



Time: 8:30AM

### Monday is FND on Feb Live Cattle

Grains slightly higher this morning led by beans (lingering drought in parts of BZL where about 1/3 of crop is sown) & wht (continued fears of EU cold snap & delay on RUS anncmnt re. expt curbs). Crude ↑90¢ near \$96 w/ the US \$ weaker & stox rallying after US added 233K jobs in Jan vs small drop exptd tdtu to seasonal workers; unemp fell .2% to 8.3%, dwn fastest pace in 9 mos, to 3-yrs. UKR grain expts to Iran dwn 40% this month as EU sanctions create probs for pmnts on cargo booking. UKR also banned grain cars from leaving country in effort to secure domestic shipments until special railway decision made. USDA ests **ARG** corn to fall further to 21.8 MMT vs last USDA est of 26 MMT. US ethanol stox up 5% LW to record high at 20.95 M bbls w/ prod 939 M bbls/day.

### Reminders:

- Feb 6 FND Feb Live Ctl**
- Feb 9 USDA Crop Rpt**
- Feb 14 Valentine's Day**
- Feb 20 Prez Day-No mks**

### Market Factors

- China ests Jan bean impts 5.29 MMT vs 2.67 estd for Feb & 5.42 back in Dec '11
- Stats CAN grain stox ests out later this morning...
- CFTC: Index funds 1/24/11 C +348K↑ B +169K↑ W +209K↑ Soyoil +106K↑  
CFTC: Mgd funds Net (F+O) C+162K↓ B +45K↑ W -49K↓ Soyoil -13K↑

### Opening Calls

- Corn** Flat/Up 1-2
- Beans** Up 6-7
- Wheat** Up 4-6

### Closing Globex spread quotes (- = inverse)

CH2CK2	6	SH2SN2	17 ¼
CK2CN2	10 ¼	SK2SN2	9 ¼
CN2CU2	-53 ¾	WH2WK2	14 ½
SH2SK2	8	WH2WN2	27 ¾
Mar Crush	57 ½	KWH2KWK2	8

### Technical Factors

Support	Resistance	RSI
CH12	625	62
SH12	1182	60
SMH12	308	61
WH12	629	66
KWH12	713	67
NGH12	2.28	40
	2.56	

### Other Comments/News

Cond's mostly dry overnight w/ patch of precip up to 2.15" around the Panhandle. Blizzard/rain storms hitting Ctr/S. Plains (tornadoes poss in S. Plains) & Delta tdy, exptd to bring snow to NE/KS (1-2' snow poss in E. CO, N.W. KS, & S.W. NE). Sys will move across CB (2-7" snow poss in IA), Mid-South & S.E. this wkend. 10-day precip heaviest over S.E. TX, S/Ctr. Plains, Delta, & Mid-South w/ limited amts for Midwest & N. Plains. Nxt round of precip for N. Plains & NCB exptd 10 days out & light. Flood risk for Red River Valley this Spring around 1-6% vs whopping 87-95% LY. • Geithner warns US trade partners that "skirt" rules to beware of future consequences citing that unfair trade unifies Dem's & Rep's. • India '12 wht prod estd record 88.31 MMT vs 86.87 LY w/ consumption at 76 MMT & 2 MMT expts allowed so far.

### Option Volatility %

	Date	Million bu.	Corn	Beans	Wheat	Milo	
CH2	27	1/30 Mon	Export inspections '11/12 Crop	22.7	41.5	18.7	.3
CK2	28	1/31 Tues	Deliverable stocks	4.1	9.1	92.3	N/A
SH2	22	2/2 Thur	Export Sales '11 / '12 Crop	35.9/2.5	11.3/2.2	19.1/1.3	0.7/-
SMH2	22	1/20 Fri	Grain under loan 2011 crop	479.6	78.3	23.5	0.2
WH2	34	1/17 Mon	NOPA Bean Crush (Dec)		145.4		
KWH2	31						

Gulf Brg	CORN	BEANS	SRW	TXG	Other basis	CORN	DDG	BEANS	WHT	MILO
ETA				HRW	Central IL	+25H	----	+10H	----	----
Jan	---	+80/82H	---	---	KC (hrw)	+20H	----	+10H	-25H	+0H
Feb	+67/72H↓	+77/82H	+70/74H	+112/--H↑	Eastern IA	+0H	\$185	-25H	----	----
Mar	+62/65H	+70/76H	+70/74H	+112/--H↑	Mankato, MN	----	----	-25H	----	----
May	+58/61K↓	+62/67K	+58/--K	+105/--K	Cinncy, OH	+9H↓	----	+14H↓	-10H	----
Jul	+59/62N	+60/--N↑	+45/--N	+90/--N	Hereford, TX	+76H	\$225	----	-10KWH	+65H
					Soymeal 48% (Central IL)	-5H				

### Misc News

**BRG FRT** STL 360/370%↔ IL 420/430%↔ Memphis 250/260%↔

- DuPont shells out \$10 bill to fill shortfalls in world food supplies
- FDA says some US OJ testing positive for unapproved fungicide
- To be fair, to Mitt Romney the "very poor" means anyone who doesn't use a solid gold toilet...

	Jan 12	11/12 S/D	11/12	11/12
		Corn	Beans	Wht
Carry-in		1128	215	862
& Product		12358↑	3056↑	1999
Usage		12655↑	3011↓	2112↑
	=9/1/12	846↓	230↑	870↓

© 2012 The information reflected herein is derived from sources believed to be reliable; however, this information is not guaranteed as to its accuracy or completeness. This material & any views expressed herein are for informational purposes only & should not be construed in any way as an inducement to buy or sell commodity futures or options contracts. Trading futures involves risk of loss.