

FRONTIER FUTURES, INC.

460N Grain Exchange Building, 301 S 4th Ave, Minneapolis, MN 55415

612-672-9868

www.ffutures.com

Wednesday December 23rd, 2009

OVERNIGHTS	MGE (H)	KC (H)	WHEAT (H)	CORN (H)	SOYBEANS (F)
HIGH	531 ¼	518 ¼	524 ¼	400 ¼	997 ¼
LOW	528	515	518 ¾	397 ¼	990
LAST	529 ¼	516 ¾	523 ¼	400	995 ¾
NET (VOLUME)	- 2 (10)	- ½ (139)	+ ¼ (936)	+ 1 ¼ (2660)	+ 4 ¾ (4178)
TECHNICALS	MWH0	KWH0	WH0	CH0	SF0
RESISTANCE	556-558	549-552	548-550	425	1068-1078
RESISTANCE	534-538	522 ½ - 531	526-530	414	1019-1029 ¼
SETTLE	531 ¼	517 ¼	523	398 ¾	991
SUPPORT	523-526 ½	509 ¼ - 510 ½	507 ½ -515	379-383	994 ½ - 998 ½
SUPPORT	493	475	459	371 - 373	951
100 DAY MA	552	531	526	373	988 ½

GENERAL

- **Macros as of 5:45 AM CST:** The dollar index is unch, gold is down 5.00, crude is up .30, the S&P is up 5, the Dow is up 25, and bonds are unch. On the charts, the dollar index is sitting at 3 month highs at 78.65 and on the long term charts only has another point and a half to go until major resistance (the 50% retracement of the 2008 rally and the 1995 and 2004 lows are all about 80-80.5), gold daily charts at 1085 have broken down through the support trendline at 1100 and monthly gold charts suggest first stop is 1000 with major support at 850 (the 38 retracement and consolidation lows from Jan 2008-Apr 2009), crude is near the low end of its trading channel, the S&P made new contract highs AGAIN overnight, the Dow is 75 points from contract highs, and bonds again made new 4 month lows overnight.
- Overnight ags: Light volume, minimal ranges, holiday markets, blah, blah, blah. Happy Holidays, everyone. This section will resume sometime after New Years as it is obvious that overnights will be irrelevant until at least then.
- In the Philippines police and soldiers donned Santa hats and red noses in an attempt to keep 47,000 displaced residents in evacuation centers from going back to their homes for Christmas. The reason they are in the evacuation centers is the impending eruption of 8,070 foot Mount Mayon. Well, you say, it must not be so bad if they are willing to sneak back to their homes, right? Here's the stats from the past week: 66 columns of ash shot up in the past 24 hours (one reaching a mile up), about a THOUSAND volcanic earthquakes a day, and 20 million cubic meters of lava ejected as far as 3 miles from the crater. Just me talking here, but maybe those 47,000 people would have a better Christmas if they stayed put in the evac centers just a bit longer.

WHEAT: Opening call steady

- CCC is in Dec 22 for 11,000 MT of HRW for donation to Haiti for Jan 26-Feb 4 shipment. CCC is in Dec 30 for 25,000 spring wheat for donation to the Dominican Republic for Feb 1-10 shipment. 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. Japan is in Jan 15 under SBS for 18,000 MT of food wheat for Jan 15-Feb 10 shipment. Bangladesh is in Jan 18 with validity until Feb 8 for 100,000 MT of opt-origin wheat.
- Algeria is in for wheat for Feb shipment with offers submitted Monday and negotiations expected to continue in coming days. Algeria generally makes a substantial wheat purchase in late Dec.
- Egypt is having meetings with the Russians about investing in silos there. They are also discussing building their growing wheat trade. We cannot imagine how the Russians can get a bigger percentage of the Egyptian business than they are selling now, so good luck with all that.
- Finally, as an early Christmas present our old friends the Bangladeshis have announced yet another brand new tender for 70,000 MT of wheat. True to their form they are ahead of the game and have given the trade plenty of time to prepare. They will be in Feb 4, 2010. Alas, once again they are

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requiring validity until Feb 25.

CORN: Opening call 1 higher

- Japan is in Jan 15 under SBS for 15,000 MT of food barley for Jan 15-Feb 10 shipment.
- S Korea's KOCOPIA bought 55,000 MT of US corn from Marubeni at 247.75 C&F for Feb 5-Mar 15 shipment.
- Yesterday private exporters reported the sale of 176,000 MT of US corn to Mexico for 2009/10 delivery.
- Crop progress out yesterday afternoon showed corn is now 95% harvested vs 92 last week. Lagging states: IL is at 95%, MN is at 93%, ND is at 68%, SD is at 88%, and WI is at 88%. The upcoming Midwest Christmas storm will most likely end any chance of getting any more harvesting done in the above states until spring. So in the end we will lose about 100 million bushels to the late harvest, about in line with what was expected all along.

SOYBEANS: Opening call 2-5 higher

- CCC is in Jan 14 for 4,850 MT of soyoil for donation to Bangladesh for Jan 29-Feb 8 shipment.
- Kaohsiung division of Taiwan's BSPA bought 55,000 Brazilian beans from Bunge on their tender for US or Brazilian. They paid 2.25 over SK0 for Mar 1-15 shipment. They gave the face push to offers for a second cargo of US only beans for Feb shipment.

Scott O'Donnell

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