and short 149,057 contracts, a decrease of 1,701 combined future and option contracts from the previous reporting period.

The CFTC Supplemental Report for April 24 indicated the following combined future/options positions (INDEX ONLY):

	Long	Short	Long Change from Previous Report	Short Change from Previous Report
Index Traders	255,900	37,818	-5,267	2,519

Other Fundamentals:





Friday Drew Lerner of World Weather Inc. had this to say about planting conditions in the U-S:

Sunday and Monday will be chilly again, but temperatures should not be quite as cold as what occurred this morning with light freezes extending as far

DAILY WILLAG.ORG Agricultural Weather Podcast with Drew Lerner

Posted by 8:40 a.m. Monday through Friday

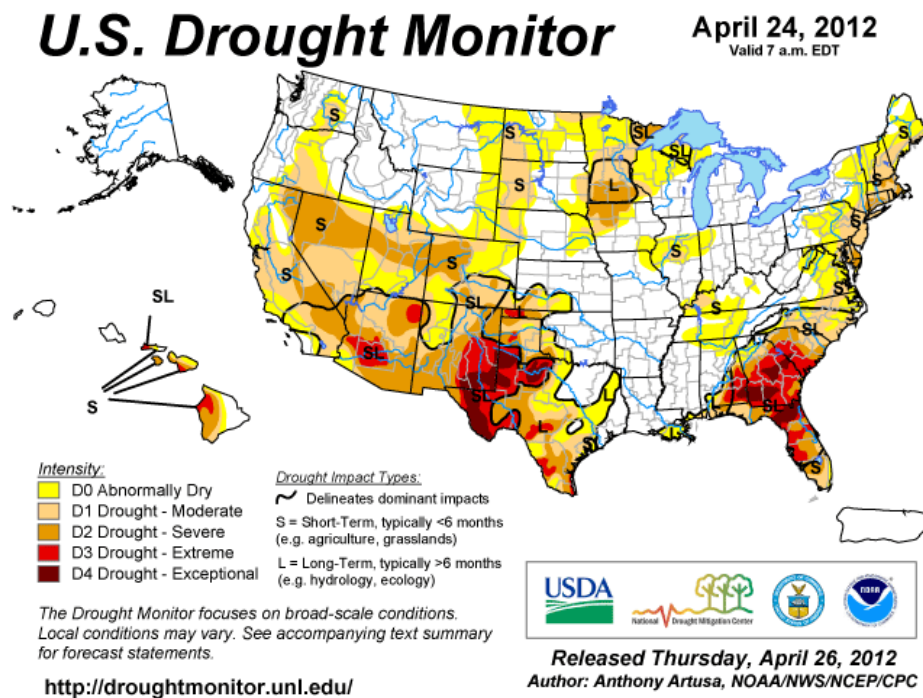
Subscribe at:

<http://will.uiuc.edu/RSS/WILLfeeds/ag-morningweather.xml>

**DREW LERNER BROADCAST ON AM 580 and
our
WEB LIVE STREAM at 8:50 am CST daily**

south as northern Indiana and northern Ohio.

A wet weather pattern and increasing planting delays will occur through late next week. The moisture will be welcome in the drier areas from western Missouri and eastern Kansas into the eastern Dakotas and in areas from Illinois and Indiana to the interior southeastern states. If today's forecast verifies soil moisture will be favorable throughout the Midwest during a fair amounts of the next two weeks. Shower activity will decline during the May 5-11 period and planting should accelerate with the most generalized rain occurring May 7-9.



MAD COW IN CALIFORNIA

This week USDA announced the discovery of a BSE (Mad Cow) infected animal in California. We talked with ILLINOIS' Susan Brewer about the disease and its history. You can listen to the discussion here...

<http://www.will.uiuc.edu/media/BSE-Special.mp3>

THE SENATE'S FARM BILL

The U.S. Senate passed its version of the Farm Bill Thursday. The Ohio State University's Carl Zulauf wrote an article for the FarmDocDaily website and Todd Gleason produced a podcast for that program. You can listen to the audio here...

<http://www.will.uiuc.edu/media/FDD120426.mp3>

...and read Professor Zulauf's article here...

http://www.farmdocdaily.illinois.edu/2012/04/first_draft_of_the_new_senate.html

And one more planting story – this one on the merits of planting soybeans in April....

PLANTING SOYBEANS IN APRIL IS OK

Farmers, finishing up corn planting, are wondering about the merits of planting soybean so early in the season. ILLINOIS' Emerson Nafziger says fresh data suggests it might be the right thing to do. You can listen here...

<http://www.will.uiuc.edu/media/early-soybean.mp3>



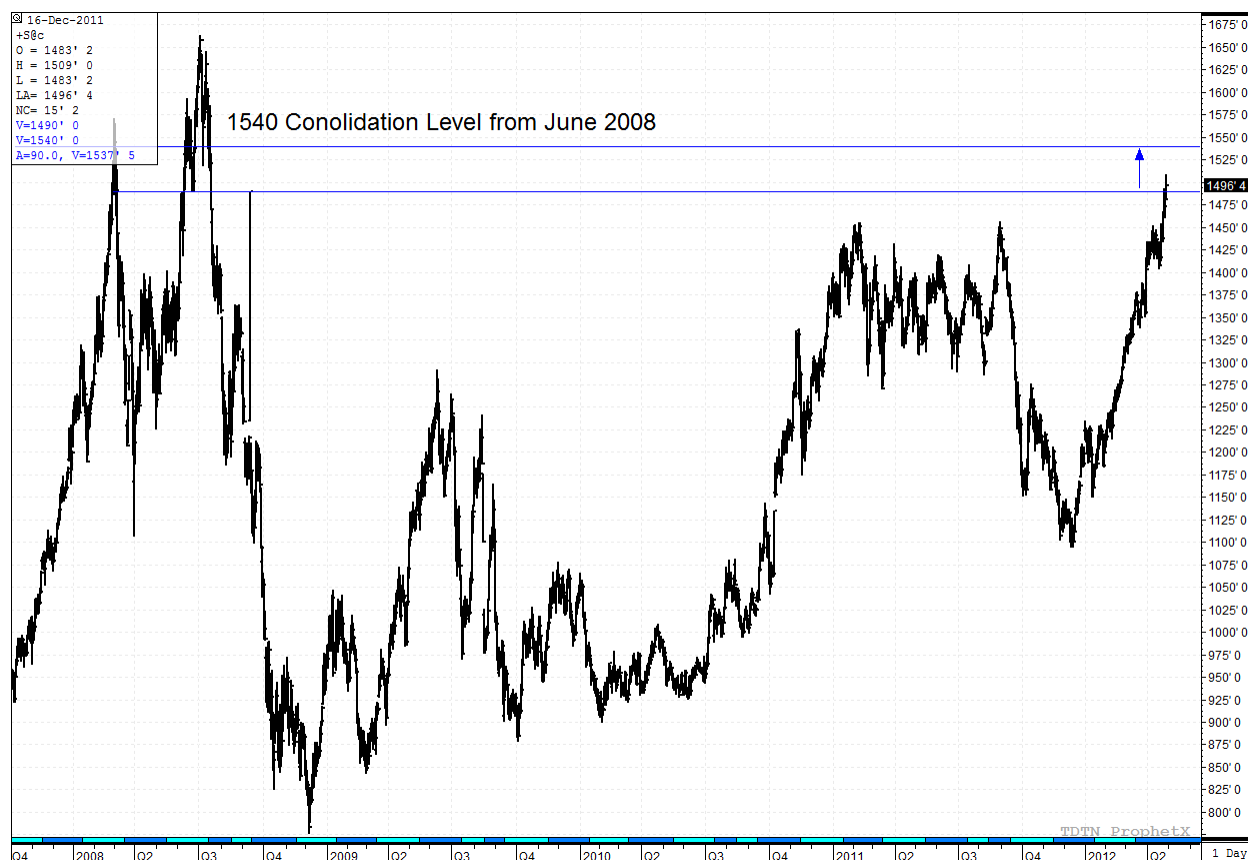
Technicals

Technically speaking soybean front months – May and July – soybean futures have new upside objectives after this strong week to the upside – especially if momentum indicators and open interest continue to build into next week.

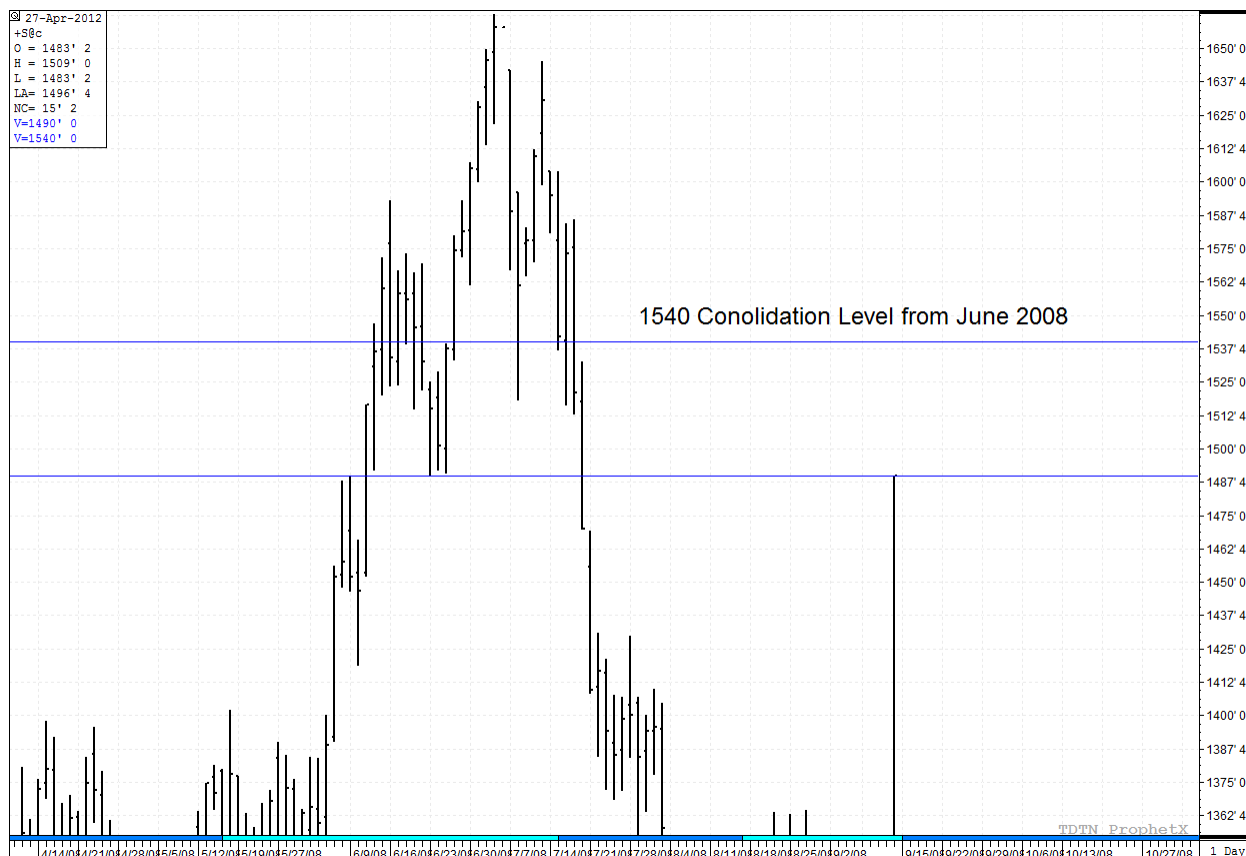
Our analysts suggest the next technical upside target is the 1540 consolidation level set back in June of 2008.

Confirmation of the potential upside comes with consecutive settlements above the September 12, 2008 high of 1490.

Continuation Soybean Futures (Composite Daily)



Continuation Soybean Futures Close Up of June 2008 (Composite Daily)



Todd and Dave would love to hear from you. We are always looking for ways to improve WILL's agricultural service. If you have an idea, or just want to talk, you can e-mail us at willagstaff@illinois.edu. You can also reach s via snail mail at Campbell Hall for Public Telecommunications, 300 North Goodwin Avenue, Urbana, Illinois 61801, or phone at (217) 333-7300.



Commodity Week

Panelists:

- Paul Coolley, ADM Investor Services, Oakland, Illinois
- Dan Zwicker, Grain Analyst, Decatur, Illinois
- Wayne Nelson, L&M Commodities, New Market, Indiana

You can listen to Commodity Week each Saturday morning at 11:30 a.m. central time on AM-580 or click on the following link any time after 6 p.m. Friday evening and catch the show on our website:

Broadband MP3:

<http://www.will.uiuc.edu/media/cw120427.mp3>

Dial Up MP3:

<http://www.will.uiuc.edu/media/cw120427dial.mp3>

Weekly Continuation Chart



April 27, 2012

Commodity	Week High	Week Low	Week Settle	Change from Previous Week
May Wheat	646	614 1/2	642 1/4	up 26 1/2
Jul Wheat			650	up 27
May Corn	655 1/2	609 3/4	653	up 40 1/2
Dec Corn			538 3/4	up 2
May Soybeans	1509	1433	1496 3/4	up 50
Nov Soybeans			1362	up 6
Apr Live Cattle	12030	11680	11845	down 210
May Lean Hogs	8815	8530	8550	down 200
May Oats			335 3/4	up 13 1/2

AM-580 Daily Agricultural Programming Schedule

<http://www.will.uiuc.edu/am/agriculture/schedule.htm>

Monday – Friday (all times central)

- 8:49 a.m. – \$*Pre-Opening Commodity Market Report
- 9:49 a.m. – \$*Opening Commodity Market Report
- 10:59 a.m. – Commodity Market Price Update
- 11:59 a.m. – Commodity Market Price Update
- 12:55 p.m. – *Midday Market Analysis with Sue Martin
- 1:50 p.m. – CBOT & CME Settlement Prices
- 2:06-2:36 p.m. – \$*Closing Market Report

- 2:08 – *Futures Analysis
- 2:20 – *Agricultural News
- 2:25 – *Cash Grain Analysis or Energy Analysis
- 2:32 – *Agricultural Weather Analysis

Saturday

- 6:30 a.m. – \$* Commodity Week
- 11:30 a.m. – \$*Commodity Week

*Available on the website for on demand listening! \$Available via podcast.