Today is “Brexit Day”, the long awaited, much publicised and much debated day upon which the UK will leave the European Union. Or rather, it is not! Further political discord and somewhat bad-tempered to and fro politics leave us without agreement and limited options. Even the offer of Prime Minister May’s resignation in exchange for an agreement has failed to provide the much-desired agreement. Where we go now has the politicians, pundits and European Union clueless.

In marked contrast, US Treasury Secretary Steven Mnuchin said on Friday he had a "productive working dinner" the previous night in Beijing, kicking off a day of talks aimed at resolving the bitter trade dispute between the world's two largest economies. Mnuchin and U.S. Trade Representative Robert Lighthizer were in the Chinese capital for the first face-to-face meetings between the two sides in weeks after missing an initial end-of-March goal for a summit between US President Donald Trump and Chinese President Xi Jinping to sign a pact. Markets in the US and Asia took heart and achieved some gains from the news.

Away from politics, we saw Egypt’s GASC secure a couple of cargoes (120,000 mt) of US origin soft red wheat at prices reported to be $248.27/mt basis C&F, which is some $3/mt below their last tender in late March. Egypt passed on French offers, which left a weaker tone in MATIF markets, and this was not helped by growing conditions reported to be favourable and the crop rated as 85% good/excellent upon emergence from dormancy. Russia’s wheat exports have reached a shade over 31 million mt up to March 26, marginally ahead of the same time last year and a somewhat bullish estimate for the full season was put at 35-37 million mt according to officials. This was dependant upon domestic prices reducing said the Russian Grain Union. Aside from the foregoing there is limited wheat specific news and markets await the numbers from the stocks and plantings report scheduled for release later today we await the numbers. Any bullish news could spark fund short covering in a market which has Chicago funds in a similar net short position to this time last year but Kansas fund positions are net short over 51,000 contracts compared with net long 26,000 a year ago. This will be something to keep an eye on.

Corn markets continue to surprise with funds continuing to be willing to sell even at current low prices. Technical indicators on the charts remain weak and prices have failed to move above last week’s high and have similarly failed to breach the 50-day moving average. Today’s report could well add some volatility with March 1 stocks widely expected to come in below last year’s levels. Plantings are anticipated at 91.3 million acres, below the Outlook Conference number of 92 million. Clearly it is weather in the next six weeks or so that will dictate actual acres and forecasts will be worth watching.

Soybeans continue to react most strongly to what is, or what is not, happening in the US/China trade negotiations; currently optimism over “major progress” has provided the latest uptick in prices following recent weak technical price action. Weak S America currency, in both Brazil and Argentina, has left farmers there (who have product to sell) with windfall benefits. The Brazilian Real lost more than 3%, at its lowest since early October and the Argentine Peso was close behind, shedding 2.9% and at its lowest in a number of years. Consequently. S American selling has added some market price pressure at this time. Record US stock levels are anticipated in today's report, not unsurprisingly given the US's export losses to S America this season, and it will probably be acreage figures that gain the most attention in the release.

Brexit, US/China and today's Stocks and Seedings data will all provide market input today and into the coming weeks. Which of these will provide the biggest input remains to be seen but our money is resting on US/China negotiations. Time will prove us right, or otherwise, as is always the case.