

Tuesday December 8th 2009

OVERNIGHTS	MGE (H)	KC (H)	WHEAT (H)	CORN (H)	SOYBEANS (F)
HIGH	558 ¼	544 ¼	554 ¼	390 ½	1063 ¾
LOW	553	536	545	384 ¼	1052 ¼
LAST	553	538 ¼	547 ¼	386	1059 ½
NET (VOLUME)	- 1 ¼ (154)	+ 1 ¼ (487)	- ¾ (3271)	+ 2 ¼ (9026)	+ 6 ½ (9140)
TECHNICALS	MWHO	KWHO	WHO	CHO	SFO
RESISTANCE	599 ¼ - 603 ¾	593-595	593-605	425	1105
RESISTANCE	567	555	566	403	1067-1078 ½
SETTLE	554 ¼	537	548	383 ¾	1053
SUPPORT	556 ¼-560	544	549-552	379-383 ½	1031
SUPPORT	545 ½	534 ½ - 539	530-536	367-372 ½	1004
<i>100 DAY MA</i>	<i>560</i>	<i>539</i>	<i>530</i>	<i>367</i>	<i>978</i>

GENERAL

- **Macros as of 7:30 AM CST:** The dollar index is up .30, gold is down 18.00, crude is down 1.25, the S&P is down 10, the Dow is down 80, and bonds are up .20. On the charts: Crude is in freefall mode, pretty much everything else is within support/resistance on the charts.
- Overnight ags: Unch to 10 higher in beans, ½ to 6 ¾ higher in corn, and 3 lower to 6 ¼ higher in wheat. The winter storm seems to be trumping the macros overnight, with corn higher on fears of delays in the remaining corn harvest for Nebraska, SD, MN, and WI as a result.
- USDA S&D report Thursday morning. Expectations for beans are carryout of 235 vs 270 last month on increased exports. For corn, expectations are a slight increase in carryout to 1.65 vs 1.62 last month on reduced exports. Expectations in wheat will be unch at around 890 million for the carryout. Very little change is expected on the world numbers.

WHEAT: Opening call steady-2 higher

- CCC is in Dec 9 for 100,260 HRW for donation to Ethiopia for Jan 5-Feb 4 shipment. Bangladesh is in Dec 14 with validity until Dec Jan 4 for 100,000 MT of opt-origin wheat. Bangladesh is in Dec 30 with validity until Jan 20 for 60,000 MT of opt-origin wheat. Bangladesh is in Jan 3 with validity until Jan 24 for 60,000 MT of opt-origin wheat. Bangladesh is in Jan 18 with validity until Feb 8 for 100,000 MT of opt-origin wheat.
- Winter wheat conditions out after the close yesterday showed winter wheat is now 93% emerged vs 89% last week. Conditions were unch at 6% p/vp, 31% fair, and 63% g/ex. The winter wheat condition index showed another slight deterioration with all winter wheat at 102.3 vs 102.6 last week. By class it is 104 for HRW (unch), 95 for SRW (down 1), and 100 for SWW (down 2).
- ABARE says the Aussie 2009/10 wheat crop is 21.99 MMT, down from 22.72 forecast in Sep due to poorer weather.
- Turkey will hold another wheat export tender Dec 17 to sell 100,000 MT of white milling wheat, 50,000 MT of red milling wheat, and 50,000 MT of durum.
- Japan is in Wed for 131,000 MT of wheat on their regular weekly tender. This week they are looking for 32,000 US western whites, 12,000 US HRW, 47,000 US DNS, 20,000 Canadian WRS, and 20,000 Aussie standard whites.

CORN: Opening call 1-3 higher

- CCC is in Dec 9 for 86,620 sorghum for donation to Ethiopia and Sudan for Dec 26-Feb 4 shipment. Israeli private buyers are in Dec 10 for 27,000 MT of US corn products (14,000 gluten feed and 13,000 DDGS) for Feb 1-20 shipment.

- Japan is in Dec 15 under SBS for 30,000 MT of feed wheat and 200,000 MT of feed barley for now-Feb 10 shipment.
- Weekly crop progress out after the close yesterday showed corn is now 88% harvested vs 79 last week. IL is at 85, WI is at 77, MN is at 87, Nebraska is at 88, SD is at 73, and ND is at 53.
- Heavy snow forecast for all of Nebraska continues on today with the potential to put snow down in SD, southern MN, and WI tonight and tomorrow, causing delays to the remaining corn harvest there as well.

SOYBEANS: Opening call 4-8 higher

- Israeli private buyers are in Dec 10 for 14,000 MT of US soymeal for Feb 1-20 shipment. Egypt's FIHC is in Dec 10 for 15,000 MT of soyoil and 15,000 MT of sunflower oil for FH Jan arrival.
- Celeres put Brazil's 2009/10 bean crop at 64.0 MMT, down 0.7 MMT from their projection last month. Conab put Brazil's 2009/10 bean crop at a record 64.56 MMT compared to a range of 62.5-63.5 MMT projected in Nov. So one crop scout is going down with their projections while the other is coming up, but both are now at about 64 MMT as a result.

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