



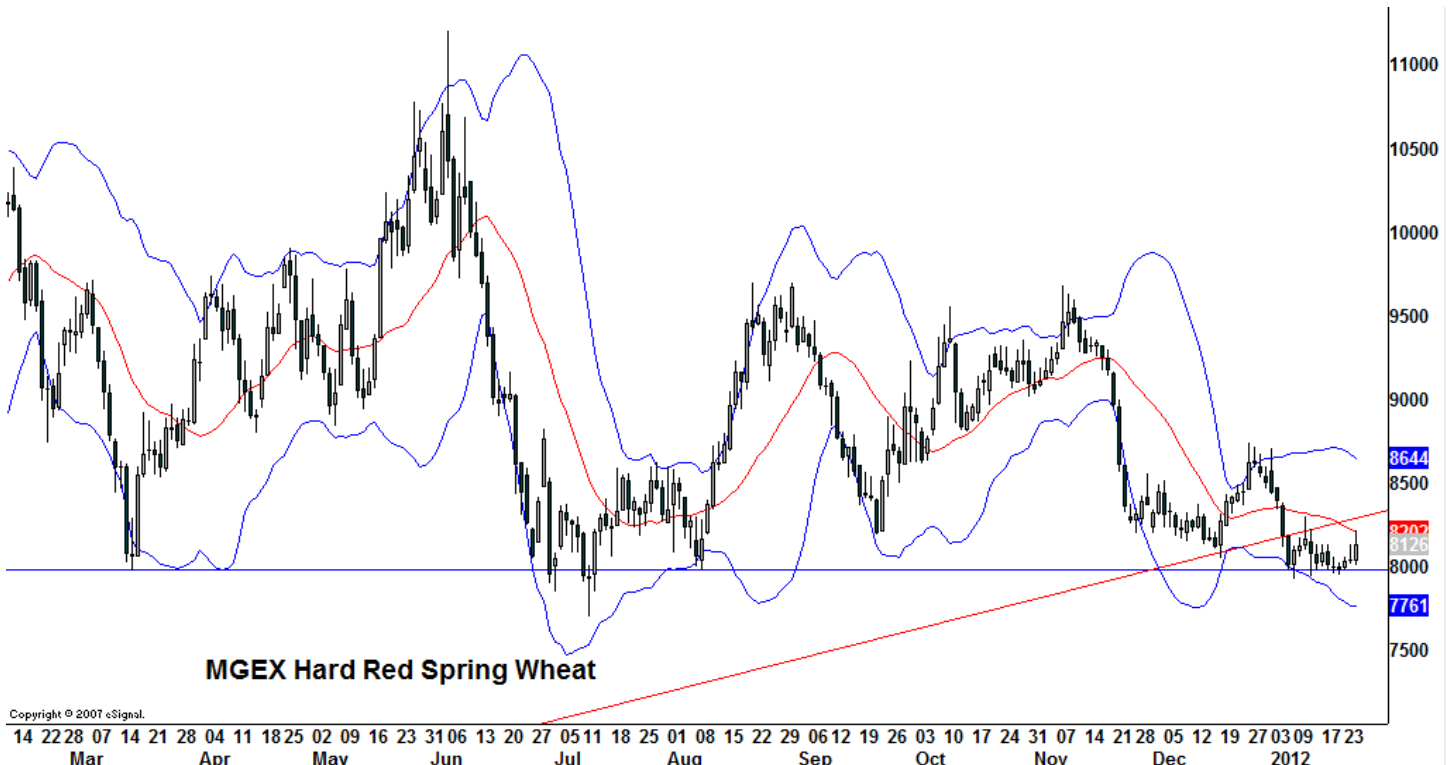
CERESHEDGE LETTER

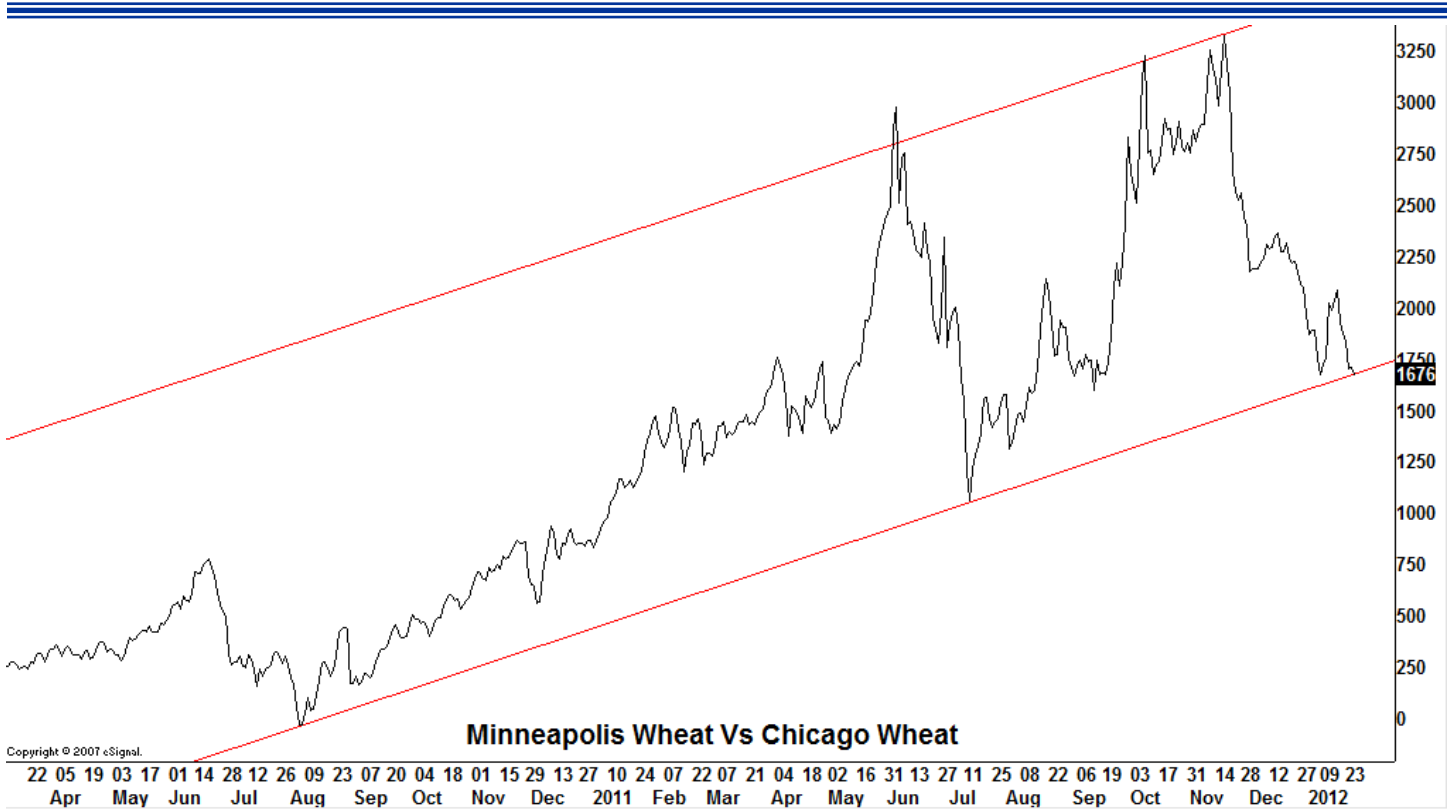
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January 26, 2012

MGEX WHEAT UPDATE

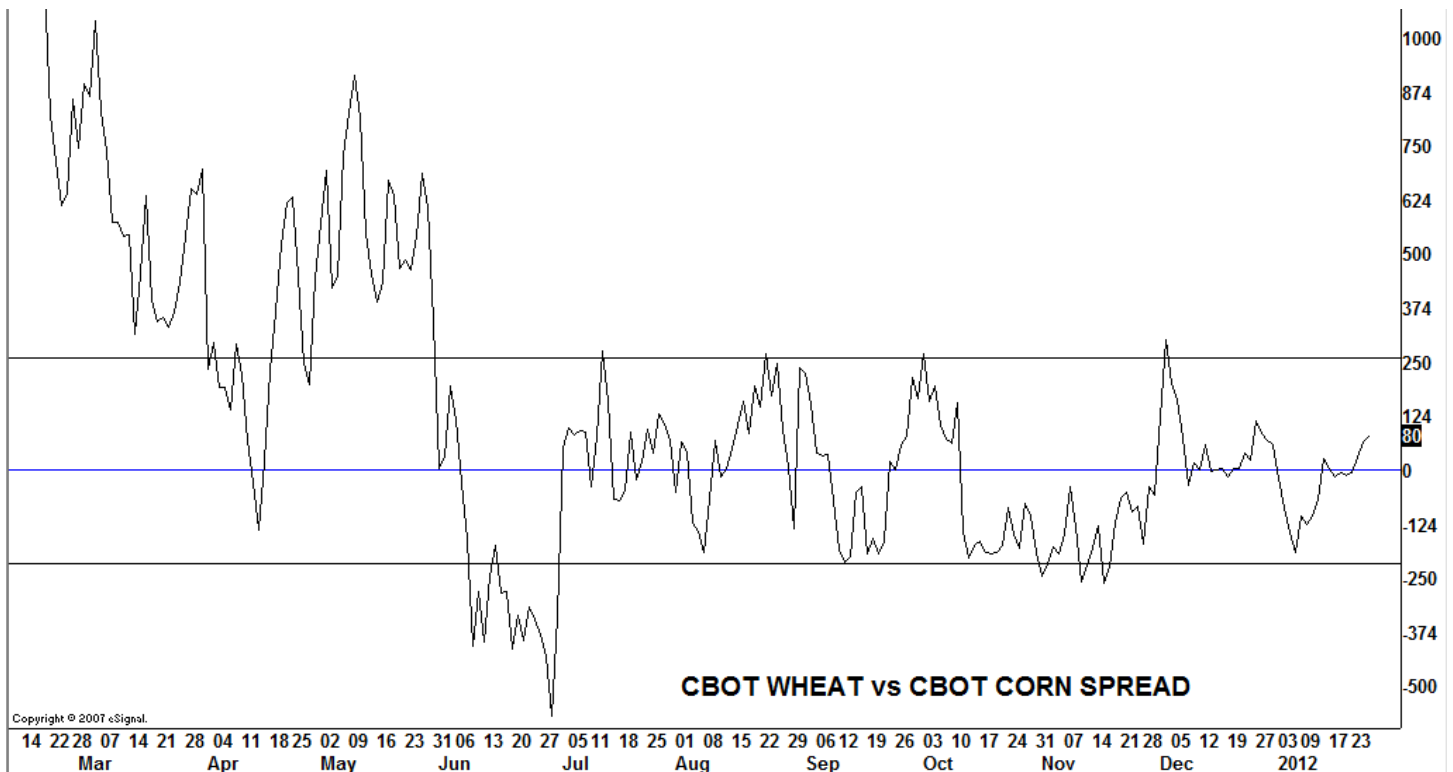




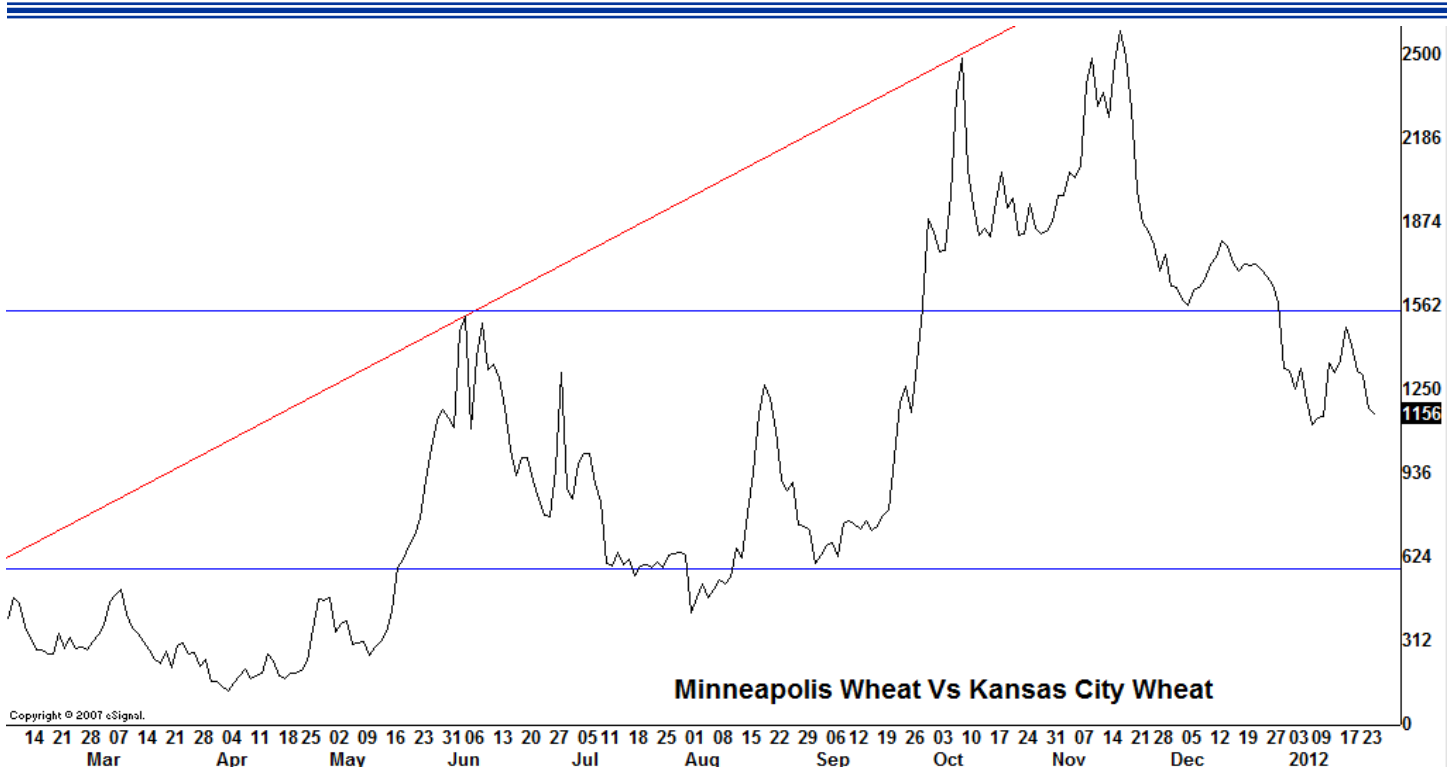
Minneapolis Wheat Vs Chicago Wheat

MGEX/CBOT Wheat Spread: Minneapolis resumed the long slide against Chicago Wheat, once again pushing to the major channel support at the \$1.70 premium level on the spread chart. This does not bode well for the MGEX premium, as a technical breakout to the downside appears imminent. Failure of the channel support may result in a quick drop to \$1.00 premium or below. This could imply a sharp sell-off in the flat price of the contracts.

Wheat vs. Corn Spread: CBOT Wheat and CBOT Corn remain channel-bound, with wheat forming a slightly bullish move towards the 25-cents premium level, which is the next resistance on the chart.



CBOT WHEAT vs CBOT CORN SPREAD



MGEX/KCBT Wheat Spread: Minneapolis reversed last week's gains against KCBT after failing to clear overhead resistance at the \$1.50 premium level. This is a bearish turn for the spread, setting up for a resumption of the slide. Long term support is seen as low as 60-cents if the slide persists, however there may be some sideways trade between 90-cents and \$1.25 over par in the near term.

KCBT vs. CBOT Spread: Kansas City Wheat continues to narrow its trading range against the Chicago futures as the spread chart moves into the apex of a large triangle pattern. The inability for a rally to materialize suggests new lows are possible. However, spread traders will be looking to buy a breakout of either support or resistance as significant to a meaningful directional trend shift.

