

Highlights:

- Forecasts for the 1-5 day show Argentina may receive .3-1inch; Brazil looks to be dry.
- Crude oil is up \$0.50, gold is down \$4.00, Dow, Nasdaq and S&P futures are firm. The US\$ index is 0.200 weaker.

Corn:

- Corn traded both sides overnight as CH struggles to stay and close above \$6.36.
- The Buenos Aires Grain Exchange in Argentina is projecting a 22mmt 2011/12 corn crop. Some other private estimates range below 20mmt. USDA is currently at 26mmt.
- Dryness in Mexico is also a concern as their import needs may be growing.
- US cash markets remain strong, led by the export market, as exporters struggle to garner coverage for commitments. The farmer remains a light seller.
- South Korea feed mill bought 110tmt US corn.

Early Call: 4 to 6 better...

Soybeans:

- Soybeans traded both sides in the overnight session with old crop contracts under the most pressure.
- Thailand bought 180tmt new crop Brazil soymeal. They are typically an Argentine buyer.
- The average estimate from 10 firms on Argentine production is 46.6mmt compared to 49.0mmt production in 2010/11. USDA is currently at 50.50mmt. Buenos Aires Grain Exchange is 46.2mmt.
- State Ag agencies in Brazil lowered their estimates of Parana and RGDS as Brazil estimates now seem at 69-72mmt. Brazil grew 75.5mmt last year.

Early Call: steady/mixed

Wheat:

- Iraq tenders for 50tmt optional origin, but they exclude US and Romania. Japan is tendering for 150tmt. Jordan tenders for 100tmt, Syria tenders for 100tmt.
- Short covering in Chicago wheat has cut the spec funds position by 10k in about a week.
- Ukraine analyst thinks wheat acres will be 26% below last year because of poor fall weather. Severely cold temps in parts of Ukraine and Russia can't be good for their winter wheat as snow cover is light.

Early Call: steady/lower

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	CH	SH	SMH	BOH	WH	KWH	MWH
0715 CT							
CT High	7.89	14.75 ¼	394.20	61.26	9.94 ¾	10.31	10.46 ¾
R2	6.41	12.32	326.50	52.50	6.60	7.17	8.38
R1	6.37	12.25	325.00	52.25	6.57	7.12	8.30
Close	6.34 ½	12.22 ¾	323.60	51.94	6.53 ½	7.09	8.27 ¼
ECBOT	6.39 ¼	12.22 ¾	322.90	51.82	6.52 ½	7.07 ¼	8.27
S1	6.30	12.17	321.00	51.60	6.50	7.04	8.25
S2	6.27	12.12	319.50	51.20	6.46 ½	7.00	8.19
CT Low	3.93 ½	9.21	247.70	38.64	5.86	5.71 ¾	5.95 ½
Est. FF Pos.	135,100	21,600	(22,200)	(18,300)	(83,200)	---	---