

OPENING CALLS: Higher **REASON:** Follow through buying / dollar settling back / stronger outside markets

Thursday: Export Sales @ 7:30 AM CST

MORNING TRIVIA (answer below) : Name the tallest shortstop in the history of major league baseball.

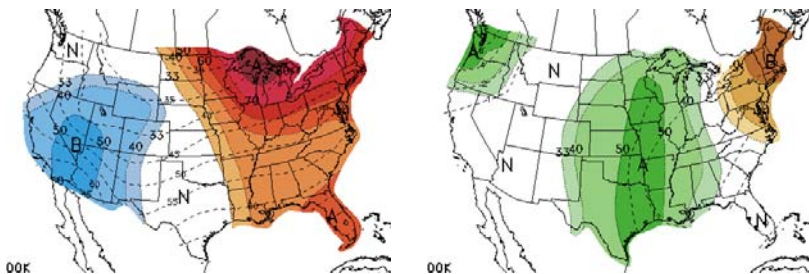
Quick Editorial:

- The grain and oilseed complex remains strong this morning with corn, beans, wheat, and meal pushing to fresh intraday session highs in the last hour of trade. Persistent inflow of fund money will continue to be supportive to the market and with the FED expected to leave the FED Funds rate unchanged—0.0 to 0.25%—coming out of this week’s FOMC meeting; inflationary concerns will continue to weigh on investors’ minds as long as the fund rate remains low and the FED does not repurchase some of the abundant dollars in our money supply.
- Informa will estimate crops this morning with FCStone estimating production this afternoon. Historically, Informa’s November corn production estimate has been extraordinarily close to USDA November estimate except for the 2005 significant crop underestimation. Without that experience previous seven year Informa estimates have been within 20 mbu of the USDA. Their November soy production estimate has also been close to the USDA’s November figures.
- Argentina soy planting 5 to 10% complete. Brazil planting moving forward rapidly with improved moisture. Brazil is expected to produce a record soy crop of 64 MMT this year with Argentina producing upwards to 54 MMT and Paraguay producing 6 MMT.
- Oil World has cut its forecast of the Argentine soybean crop for harvesting in early 2010 to 50.0 MMT from last month’s 52.0 MMT due to dry weather—however this would still be significantly larger than last year’s dismal 32.0 MMT. Oil World is projecting global palm prices to rise by \$80 to \$150 / MT until March or April 2010 because of reduced stocks and sunflower oil prices are also set to increase.

WEATHER UPDATE:

Over the past twenty-four hours, light showers dropping a couple tenths of an inch spread across the NE three quarters of the Midwest with the Delta remaining dry. A few light showers are expected for the Eastern portion of the MW with expectations of dumping only a few tenths of an inch. The MW will be followed by mostly drier weather with cooler temperatures in the E and more seasonal temps in the W. Things will begin to warm late this week and into this weekend to above normal temps with highs in the 60’s and 70’s in the MW and 70’s and low 80’s in the Delta. The 6-10 day is still indicating a lighter rainfall event for the beginning to mid next week. Near to above normal precip is expected for the MW, SE, and Delta with above normal temps in the E and cooler conditions in the W.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



NIGHT SESSION ACTIVITY: Grain Volume: 34,108

Symbol	High	Low	Last	Chg	Vol
CZ9	396.00	387.25	394.75	+4.75	7,284
CH0	409.00	400.75	407.75	+4.25	1,443
CZ0	442.00	434.25	440.75	+3.00	1,105
WZ9	527.75	516.00	526.00	+10.25	2,579
KWZ9	530.00	520.00	529.00	+9.00	272
SX9	1016.50	1000.00	1015.00	+8.25	1,709
SF0	1020.75	1003.75	1018.75	+8.25	7,789
SX0	1002.00	989.50	1000.00	+7.00	152
SMZ9	311.00	305.00	309.70	+3.30	1,655
BOZ9	37.85	37.23	37.66	+0.13	4,959
CLZ9	80.48	79.12	80.35	+0.75	32,764
DXY	76.55	76.23	76.36	-0.21	1,828

Dec Corn Technical Comments

December corn has maintained its uptrend following yesterday’s explosive opening—setting up an ascending triangle with a neckline at \$3.95’6. Resistance can be found at \$3.95’6, \$4.00, and \$4.08. Support will be held at \$3.90, \$3.76’2, \$3.60, and \$3.50.

Jan Beans Technical Comments

January soybeans has maintained its uptrend following yesterday’s explosive opening—setting up an ascending triangle with a neckline at \$10.20’6. Resistance can be found at \$10.20’6, \$10.25, and \$10.50. Support can be found at \$10.00, \$9.90, \$9.75, and \$9.62.

Dec Wheat Technical Comments

December wheat has been in a steady uptrend since Sunday’s overnight session. Resistance can be found at \$5.27, \$5.30, and \$5.38. Support can be found at \$5.17, \$5.07’4, \$5.05, \$4.95, and \$4.87’4.

