

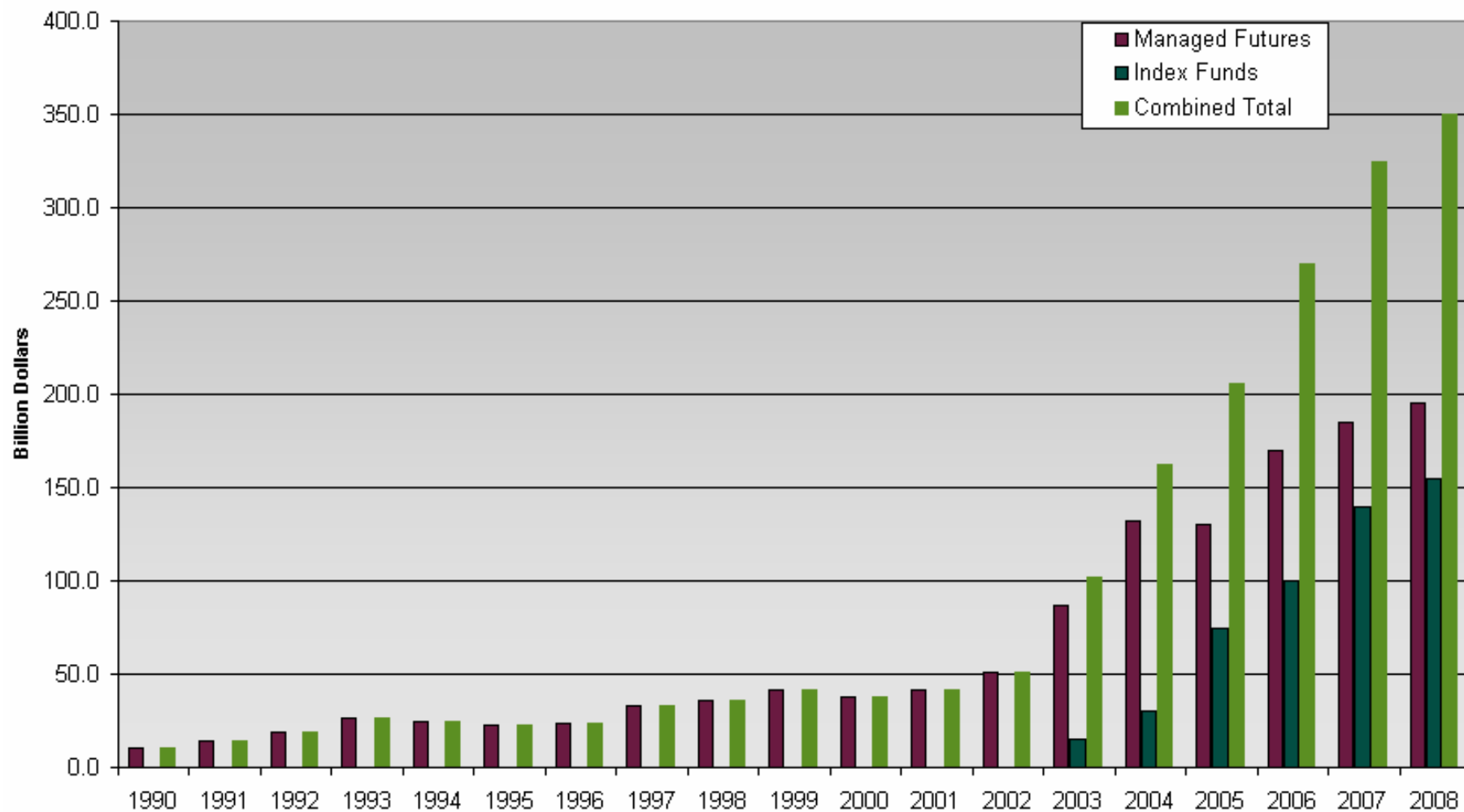
# Grain Outlook

Spring 2008, ASERCA

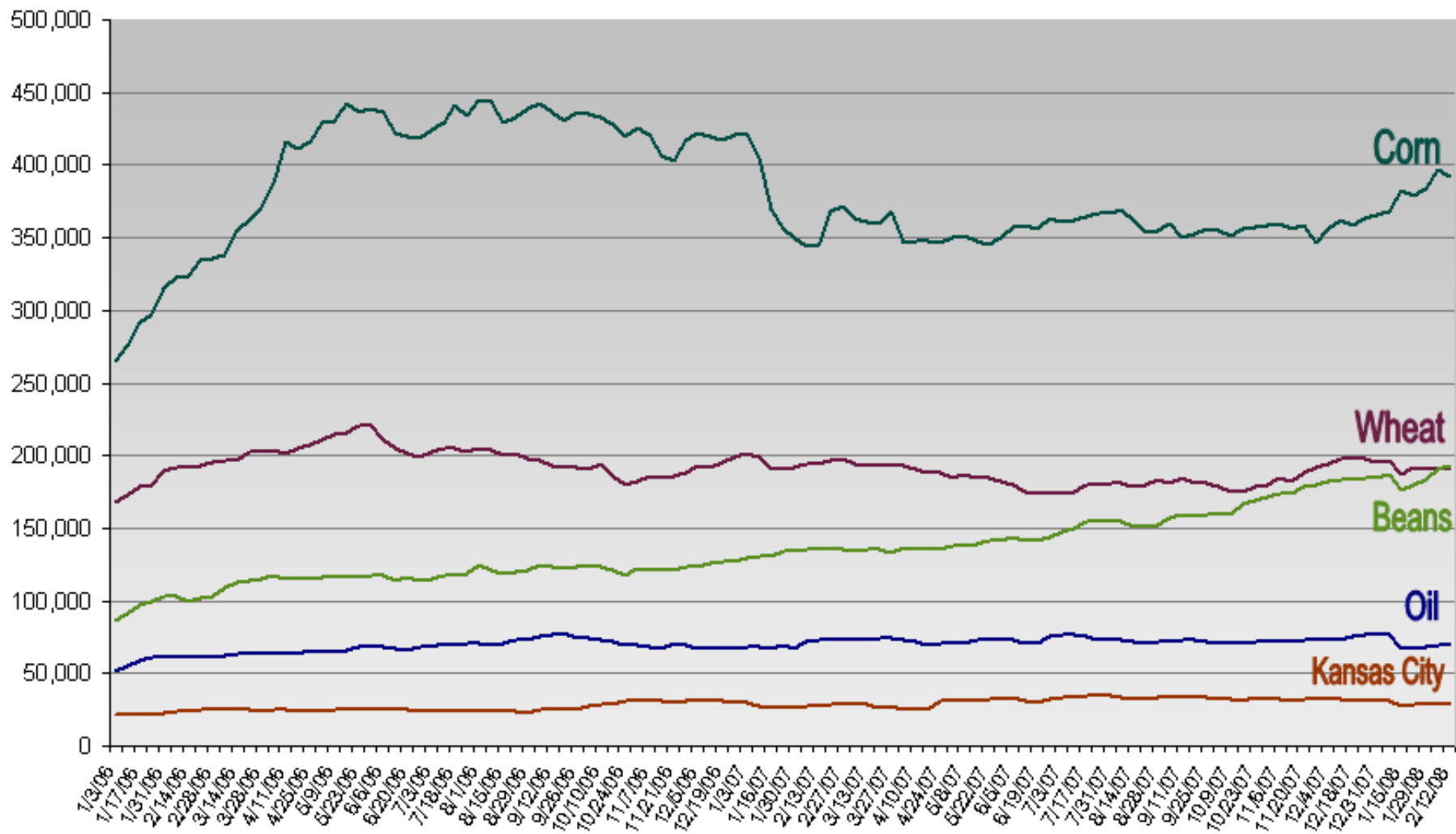
Dan Cekander  
Newedge USA, LLC  
312.516.4661  
[dan.cekander@newedgegroup.com](mailto:dan.cekander@newedgegroup.com)



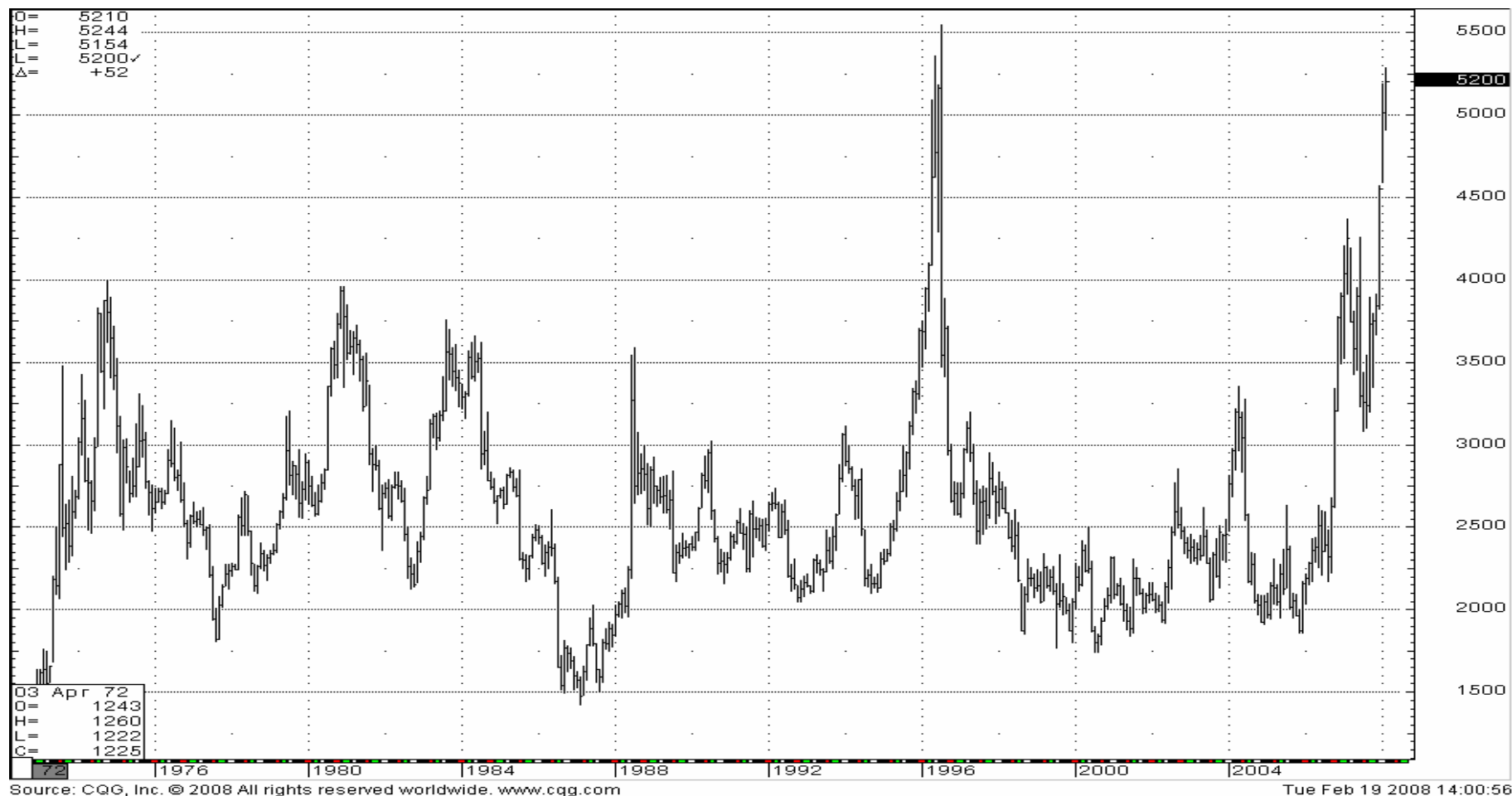
# Money in Managed Futures and Index Funds



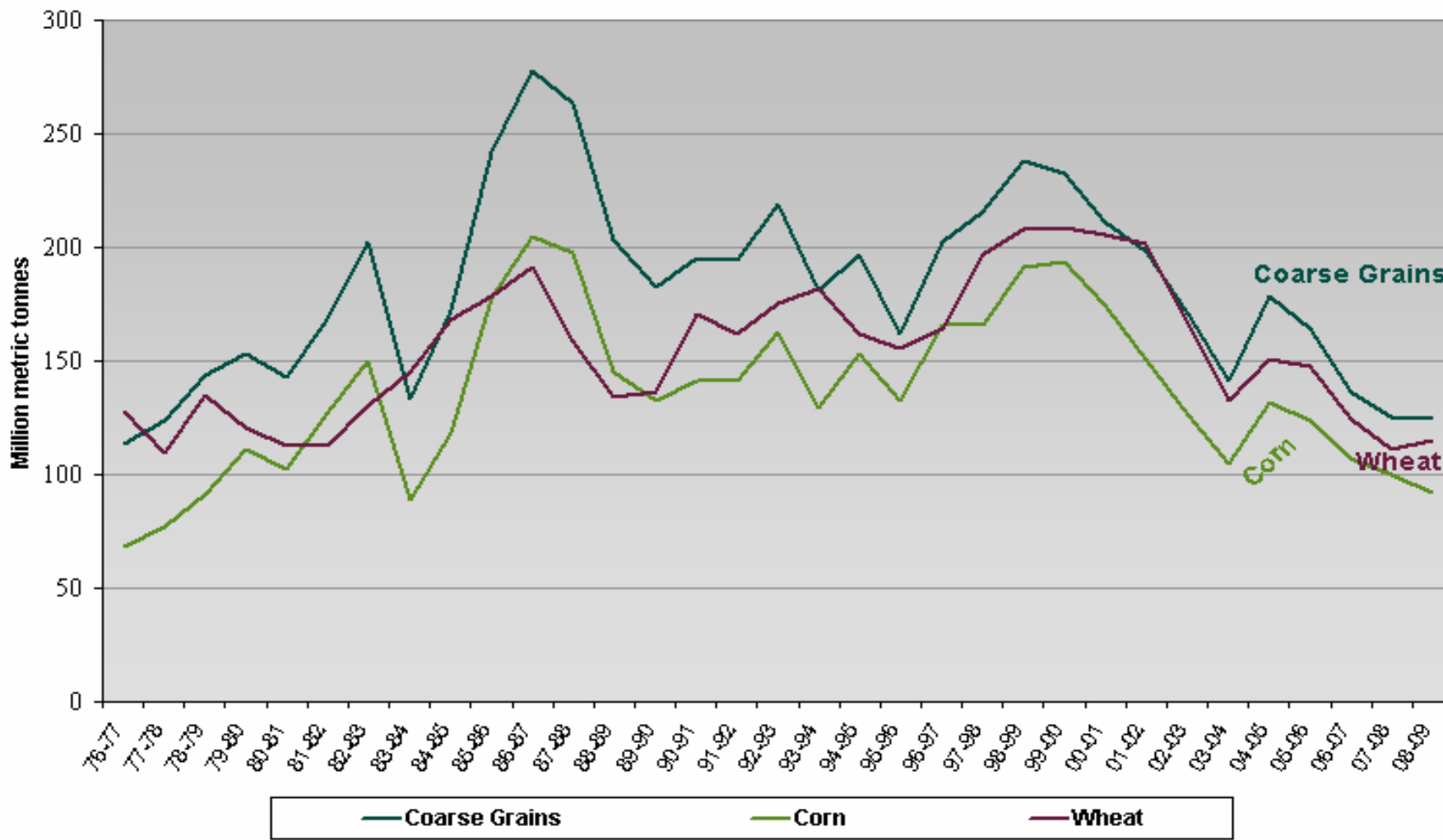
# Index Funds Net Positions



# Corn, Monthly



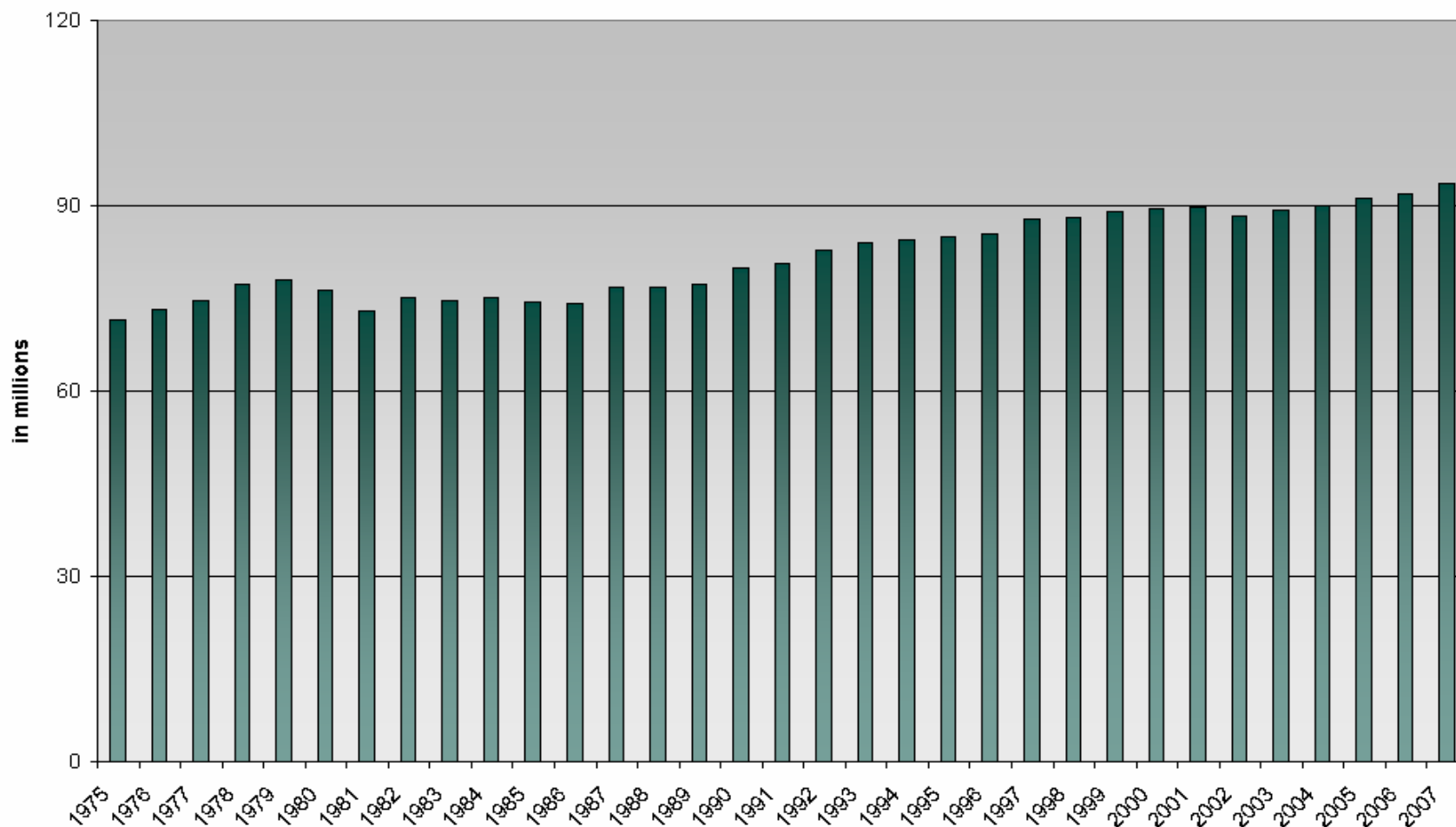
# World Coarse Grain, Corn and Wheat Carry-out



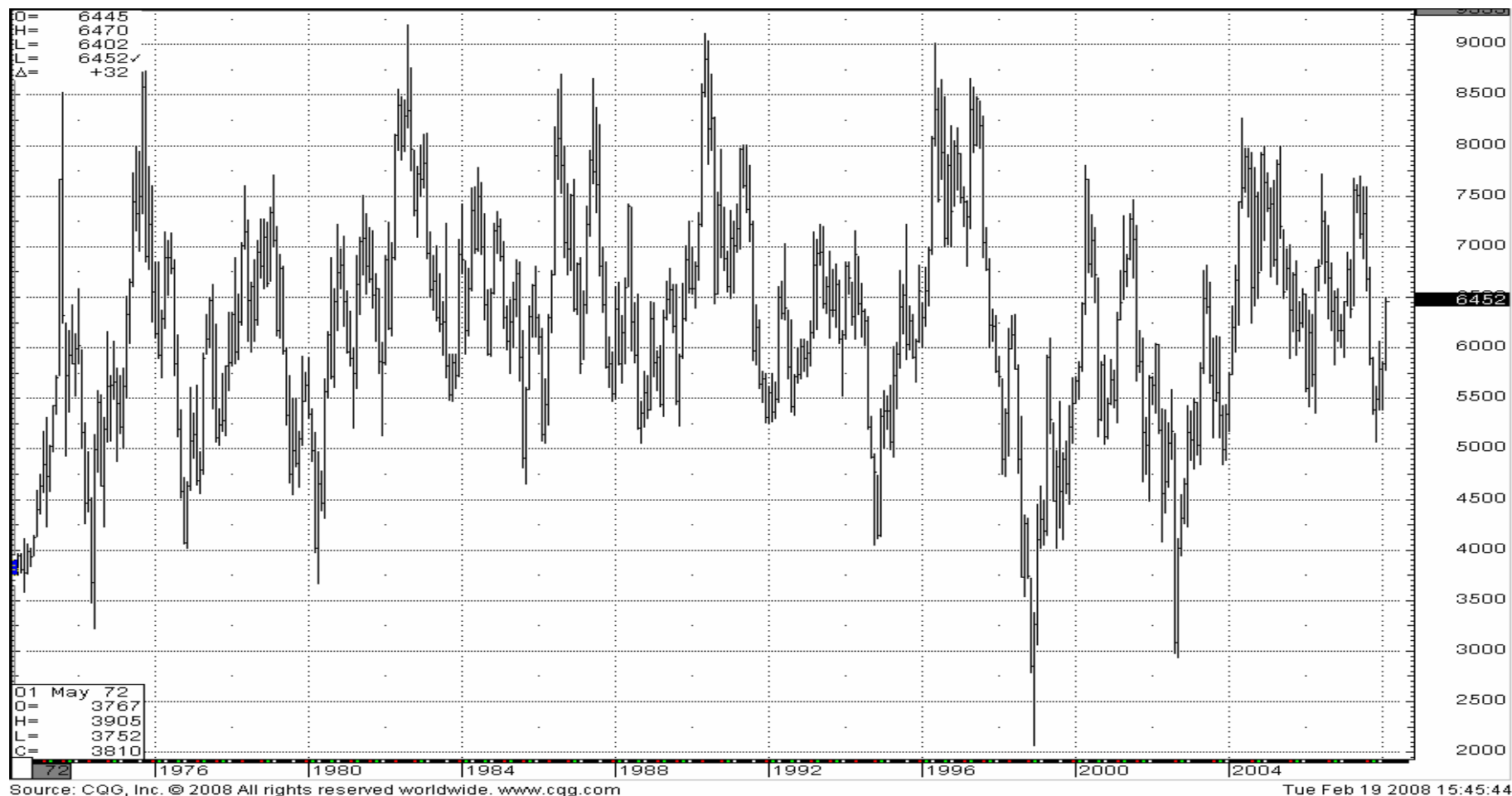
# U.S. Corn Supply and Demand

	FEB							
	03-04	04-05	05-06	06-07	USDA 07-08	Newedge 07-08	Newedge 08-09	Newedge 09-10
Planted Acres	78.6	80.9	81.8	78.3	93.6	93.6	88.0	92.0
Harvested Acres	70.9	73.6	75.1	70.6	86.5	86.5	80.6	84.6
Difference	7.7	7.3	6.7	7.7	7.1	7.1	7.4	7.4
Yield	142.2	160.4	148.0	149.1	151.1	151.1	157.5	160.5
Sept 1 Stocks	1087	958	2114	1967	1304	1304	1338	772
<b>Production</b>	<b>10089</b>	<b>11807</b>	<b>11114</b>	<b>10535</b>	<b>13074</b>	<b>13074</b>	<b>12694</b>	<b>13578</b>
Imports	14	11	9	12	15	15	10	10
<b>TOTAL SUPPLY</b>	<b>11190</b>	<b>12776</b>	<b>13237</b>	<b>12514</b>	<b>14393</b>	<b>14393</b>	<b>14042</b>	<b>14360</b>
Feed	5795	6158	6155	5598	5950	6000	5500	5400
F/S/I	2537	2686	2981	3488	4555	4555	5570	6090
Ethanol for Fuel	1168	1323	1603	2117	3200	3200	4200	4700
Exports	1900	1818	2134	2125	2450	2500	2200	2100
<b>TOTAL USAGE</b>	<b>10232</b>	<b>10662</b>	<b>11270</b>	<b>11210</b>	<b>12955</b>	<b>13055</b>	<b>13270</b>	<b>13590</b>
<b>ENDING STOCKS</b>	<b>958</b>	<b>2114</b>	<b>1967</b>	<b>1304</b>	<b>1438</b>	<b>1338</b>	<b>772</b>	<b>770</b>
Stocks/Use Ratio	9.4%	19.8%	17.5%	11.6%	11.1%	10.2%	5.8%	5.7%
Farm Price (\$/bushel)	2.42	2.06	2.00	3.04	4.00	4.20	4.90	4.90

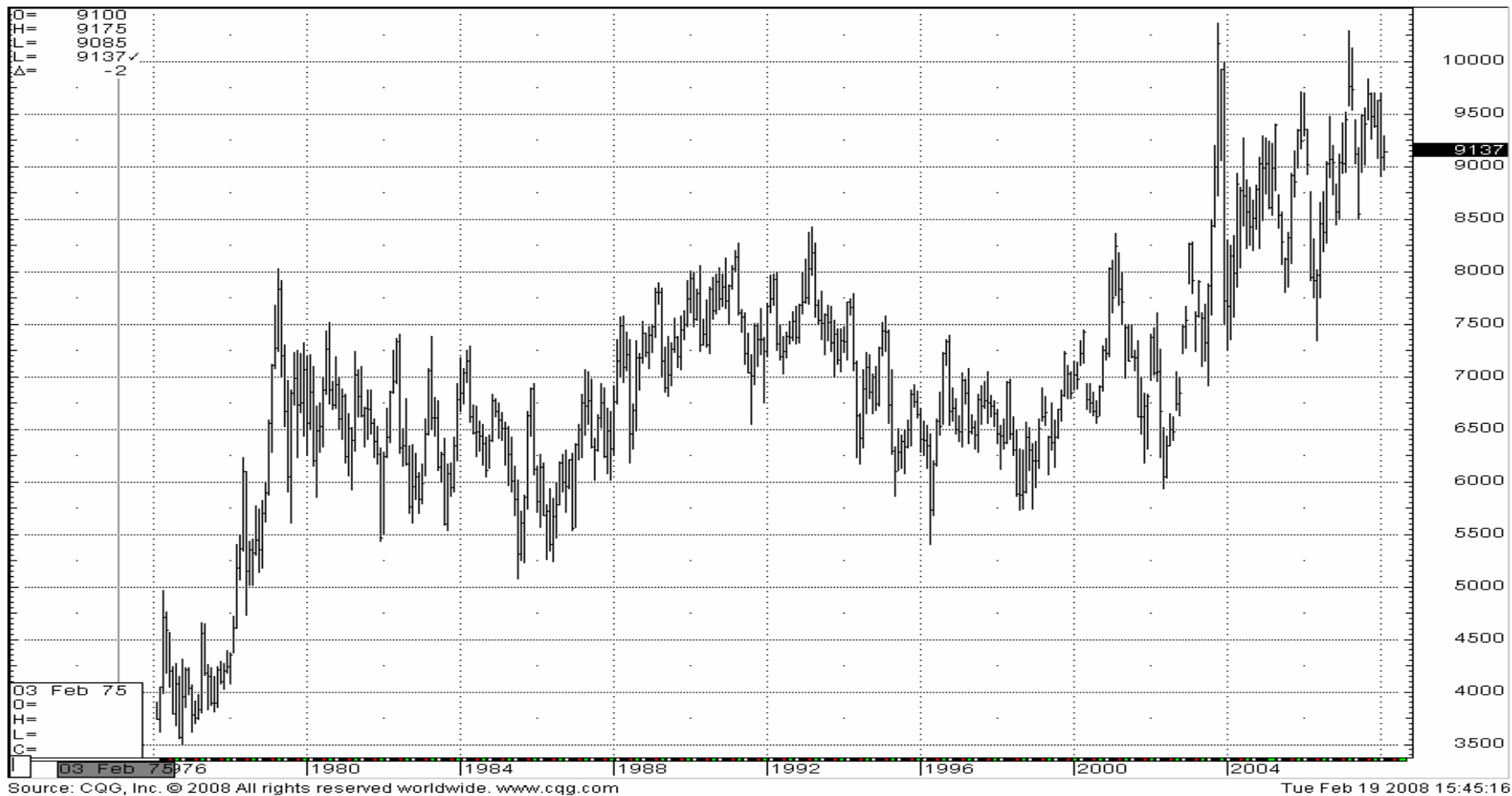
# Grain Consuming Animal Units



# Monthly Hog Futures



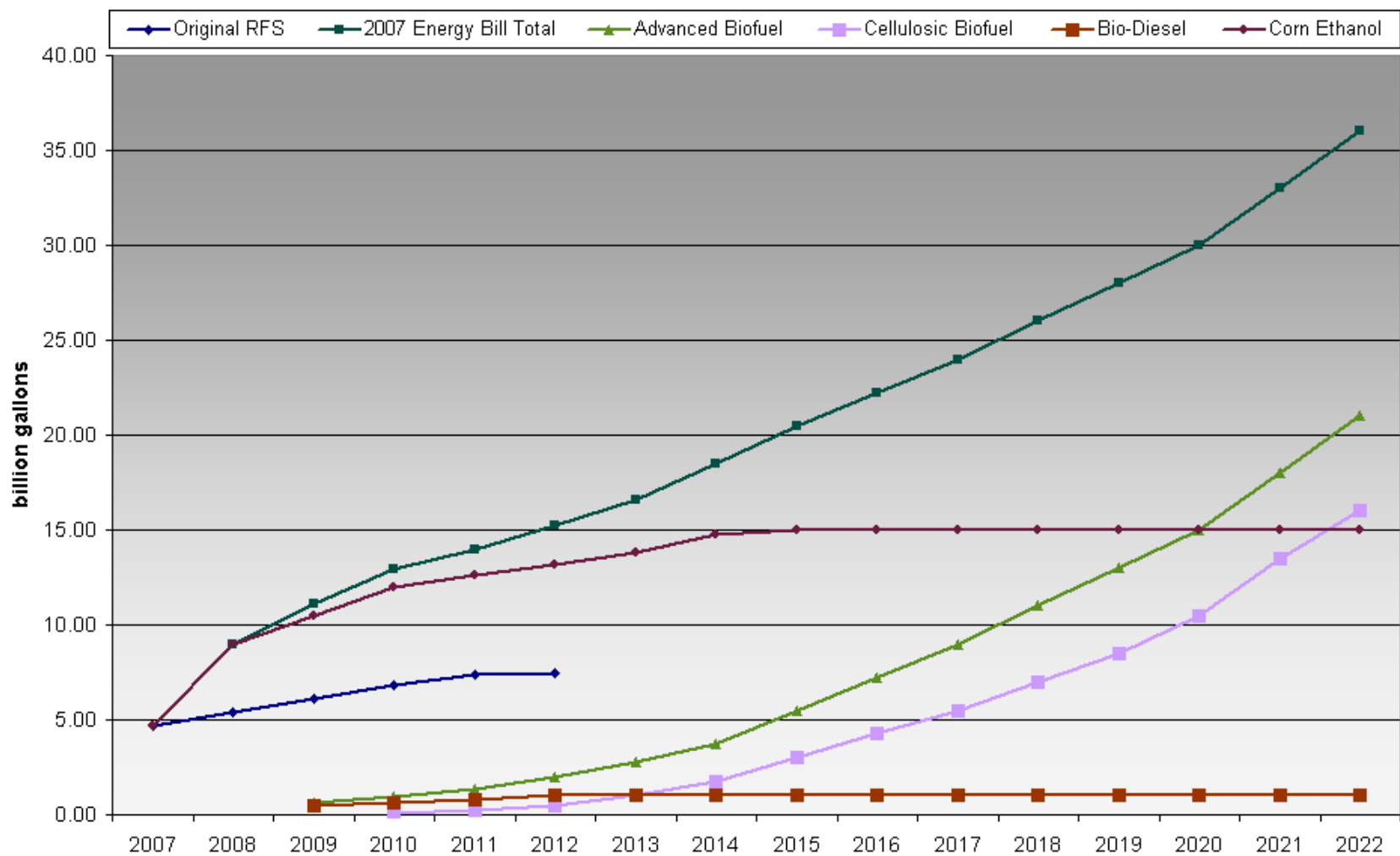
# Monthly Cattle Futures



# Ethanol, Weekly



# 2007 Energy Bill RFS Mandated Biofuel Volumes



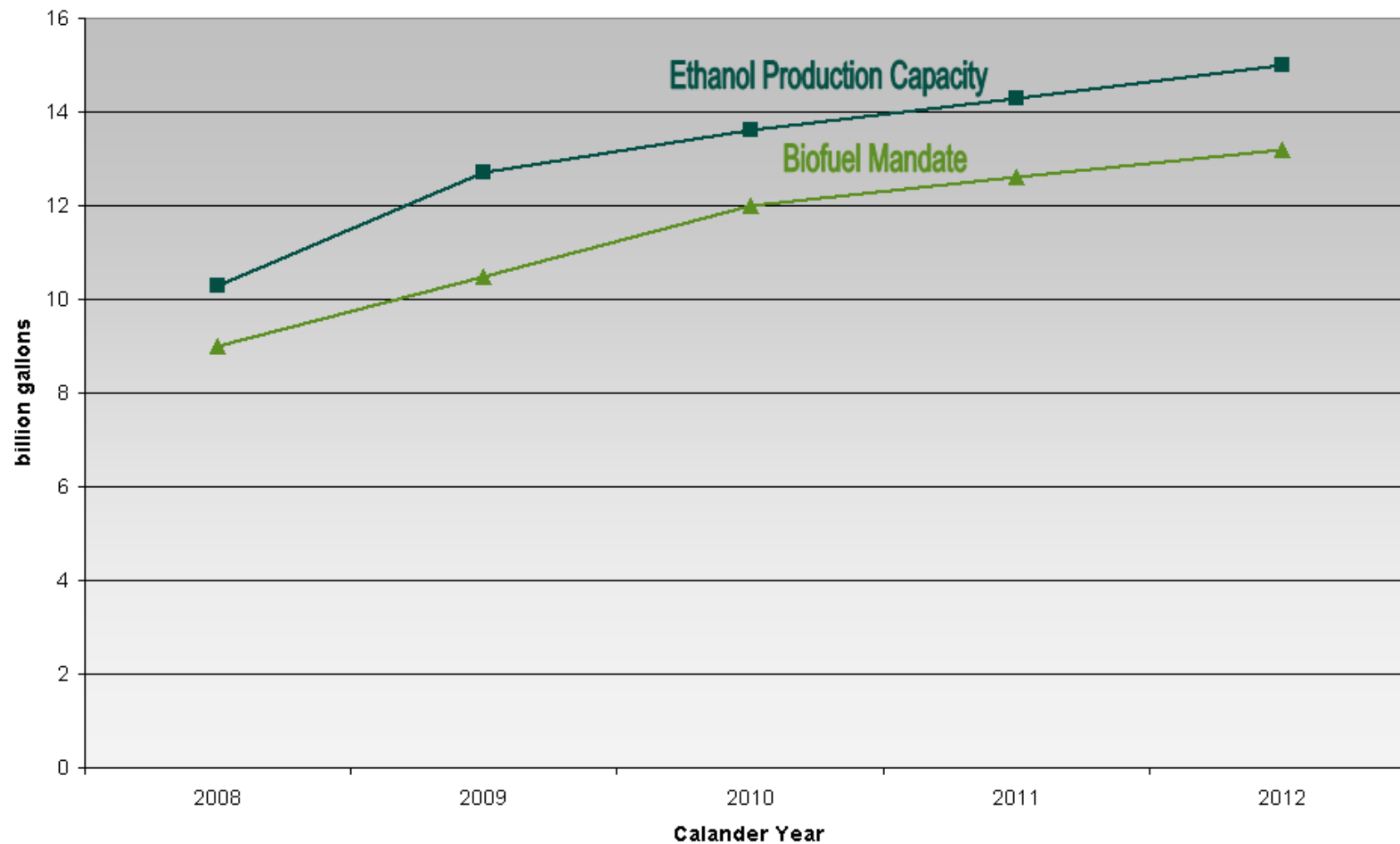
# U.S. Ethanol Production versus Corn Usage

ETHANOL PRODUCTION (billion gallons)						CORN USAGE		
	Ethanol Production Capacity <i>calendar year</i>	Energy Bill Mandate		Newedge <i>calendar year</i>	Newedge Ethanol <i>mrkting year</i>	Corn Usage <i>Million bushels</i> <i>mrkting year</i>	Net Change	
		New <i>calendar year</i>	Old					
<b>2005</b>				3.9	3.7	<b>2004-05</b>	1323	155
<b>2006</b>			4.0	4.9	4.5	<b>2005-06</b>	1603	280
<b>2007</b>			4.7	6.5	5.8	<b>2006-07</b>	2117	514
<b>2008</b>	<b>10.3</b>	<b>9.0</b>	5.4	9.3	8.8	<b>2007-08</b>	3200	1083
<b>2009</b>	<b>12.7</b>	<b>10.5</b>	6.1	12.2	11.8	<b>2008-09</b>	4200	1000
<b>2010</b>	<b>13.6</b>	<b>12.0</b>	6.8	13.4	13.0	<b>2009-10</b>	4700	500
<b>2011</b>	<b>14.3</b>	<b>12.6</b>	7.4					
<b>2012</b>	<b>15.0</b>	<b>13.2</b>	7.5					
<b>2013</b>		<b>13.8</b>						
<b>2014</b>		<b>14.75</b>						
<b>2015</b>		<b>15.0</b>						

Current Capacity*	8.1
Under Construction	5.3
Total Capacity	13.4

\*Renewable Fuels Association

# Ethanol Production Capacity vs. Biofuel Mandate

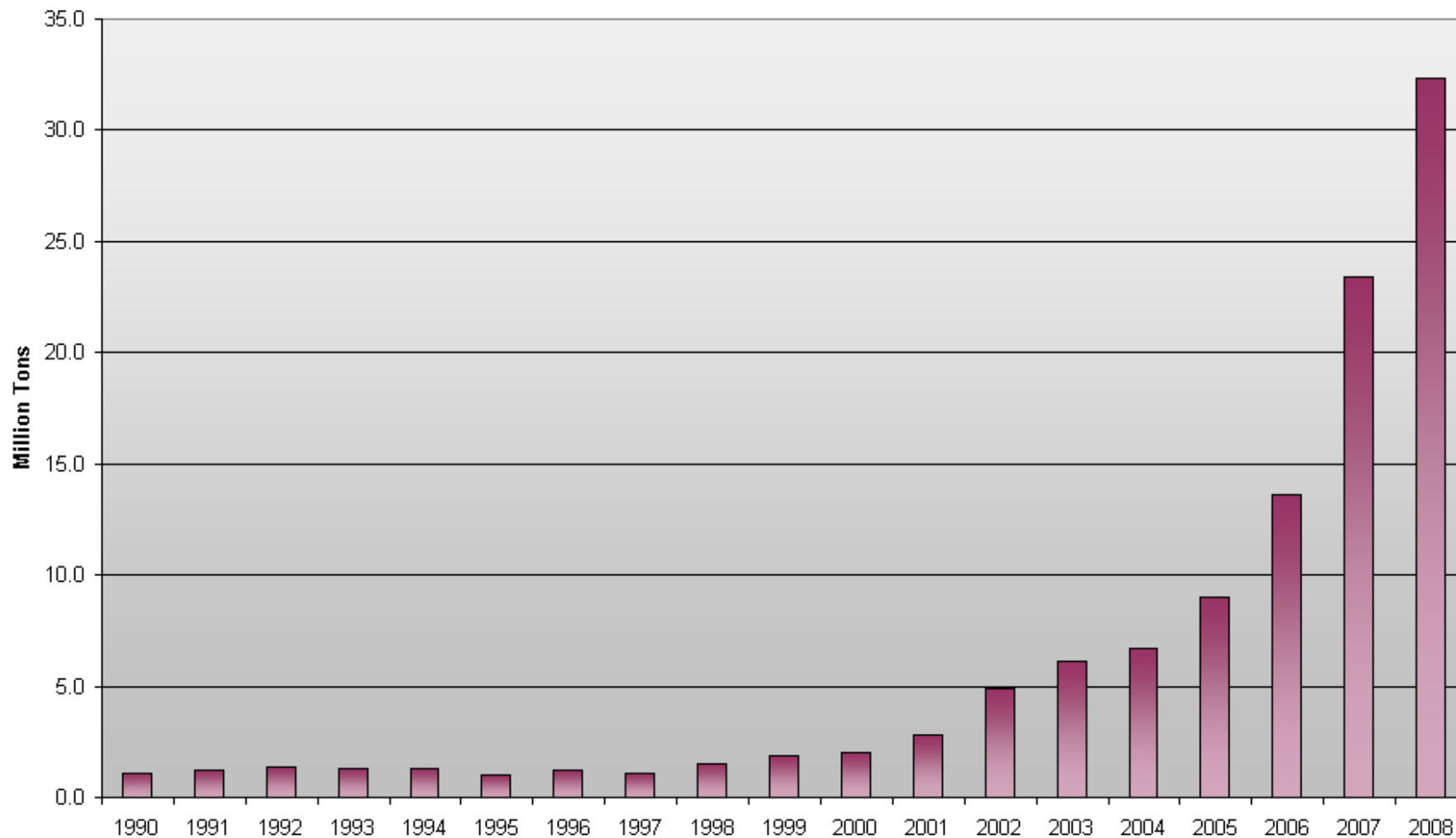


# U.S. DDG Production (million short tons)

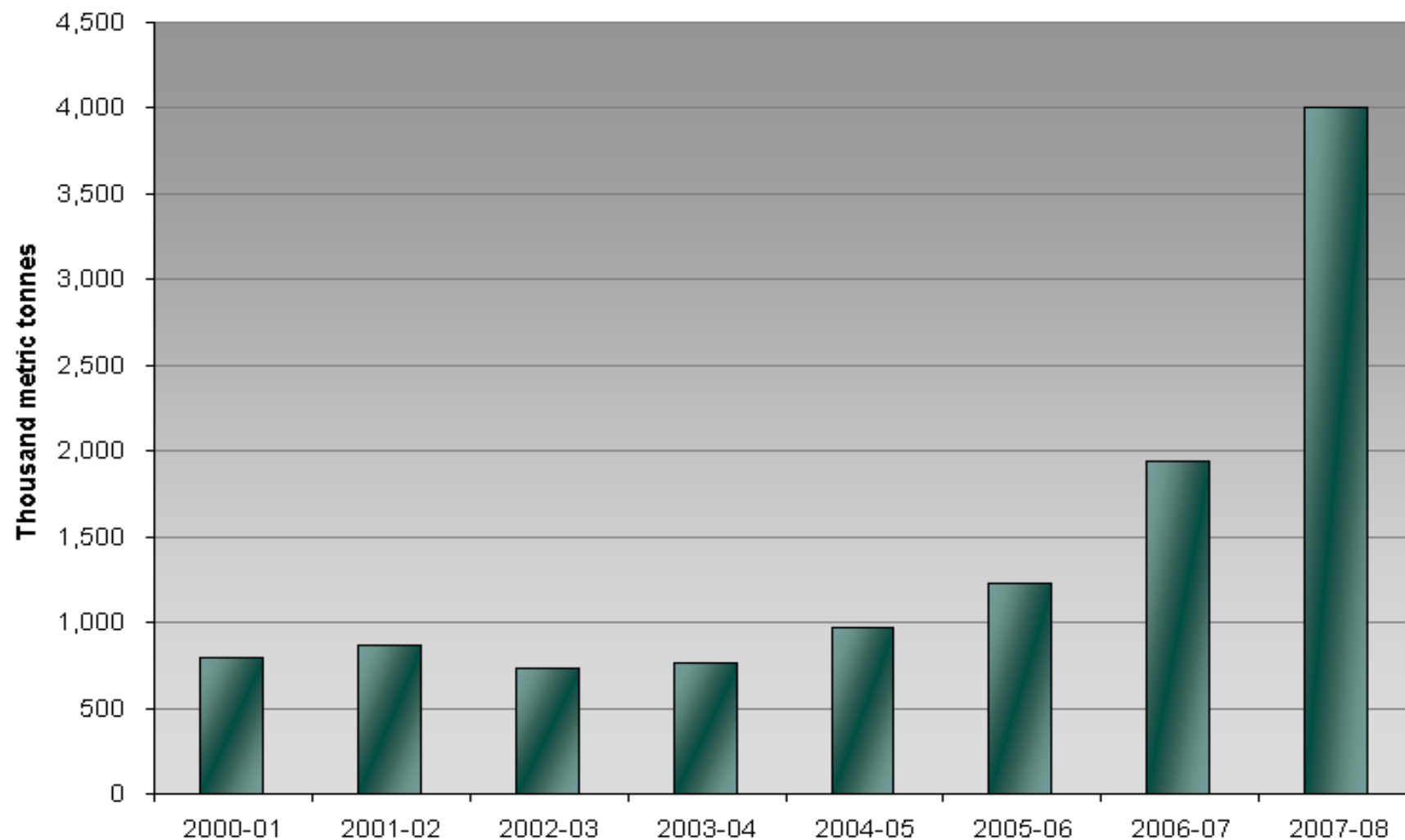
CORN USAGE						
	Corn Usage	Net Change	Displaces (short tons)		Corn	
	<i>Million bushels</i>		Additional DDG			
	<i>mrkting year</i>		Short tons	Corn	Meal	Mil Bushels
<b>2004-05</b>	1323	155				
<b>2005-06</b>	1603	280	2.52	1.89	0.63	67
<b>2006-07</b>	2117	514	4.63	3.47	1.16	124
<b>2007-08</b>	3200	1083	9.75	7.31	2.44	261
<b>2008-09</b>	4200	1000	9.0	6.75	2.25	241
<b>2009-10</b>	4700	500	4.5	3.38	1.13	121

*\*Renewable Fuels Association*

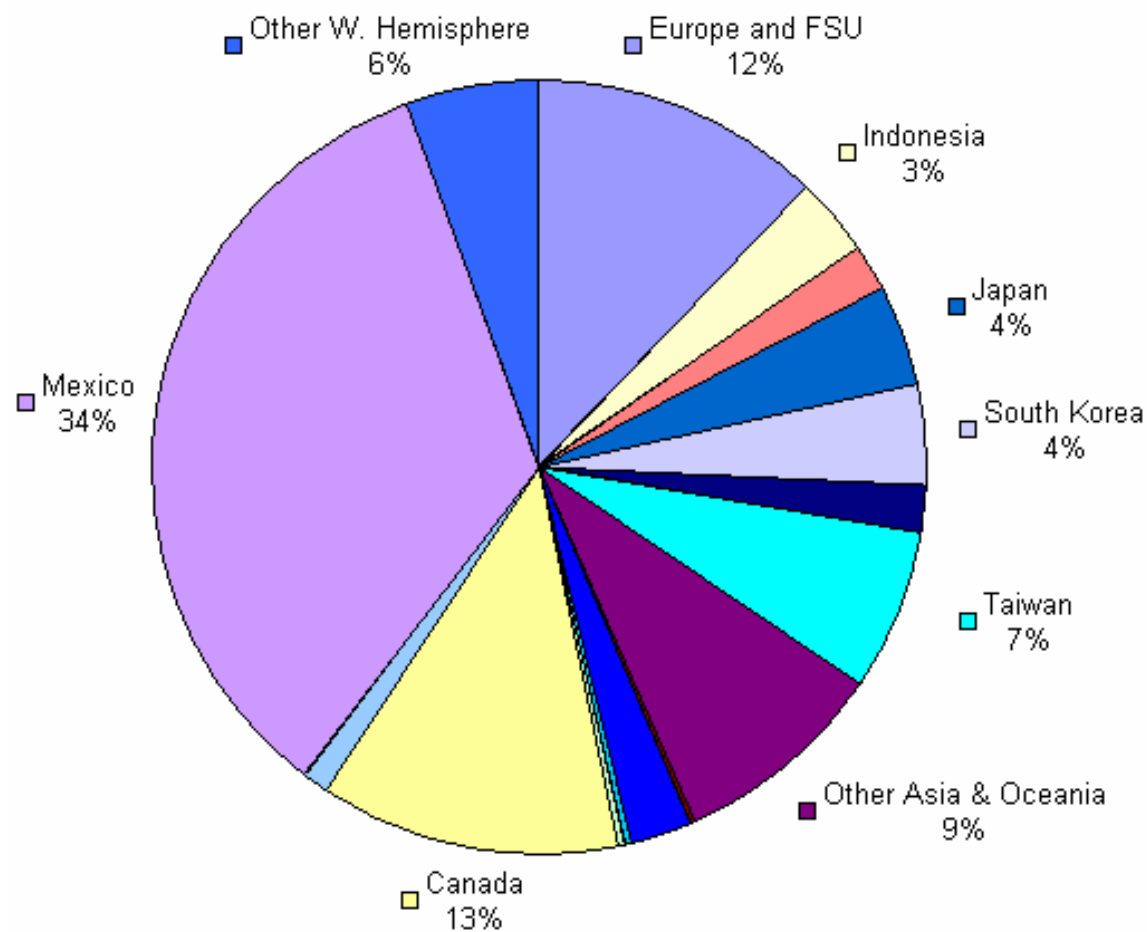
# U.S. DDGS Production



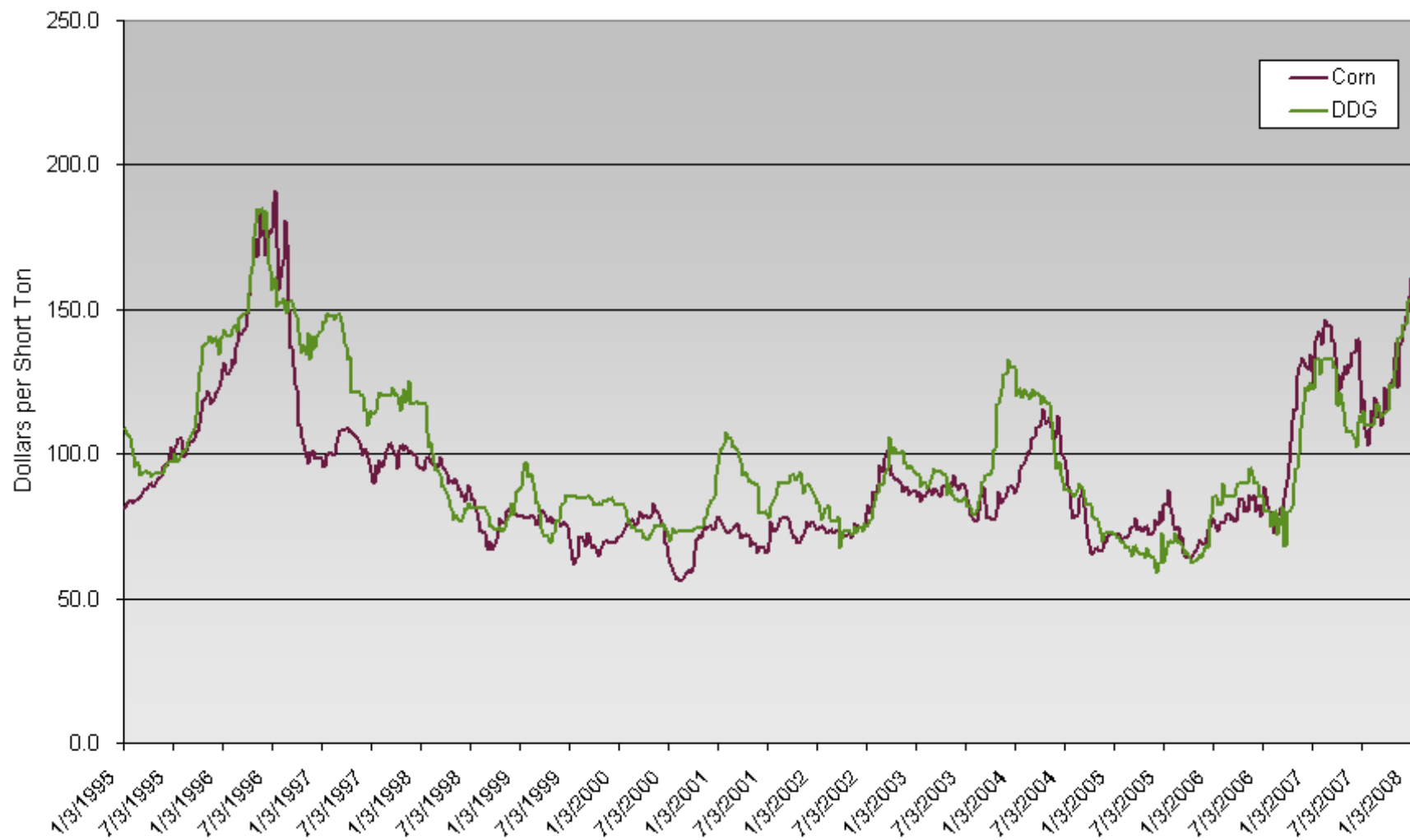
# U.S. DDG Exports



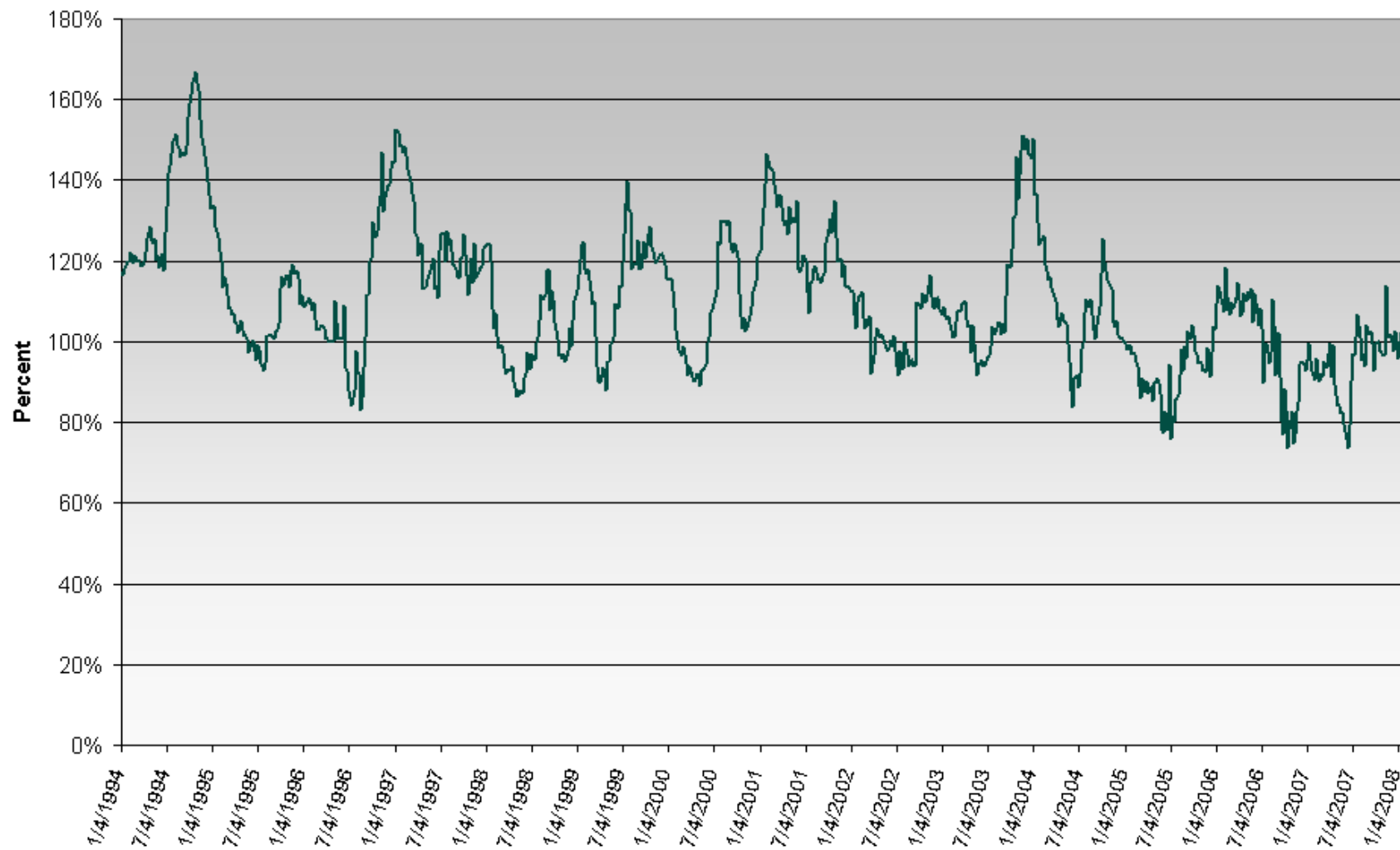
# Top 2007 DDG Export Destinations



# Corn Prices versus DDG Prices



# DDG as a Percent of Corn



# U.S. Planted Acreage (million acres)

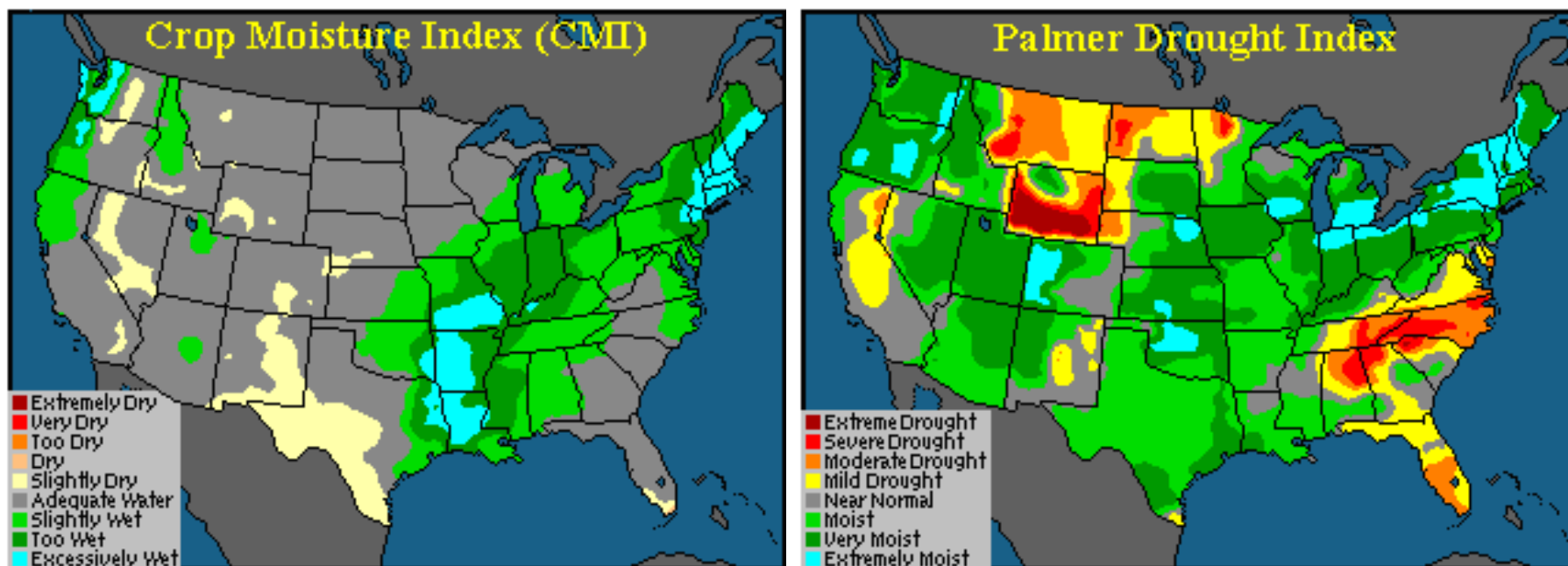
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Newedge Net Change
Corn	80.2	77.4	79.6	75.7	78.9	78.6	80.9	81.8	78.3	93.6	88.0	-5.6
Wheat	65.8	62.7	62.5	59.4	60.3	62.1	59.7	57.2	57.3	60.4	62.9	2.5
Soybeans	72.0	73.7	74.3	74.1	74.0	73.4	75.2	72.0	75.5	63.6	71.2	7.6
G. Sorghum	9.6	9.3	9.2	10.2	9.6	9.4	7.5	6.5	6.5	7.7	7.9	0.2
Barley	6.3	5.0	5.8	5.0	5.0	5.3	4.5	3.9	3.5	4.0	3.8	-0.2
Oats	4.9	4.7	4.5	4.4	5.0	4.6	4.1	4.2	4.2	3.8	3.8	0.0
Cotton	13.4	14.9	15.5	15.8	14.0	13.5	13.7	14.2	15.3	10.8	9.3	-1.5
Rice	3.3	3.5	3.1	3.3	3.2	3.0	3.3	3.4	2.8	2.8	2.8	0.0
Sunflower	3.6	3.6	2.8	2.6	2.6	2.3	1.9	2.7	2.0	2.1	2.2	0.1
Canola	1.5	1.5	1.5	1.5	1.5	1.1	0.9	1.2	1.0	1.2	1.2	0.0
Dry Edible Beans	2.0	2.0	1.8	1.4	1.9	1.4	1.4	1.6	1.6	1.5	1.5	0.0
Peanuts	1.5	1.5	1.5	1.5	1.4	1.3	1.4	1.7	1.2	1.2	1.2	0.0
Rye	1.6	1.6	1.3	1.3	1.4	1.3	1.4	1.4	1.4	1.4	1.4	0.0
Sugar Beets	1.5	1.6	1.6	1.4	1.4	1.4	1.3	1.3	1.4	1.3	1.3	0.0
Harvested Hay	60.1	63.2	60.4	63.5	63.9	63.4	62.0	61.7	60.9	61.6	62.0	0.4
CRP	30.1	29.8	31.4	33.6	34.0	34.1	34.7	35.0	36.0	36.8	34.8	-2.0
<b>Total</b>	<b>357.4</b>	<b>356.0</b>	<b>356.8</b>	<b>354.7</b>	<b>358.1</b>	<b>356.2</b>	<b>353.9</b>	<b>349.8</b>	<b>348.9</b>	<b>353.8</b>	<b>355.3</b>	<b>1.5</b>
<b>Corn + Soybeans</b>	<b>152.2</b>	<b>151.1</b>	<b>153.9</b>	<b>149.8</b>	<b>152.9</b>	<b>152.0</b>	<b>156.1</b>	<b>153.8</b>	<b>153.8</b>	<b>157.2</b>	<b>159.2</b>	<b>2.0</b>

# CRP Contract Expirations by Year

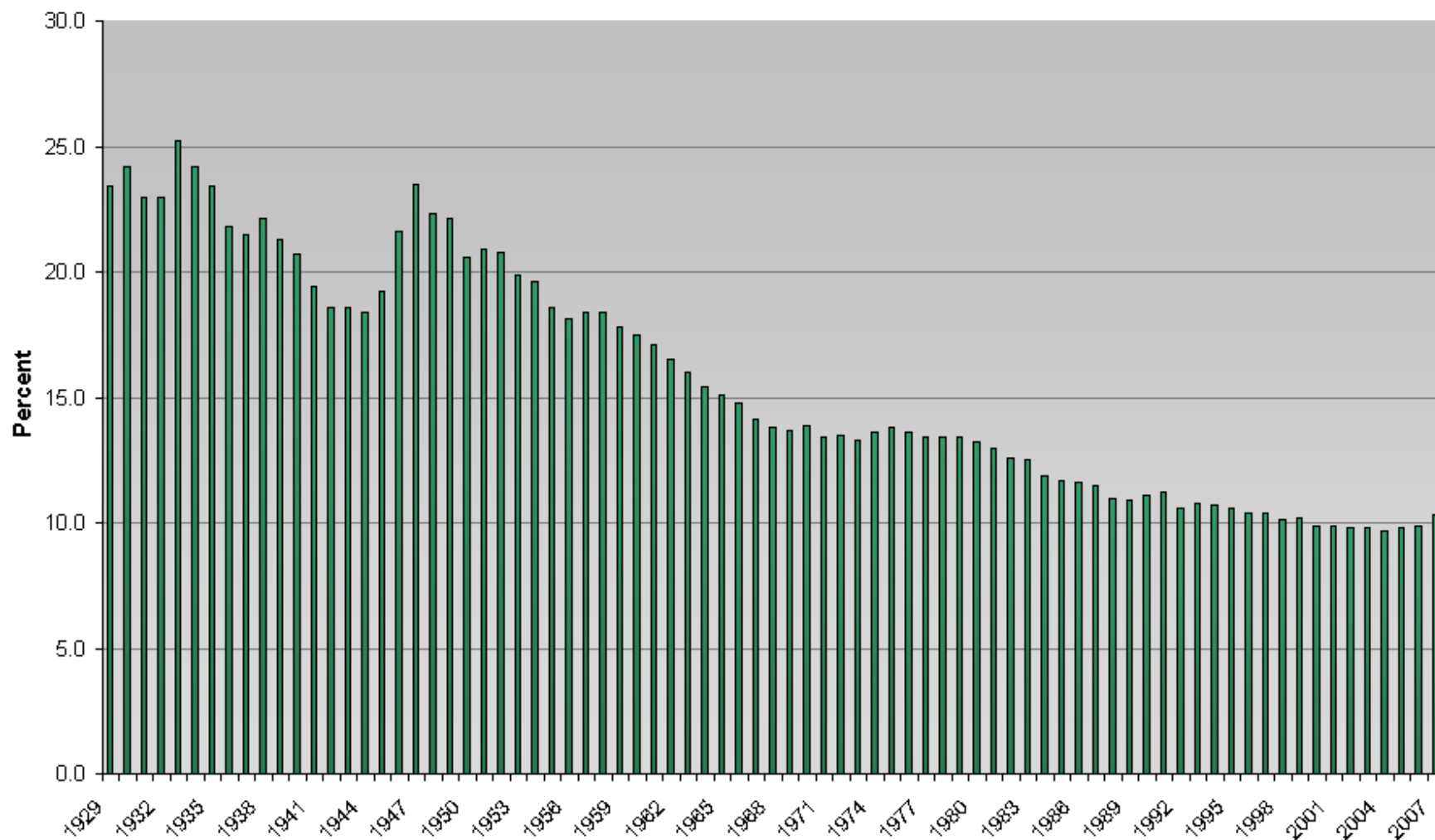
*(Million Acres)*

<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
1.3	3.9	4.5	4.4	5.5	3.3

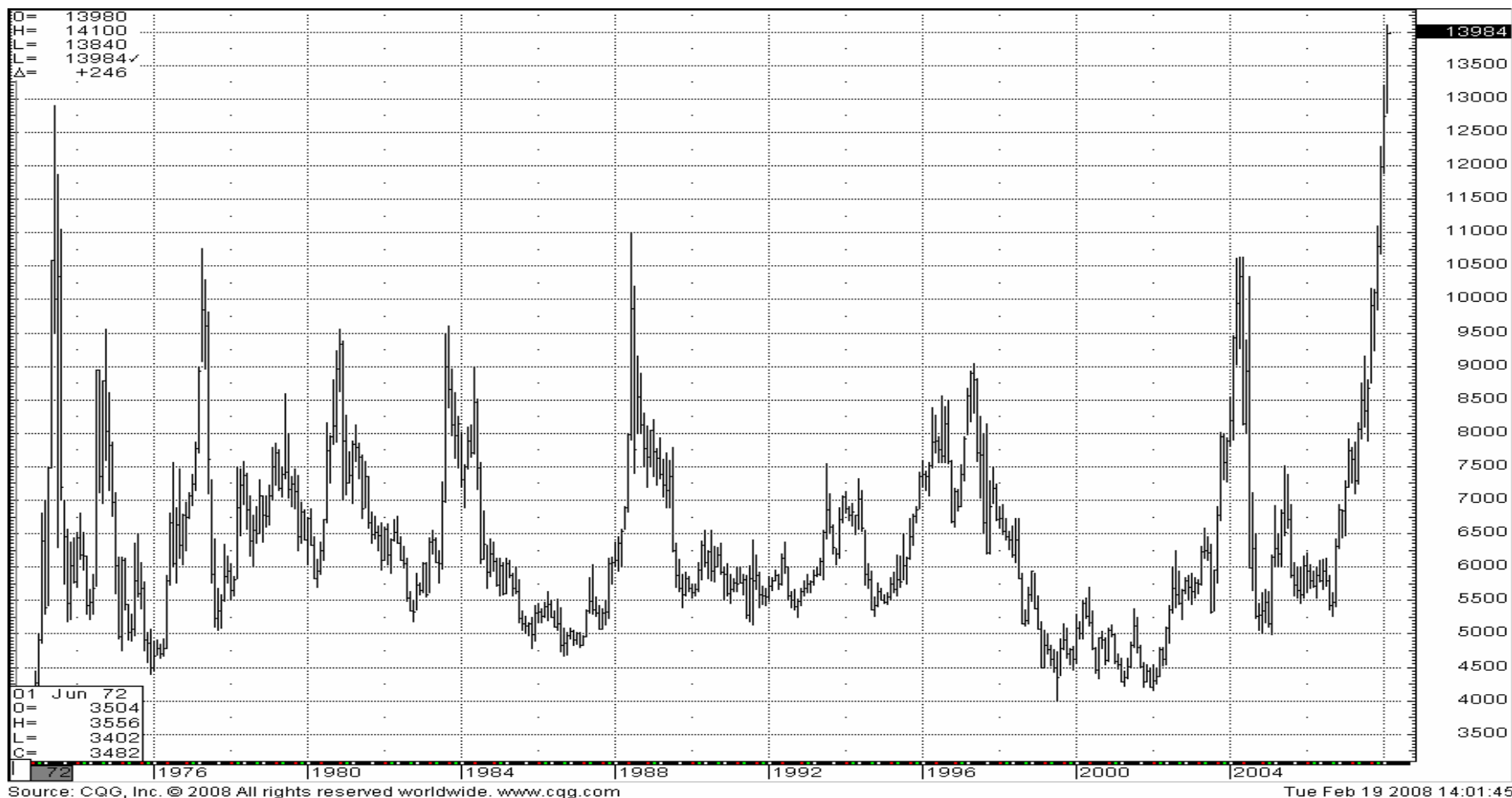
# U.S. Soil Moisture Profile



# Percent of U.S. Disposable Income Spent on Food



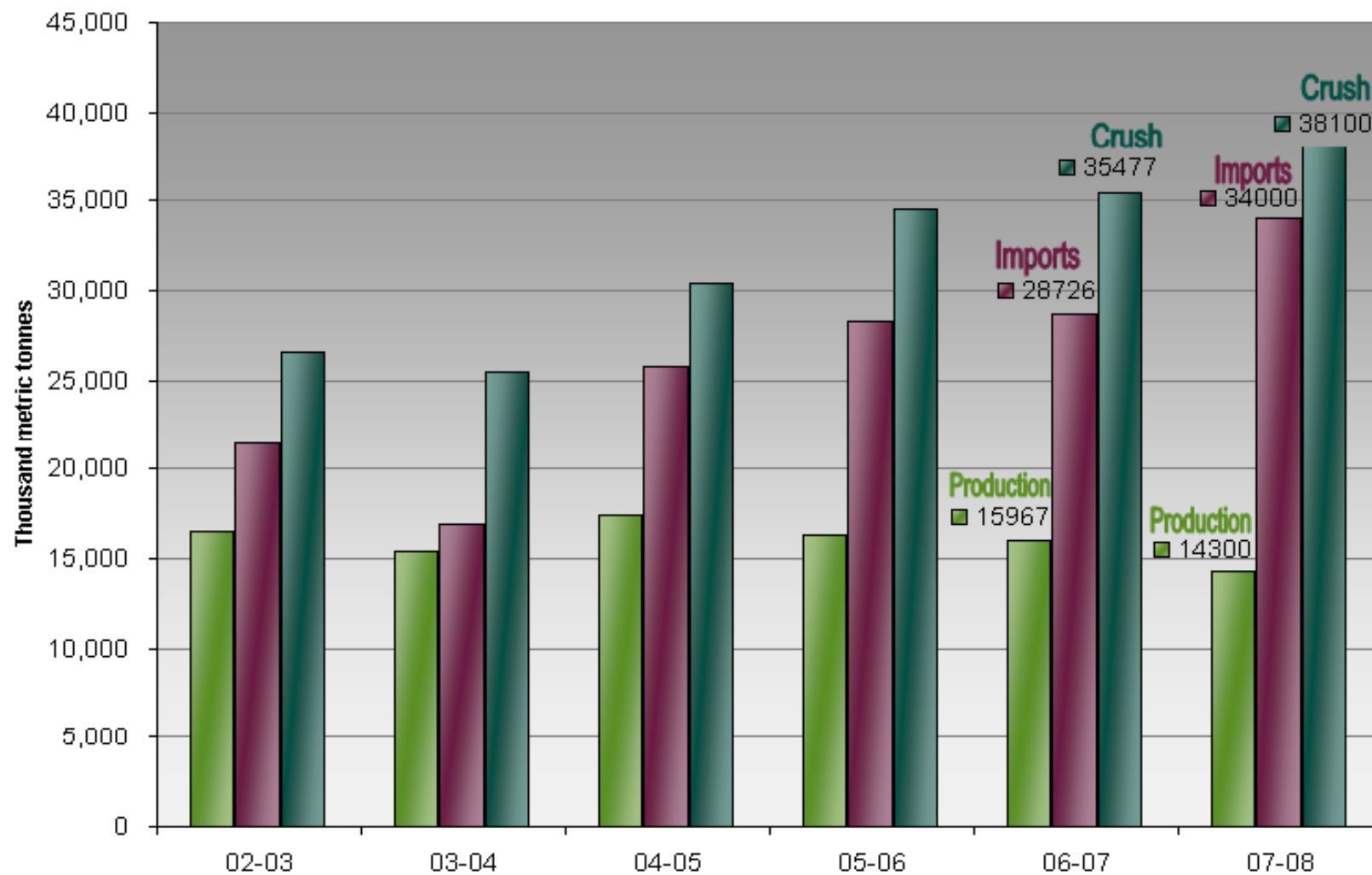
# Soybeans, Monthly



# World Soybean Production

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<b>MAJOR EXPORTERS</b>						
U.S.	66.8	85.0	83.4	86.8	70.4	81.2
ARGENTINA	33.0	39.5	41.3	50.3	47.0	49.0
BRAZIL	50.0	53.0	57.0	59.0	61.5	62.5
PARAGUAY	3.9	4.1	3.6	6.2	7.5	7.0
BOLIVIA	1.9	2.0	2.1	1.7	1.9	2.1
URUGUAY	0.4	0.5	0.6	0.8	0.8	0.8
SOUTH AMERICA	89.2	99.1	104.6	117.9	118.7	121.4
<b>SUBTOTAL</b>	<b>156.0</b>	<b>184.1</b>	<b>188.0</b>	<b>204.7</b>	<b>189.1</b>	<b>202.6</b>

# China Soybean Supply and Demand



# U.S. Soybean Supply and Demand

	03-04	04-05	05-06	06-07	FEB USDA 07-08	Newedge 07-08	Newedge 08-09
Planted Acres	73.4	75.2	72.0	75.5	63.6	63.6	71.2
Harvested Acres	72.5	74.0	71.3	74.6	62.8	62.8	70.2
Percent Harvested	98.8	98.3	98.9	98.5	98.6	98.6	98.6
Yield	33.9	42.2	43.0	42.7	41.2	41.2	42.5
Sept 1 Stocks	178	112	256	449	574	574	153
<b>Production</b>	<b>2454</b>	<b>3124</b>	<b>3063</b>	<b>3188</b>	<b>2585</b>	<b>2585</b>	<b>2984</b>
Imports	6	6	3	9	6	6	6
<b>TOTAL SUPPLY</b>	<b>2638</b>	<b>3242</b>	<b>3322</b>	<b>3647</b>	<b>3165</b>	<b>3165</b>	<b>3143</b>
Crush	1530	1696	1739	1806	1835	1845	1858
Seed/Feed	92	88	93	78	86	88	85
Residual	17	104	101	70	79	54	55
Exports	887	1097	940	1118	1005	1025	1100
<b>TOTAL USAGE</b>	<b>2525</b>	<b>2986</b>	<b>2873</b>	<b>3073</b>	<b>3005</b>	<b>3012</b>	<b>3098</b>
<b>ENDING STOCKS</b>	<b>112</b>	<b>256</b>	<b>449</b>	<b>574</b>	<b>160</b>	<b>153</b>	<b>45</b>
Stocks/Use Ratio	4.4%	8.6%	15.6%	18.7%	5.3%	5.1%	1.5%
Loan Rate (\$/bushel)	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Farm Price (\$/bushel)	7.34	5.74	5.66	6.43	10.40	11.40	12.70

# Soybean Meal, Monthly



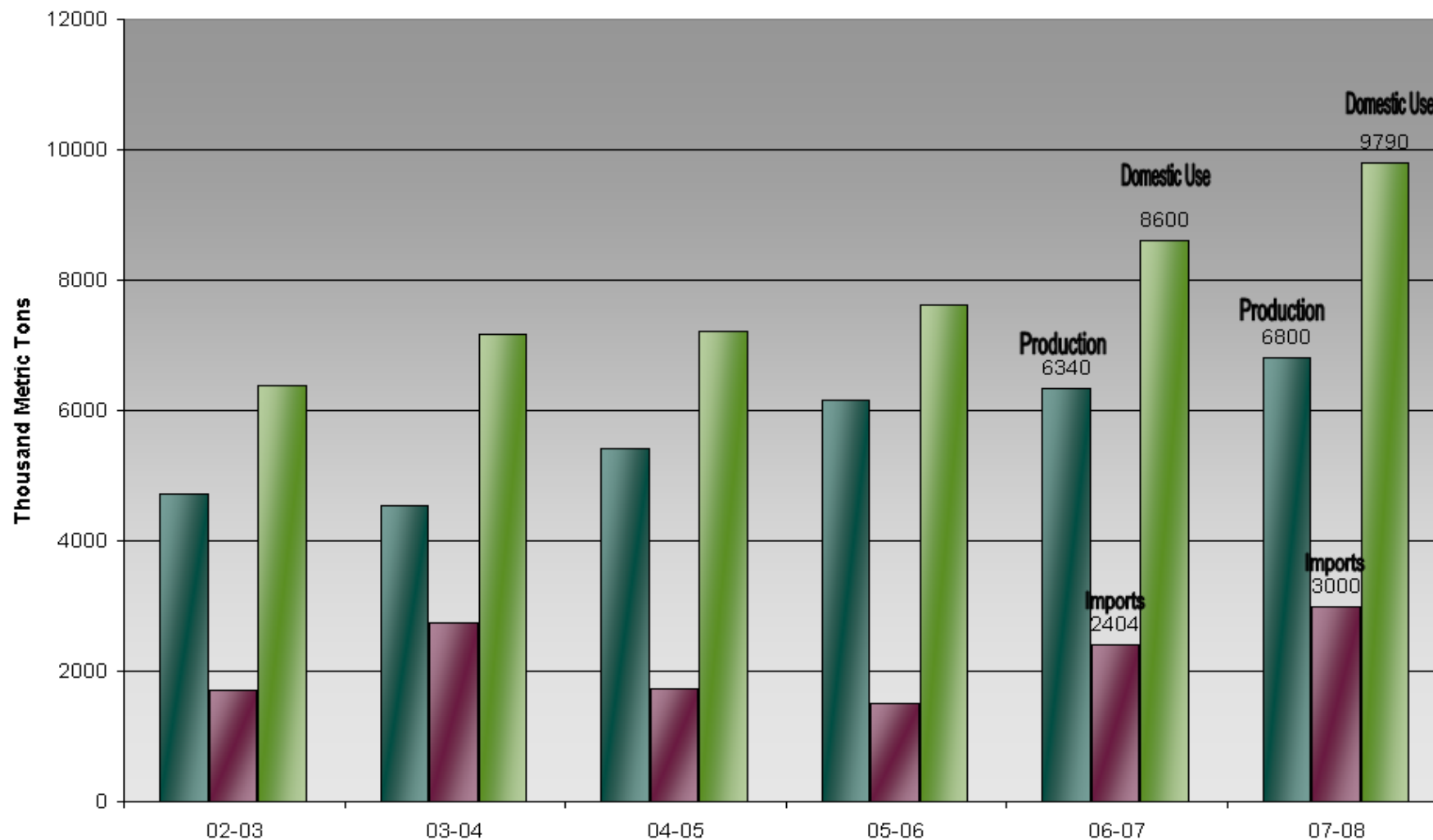
# U.S. Soybean Meal Supply and Demand

	03-04	04-05	05-06	06-07	FEB USDA 07-08	Newedge 07-08	Newedge 08-09
<b>SOYBEAN CRUSH</b>							
<i>Million bushels</i>	1523	1708	1748	1811	1835	1845	1858
<b>MEAL YIELD</b>							
<i>Pounds/bushel</i>	47.7	47.7	47.2	47.5	47.7	48.0	47.6
Oct 1 Stocks	220	211	172	314	351	351	348
<b>Production</b>	<b>36325</b>	<b>40715</b>	<b>41244</b>	<b>43027</b>	<b>43784</b>	<b>44270</b>	<b>44220</b>
Imports	285	147	141	156	165	160	160
<b>TOTAL SUPPLY</b>	<b>36830</b>	<b>41073</b>	<b>41557</b>	<b>43497</b>	<b>44300</b>	<b>44781</b>	<b>44728</b>
Domestic Usage	31449	33561	33195	34360	35300	35600	35400
Exports	5170	7340	8048	8786	8700	8833	9000
<b>TOTAL USAGE</b>	<b>36619</b>	<b>40901</b>	<b>41243</b>	<b>43146</b>	<b>44000</b>	<b>44433</b>	<b>44400</b>
<b>ENDING STOCKS</b>	<b>211</b>	<b>172</b>	<b>314</b>	<b>351</b>	<b>300</b>	<b>348</b>	<b>328</b>
Decatur, 48% Protein (\$/ton)	256.05	182.89	174.17	205.44	320.00	340.00	350.00

# Soybean Oil, Monthly



# China Soybean Oil Supply and Demand



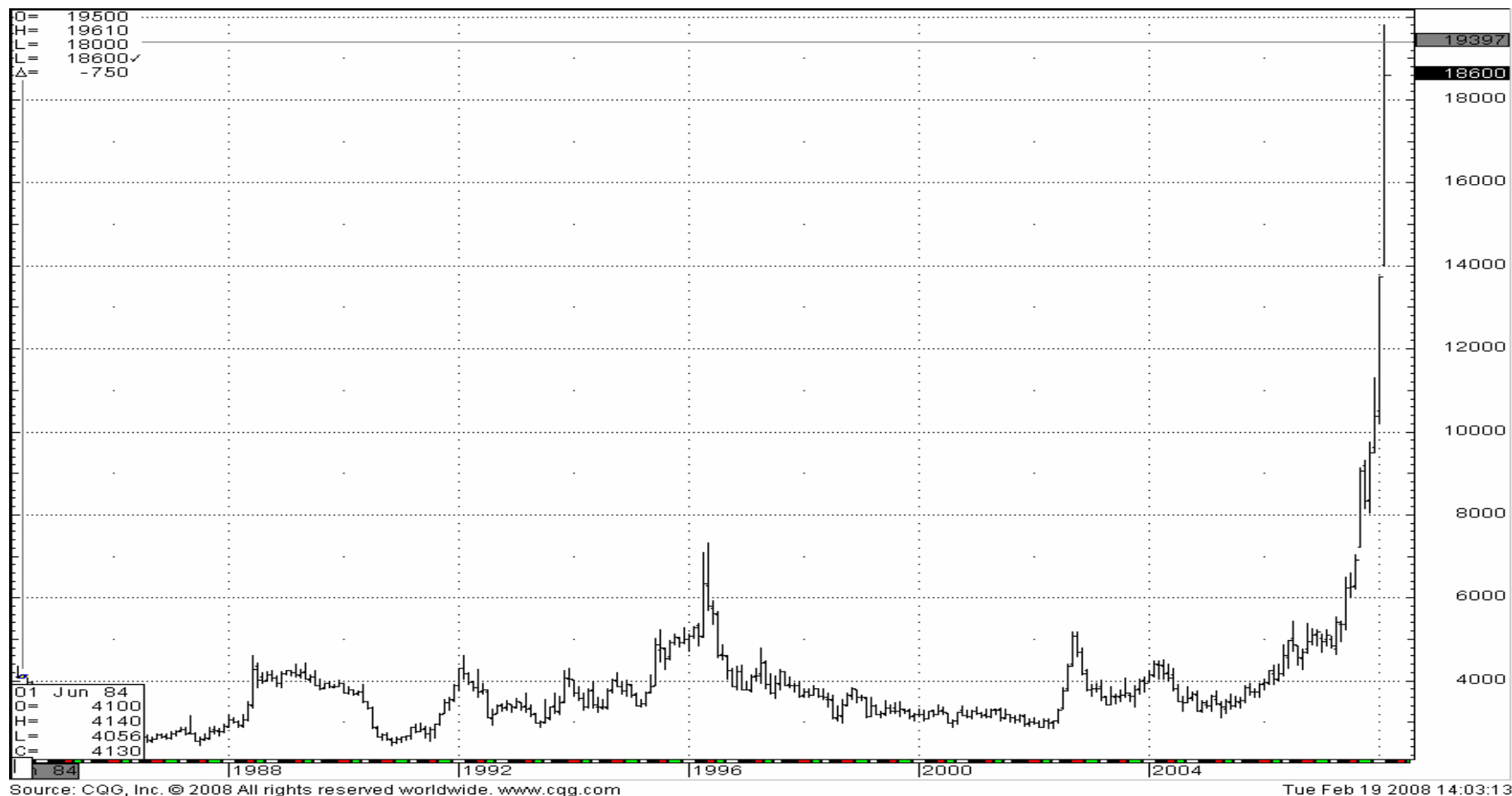
# U.S. Soybean Oil Supply and Demand

	03-04	04-05	05-06	06-07	FEB USDA 07-08	Newedge 07-08	Newedge 08-09
<b>SOYBEAN CRUSH</b>							
<i>Million bushels</i>	1523	1708	1748	1811	1835	1845	1858
<b>OIL YIELD</b>							
<i>Pounds/bushel</i>	11.21	11.33	11.67	11.31	11.45	11.50	11.35
Oct 1 Stocks	1489	1076	1699	3010	2904	2904	2657
<b>Production</b>	<b>17081</b>	<b>19360</b>	<b>20387</b>	<b>20487</b>	<b>21010</b>	<b>21217</b>	<b>21088</b>
Imports	306	26	35	37	37	36	50
<b>TOTAL SUPPLY</b>	<b>18875</b>	<b>20462</b>	<b>22122</b>	<b>23535</b>	<b>23952</b>	<b>24157</b>	<b>23795</b>
Domestic Usage	16864	17439	17959	18743	19500	19100	19650
For methyl ester			1555	2796	3400	3100	3500
Exports	936	1324	1153	1888	1950	2400	2200
<b>TOTAL USAGE</b>	<b>17800</b>	<b>18763</b>	<b>19112</b>	<b>20630</b>	<b>21450</b>	<b>21500</b>	<b>21850</b>
<b>ENDING STOCKS</b>	<b>1076</b>	<b>1699</b>	<b>3010</b>	<b>2904</b>	<b>2502</b>	<b>2657</b>	<b>1945</b>
Stocks/Use Ratio	6.0%	9.1%	15.7%	14.1%	11.7%	12.4%	8.9%
Decatur, Crude ( <i>\$/pound</i> )	0.300	0.230	0.234	0.310	0.495	0.505	0.530

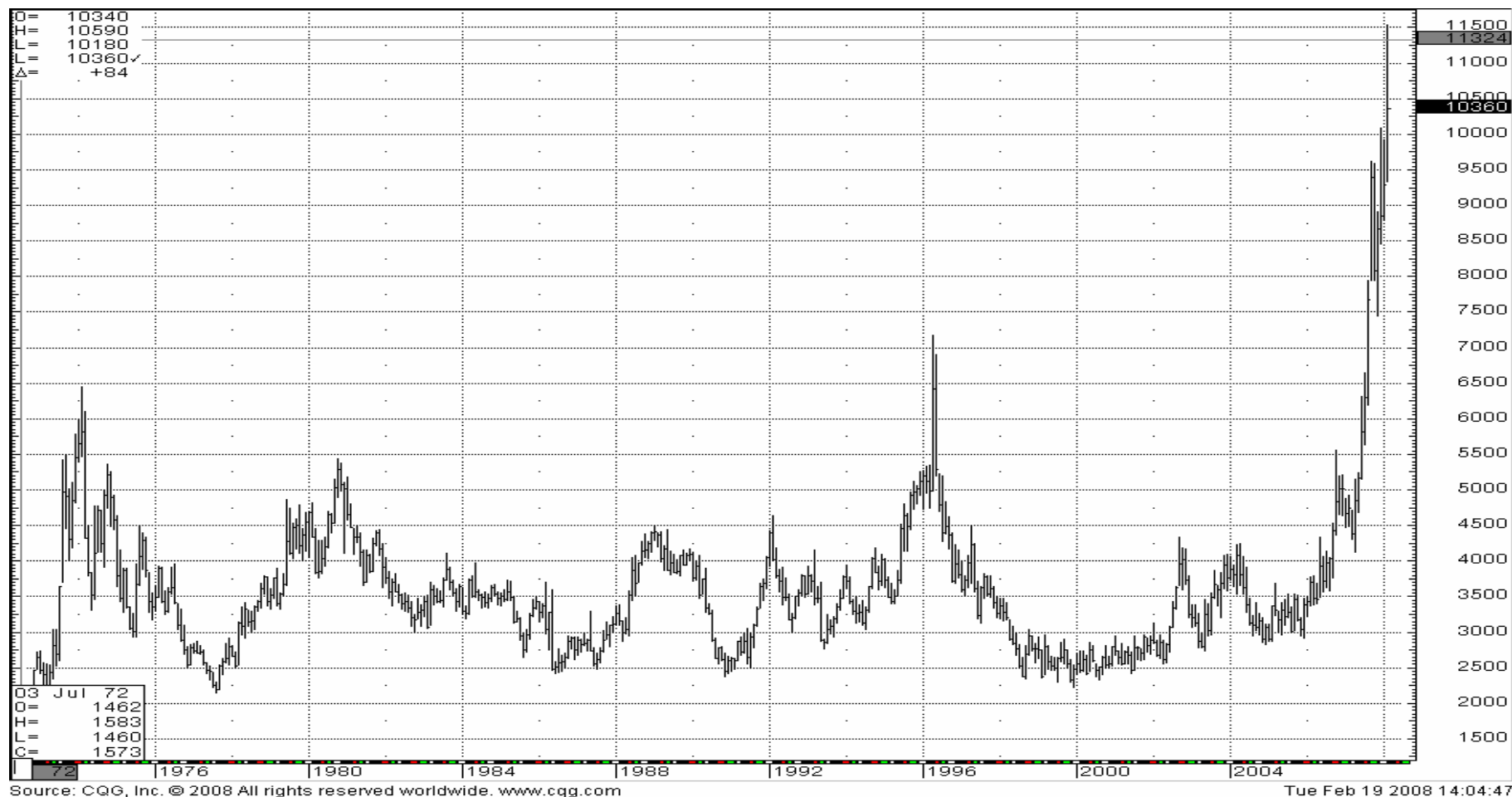
# Wheat Outlook



# Minneapolis Wheat, Monthly



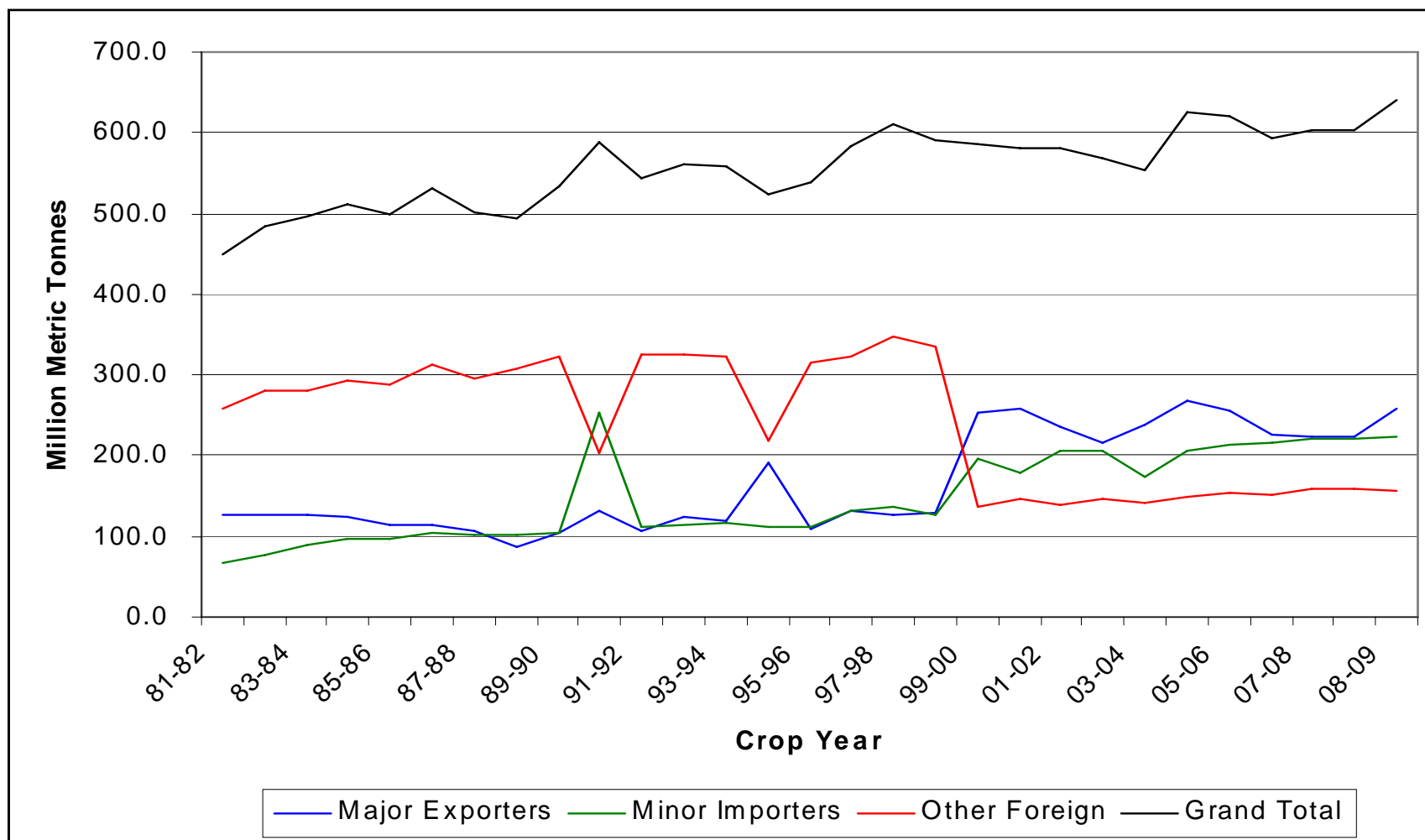
# Chicago Wheat, Monthly



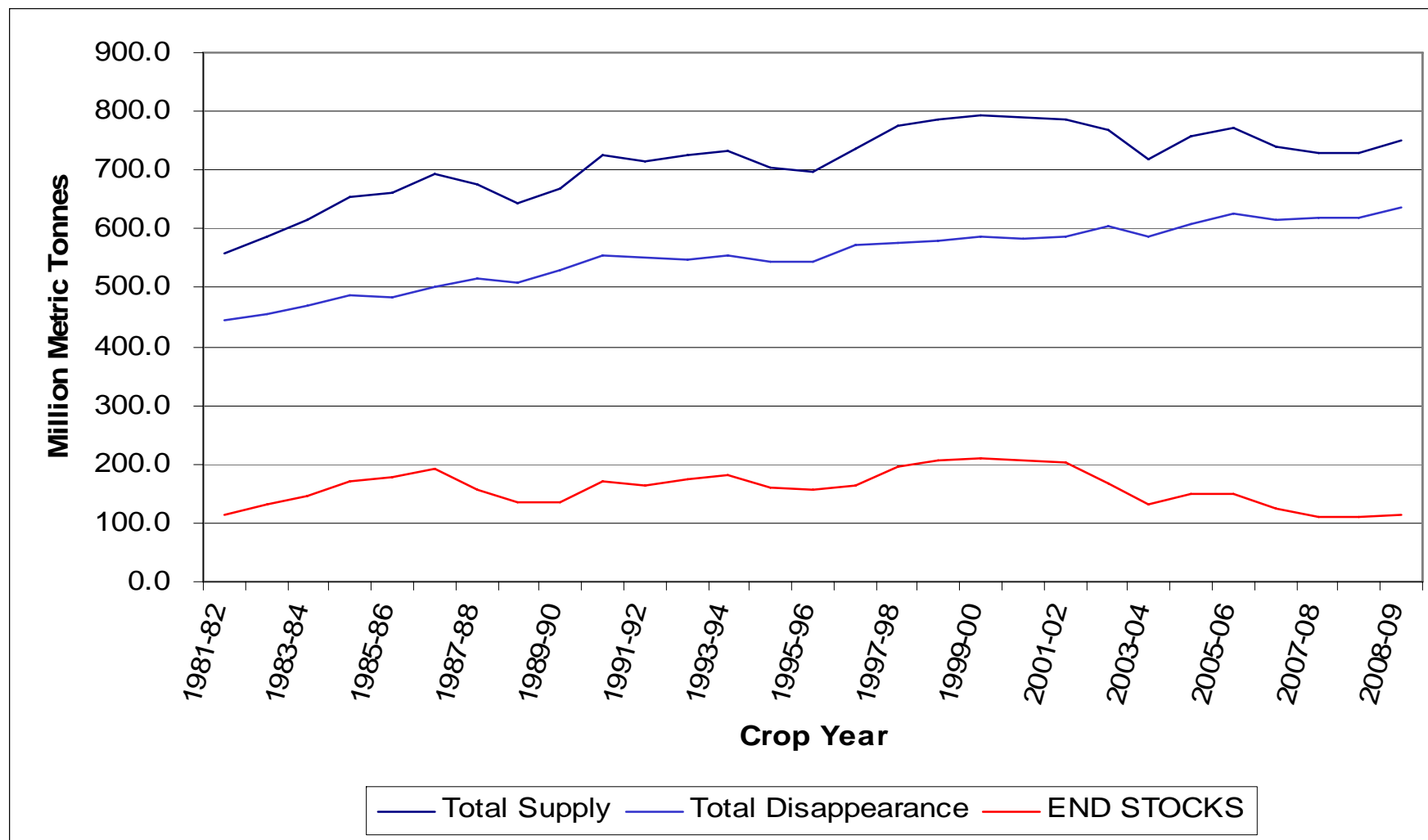
# Kansas City Wheat, Monthly



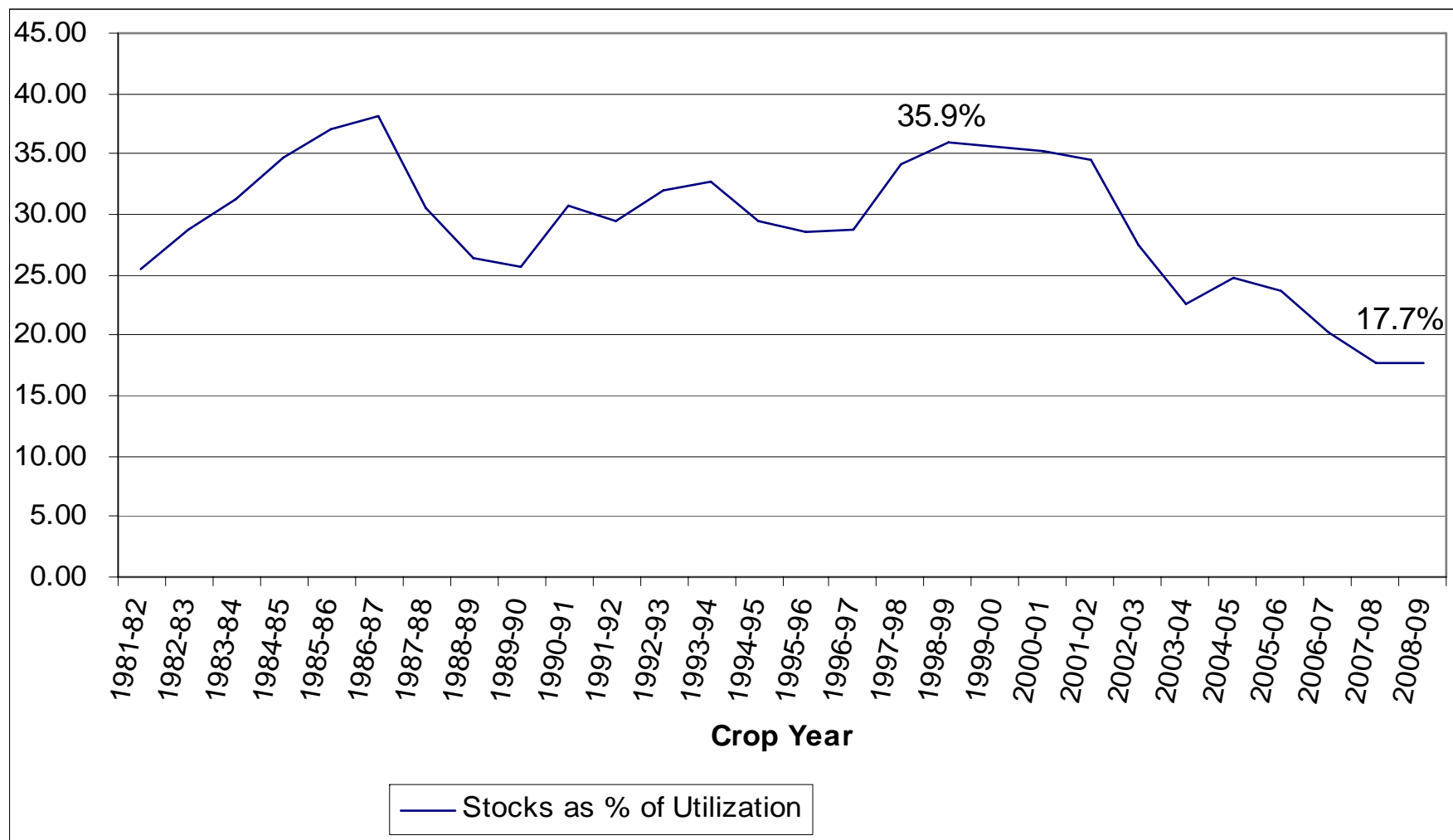
# World Wheat Production



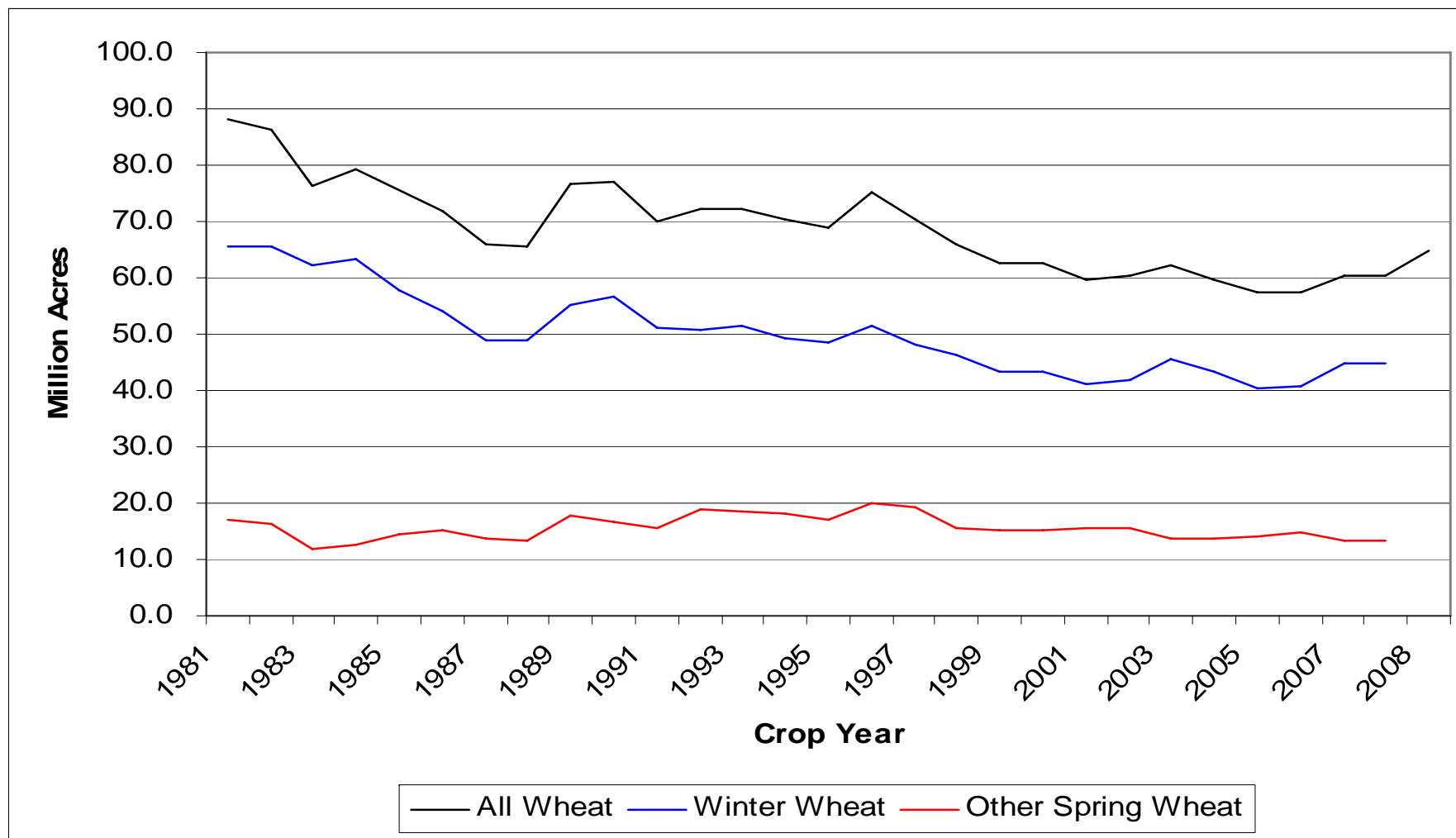
# World Wheat Supply and Demand



## World Wheat Ending Stocks as a Percentage of Usage



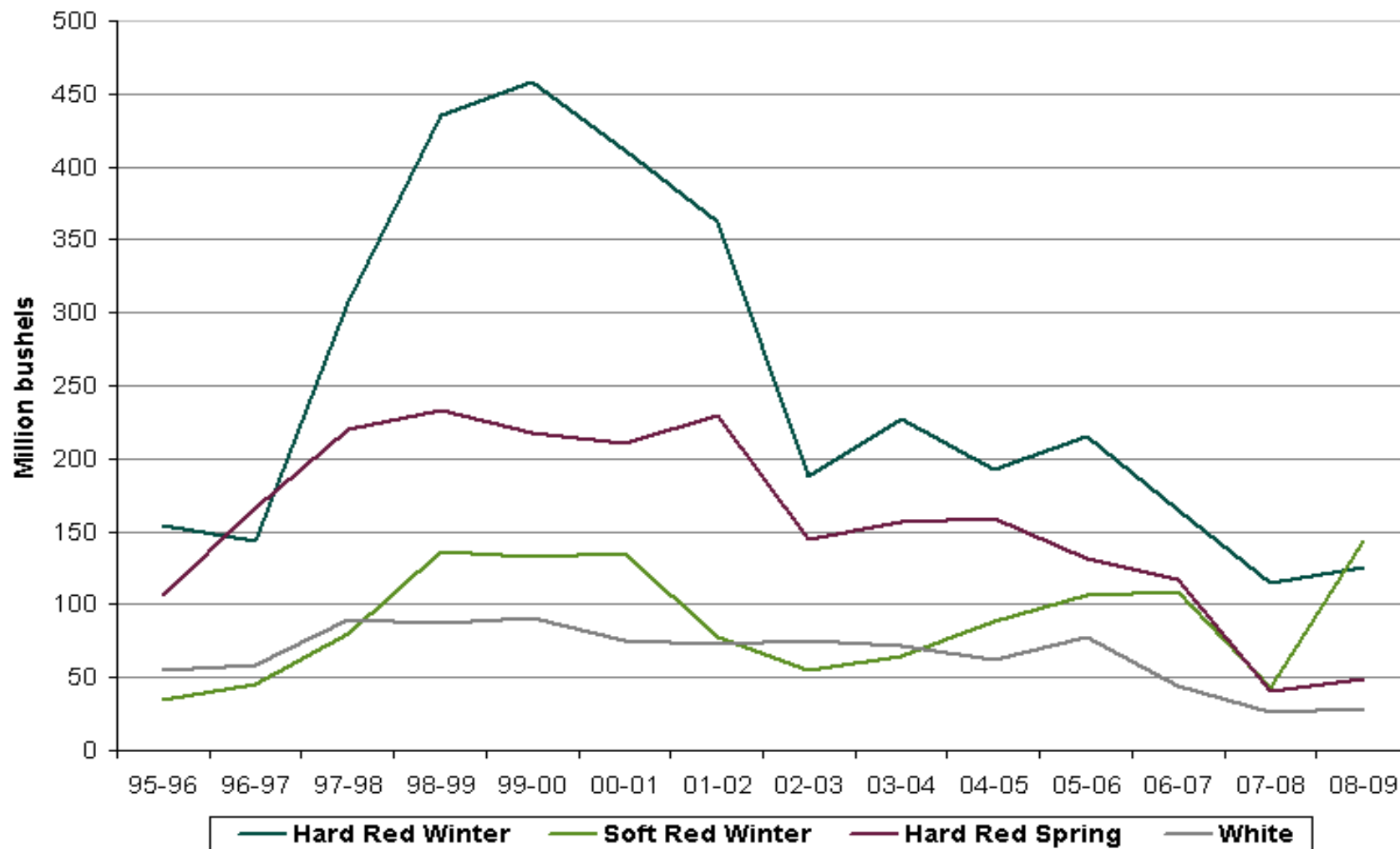
# Planted US Wheat Acreage



# US Wheat Supply and Demand

	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	Newedge 07-08	Newedge 08-09
Planted Acres	62.7	62.6	59.6	60.3	62.1	59.7	57.2	57.3	60.4	63.0
Harvested Acres	53.8	53.1	48.6	45.8	53.1	50.0	50.1	46.8	51.0	54.5
% Abandoned	14.2	15.2	18.4	24.0	14.6	16.2	12.4	18.4	15.6	13.4
Yield	42.6	41.9	40.3	35.0	44.2	43.2	42.0	38.7	40.5	42.0
June 1 Stocks	946	950	876	777	491	546	540	571	456	237
<b>Production</b>	<b>2296</b>	<b>2228</b>	<b>1958</b>	<b>1606</b>	<b>2345</b>	<b>2158</b>	<b>2105</b>	<b>1812</b>	<b>2067</b>	<b>2290</b>
Imports	95	90	108	77	63	71	82	122	89	100
<b>TOTAL SUPPLY</b>	<b>3336</b>	<b>3268</b>	<b>2941</b>	<b>2460</b>	<b>2899</b>	<b>2775</b>	<b>2727</b>	<b>2505</b>	<b>2612</b>	<b>2627</b>
Food	929	950	926	919	912	910	915	933	945	950
Seed	92	79	83	84	80	78	78	81	86	83
Feed	275	301	181	116	202	185	160	125	125	175
Exports	1090	1062	964	850	1159	1063	1003	909	1220	1040
<b>TOTAL USAGE</b>	<b>2386</b>	<b>2392</b>	<b>2164</b>	<b>1969</b>	<b>2353</b>	<b>2235</b>	<b>2156</b>	<b>2049</b>	<b>2376</b>	<b>2248</b>
<b>CARRY - OUT</b>	<b>950</b>	<b>876</b>	<b>777</b>	<b>491</b>	<b>546</b>	<b>540</b>	<b>571</b>	<b>456</b>	<b>237</b>	<b>379</b>
Wheat Price, on-farm \$/bushel	2.48	2.62	2.78	3.56	3.40	3.40	3.42	4.26	7.05	5.25

# U.S. Wheat Carry-out by Class



# US HRW Balance Sheet

	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09
Planted Acres	30.8	30.4	29.0	30.1	32.6	30.8	30.0	29.3	32.9	32.5
Harvested Acres	24.4	23.6	20.9	19.9	25.6	23.4	24.6	21.3	25.7	26.1
% Abandoned	20.8	22.4	27.8	33.8	21.3	24.0	18.1	27.3	22.0	19.7
Yield	43.1	35.9	36.6	31.1	41.8	36.6	37.8	32.0	37.4	37.1
June 1 Stocks	435	458	411	363	188	227	193	215	165	114
<b>Production</b>	<b>1051</b>	<b>846</b>	<b>766</b>	<b>620</b>	<b>1071</b>	<b>856</b>	<b>930</b>	<b>682</b>	<b>962</b>	<b>967</b>
Imports	0	0	2	1	1	1	0	1	0	1
<b>TOTAL SUPPLY</b>	<b>1486</b>	<b>1304</b>	<b>1179</b>	<b>984</b>	<b>1260</b>	<b>1084</b>	<b>1123</b>	<b>898</b>	<b>1127</b>	<b>1082</b>
Domestic Usage	542	491	467	486	520	503	481	452	518	547
Exports	486	402	349	309	512	388	430	281	495	410
<b>TOTAL USAGE</b>	<b>1028</b>	<b>893</b>	<b>815</b>	<b>795</b>	<b>1033</b>	<b>891</b>	<b>908</b>	<b>733</b>	<b>1013</b>	<b>957</b>
<b>CARRY-OUT</b>	<b>458</b>	<b>411</b>	<b>363</b>	<b>188</b>	<b>227</b>	<b>193</b>	<b>215</b>	<b>165</b>	<b>114</b>	<b>125</b>

# US SRW Balance Sheet

	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09
Planted Acres	9.1	9.5	8.7	8.1	8.3	8.2	6.1	7.4	8.7	10.3
Harvested Acres	8.0	8.2	7.2	6.5	6.8	7.0	5.1	6.2	7.1	8.9
% Abandoned	12.2	14.4	17.1	20.1	17.7	14.7	16.1	16.6	18.4	16.7
Yield	56.4	57.5	55.4	49.6	55.7	54.2	60.0	63.3	50.7	56.5
June 1 Stocks	136	133	135	78	55	64	88	106	109	43
<b>Production</b>	<b>452</b>	<b>469</b>	<b>397</b>	<b>321</b>	<b>380</b>	<b>380</b>	<b>309</b>	<b>390</b>	<b>358</b>	<b>504</b>
Imports	0	0	0	14	22	22	27	20	10	10
<b>TOTAL SUPPLY</b>	<b>588</b>	<b>602</b>	<b>532</b>	<b>413</b>	<b>457</b>	<b>466</b>	<b>424</b>	<b>516</b>	<b>477</b>	<b>557</b>
Domestic Usage	285	291	257	264	254	256	242	261	229	264
Exports	170	176	199	105	140	122	76	146	205	150
<b>TOTAL USAGE</b>	<b>455</b>	<b>467</b>	<b>457</b>	<b>369</b>	<b>393</b>	<b>378</b>	<b>318</b>	<b>407</b>	<b>434</b>	<b>414</b>
<b>CARRY-OUT</b>	<b>133</b>	<b>135</b>	<b>78</b>	<b>55</b>	<b>64</b>	<b>88</b>	<b>106</b>	<b>109</b>	<b>43</b>	<b>143</b>

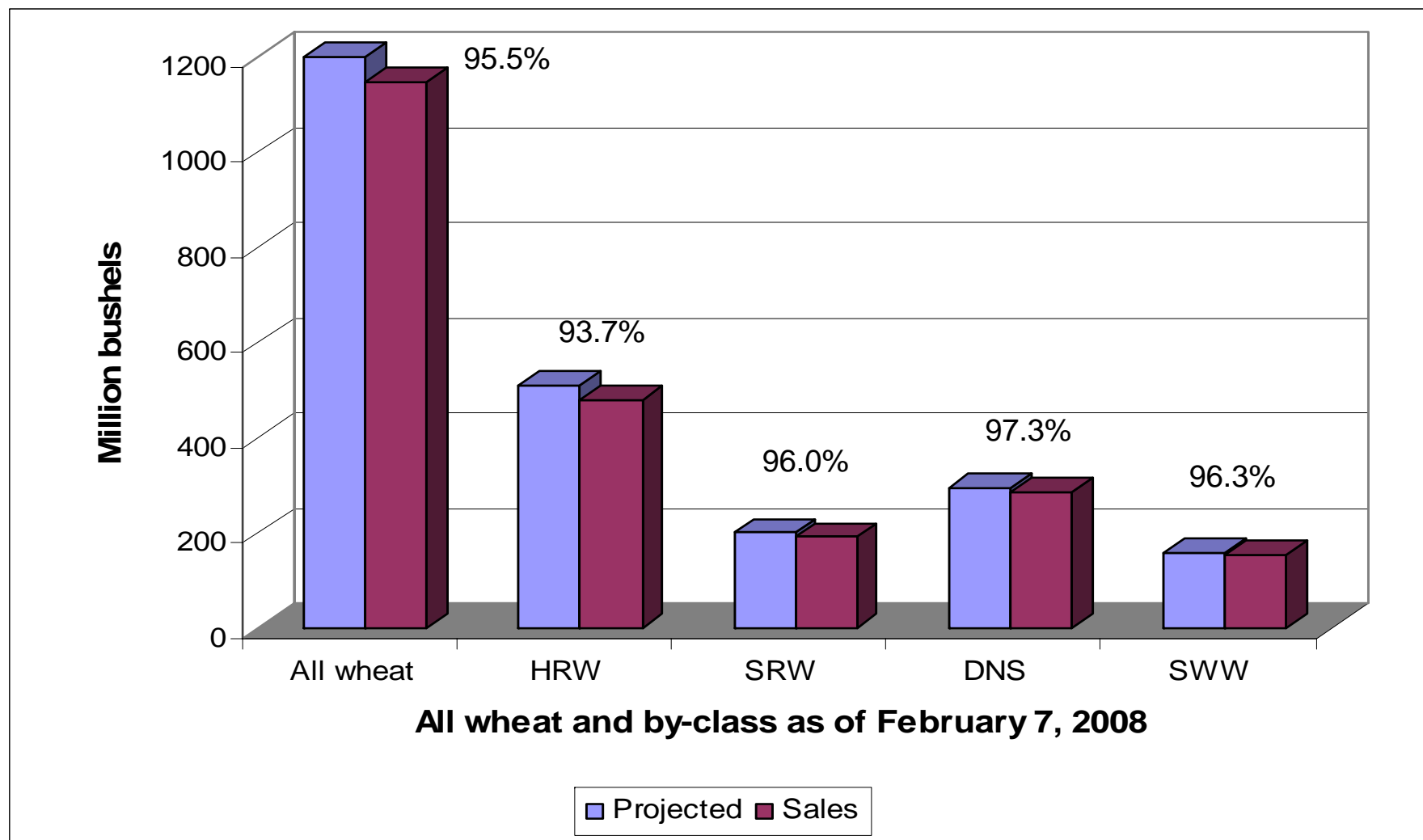
# US DNS Balance Sheet

	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09
Planted Acres	14.3	14.4	14.8	14.8	13.1	13.0	13.3	14.4	12.7	13.2
Harvested Acres	13.8	13.6	13.8	12.6	12.7	12.5	12.9	13.4	12.4	12.9
% Abandoned	3.8	5.5	6.9	15.0	2.9	4.4	3.0	6.9	2.6	4.0
Yield	32.5	37.0	34.6	27.9	39.2	42.2	36.0	32.2	36.2	37.2
June 1 Stocks	233	218	210	230	145	157	159	132	117	41
<b>Production</b>	<b>448</b>	<b>502</b>	<b>475</b>	<b>351</b>	<b>500</b>	<b>525</b>	<b>467</b>	<b>432</b>	<b>449</b>	<b>479</b>
Imports	60	59	64	23	9	8	12	50	34	39
<b>Total Supply</b>	<b>741</b>	<b>779</b>	<b>750</b>	<b>604</b>	<b>654</b>	<b>690</b>	<b>638</b>	<b>614</b>	<b>600</b>	<b>559</b>
Domestic Usage	293	339	303	204	225	217	225	247	249	232
Exports	230	230	216	258	272	314	282	250	310	275
<b>Total Usage</b>	<b>523</b>	<b>569</b>	<b>520</b>	<b>462</b>	<b>497</b>	<b>531</b>	<b>506</b>	<b>497</b>	<b>559</b>	<b>507</b>
<b>CARRY - OUT</b>	<b>218</b>	<b>210</b>	<b>230</b>	<b>145</b>	<b>157</b>	<b>159</b>	<b>132</b>	<b>117</b>	<b>41</b>	<b>52</b>

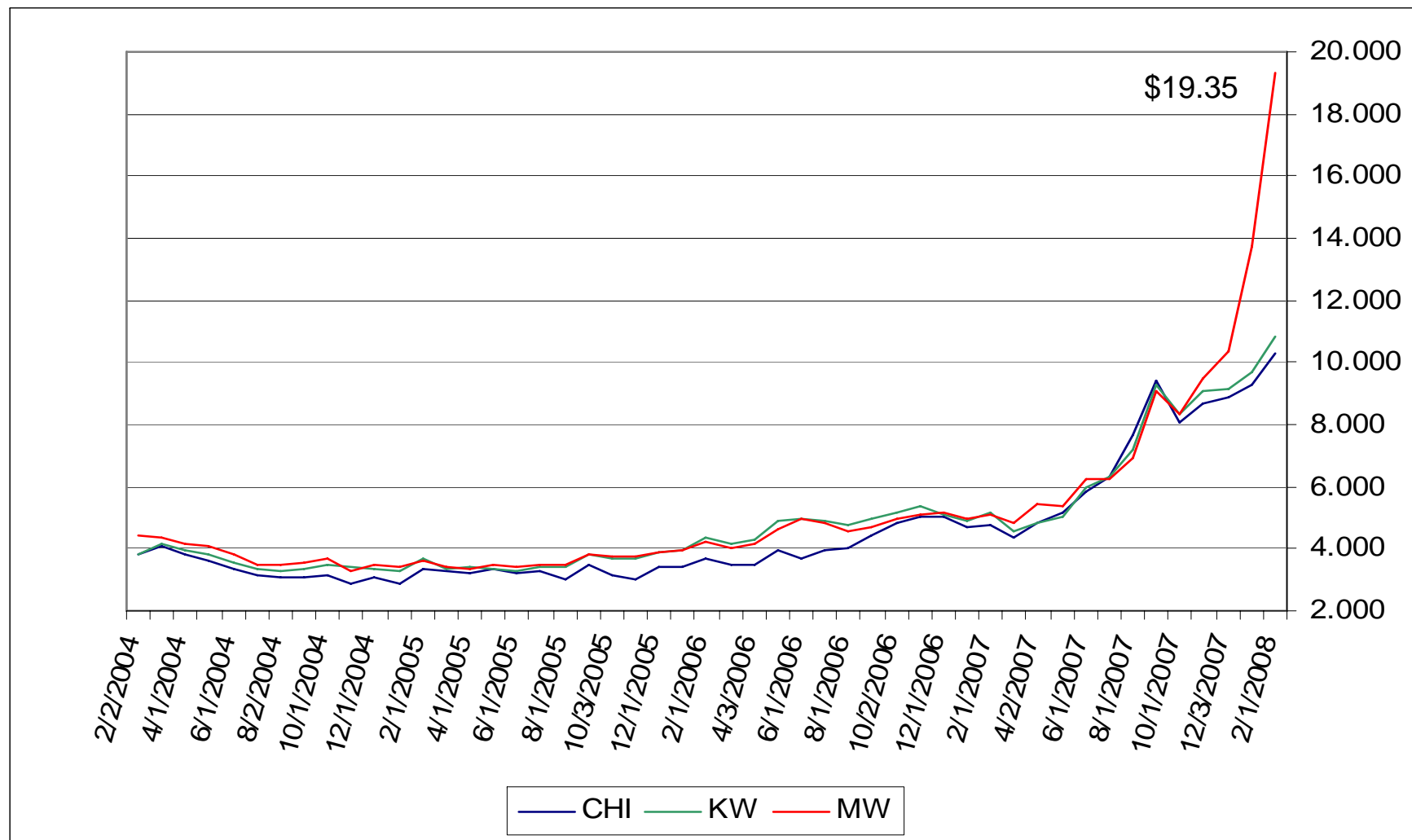
# US SWW Balance Sheet

	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09
Planted Acres	4.5	4.4	4.3	4.3	5.2	5.1	4.9	4.3	4.0	4.4
Harvested Acres	4.1	4.2	4.1	4.1	5.0	4.8	4.7	4.1	3.8	4.2
% Abandoned	8.1	3.6	5.8	3.8	4.4	6.4	5.2	5.4	5.5	6.0
Yield	60.0	71.2	55.6	56.4	59.5	64.5	63.6	62.0	60.3	60.7
June 1 Stocks	87	91	73	73	75	72	62	78	44	26
<b>Production</b>	<b>245</b>	<b>301</b>	<b>226</b>	<b>233</b>	<b>297</b>	<b>306</b>	<b>298</b>	<b>254</b>	<b>227</b>	<b>253</b>
Imports	6	5	8	11	11	12	11	10	10	10
<b>TOTAL SUPPLY</b>	<b>338</b>	<b>397</b>	<b>307</b>	<b>317</b>	<b>383</b>	<b>390</b>	<b>371</b>	<b>342</b>	<b>281</b>	<b>289</b>
Domestic Usage	87	121	95	103	119	120	118	101	85	85
Exports	160	203	147	147	192	207	175	197	170	175
<b>TOTAL USAGE</b>	<b>247</b>	<b>324</b>	<b>234</b>	<b>250</b>	<b>311</b>	<b>328</b>	<b>293</b>	<b>298</b>	<b>255</b>	<b>260</b>
<b>CARRY - OUT</b>	<b>91</b>	<b>73</b>	<b>73</b>	<b>75</b>	<b>72</b>	<b>62</b>	<b>78</b>	<b>44</b>	<b>26</b>	<b>29</b>

## Annual US Wheat export sales compared to most recent USDA projections

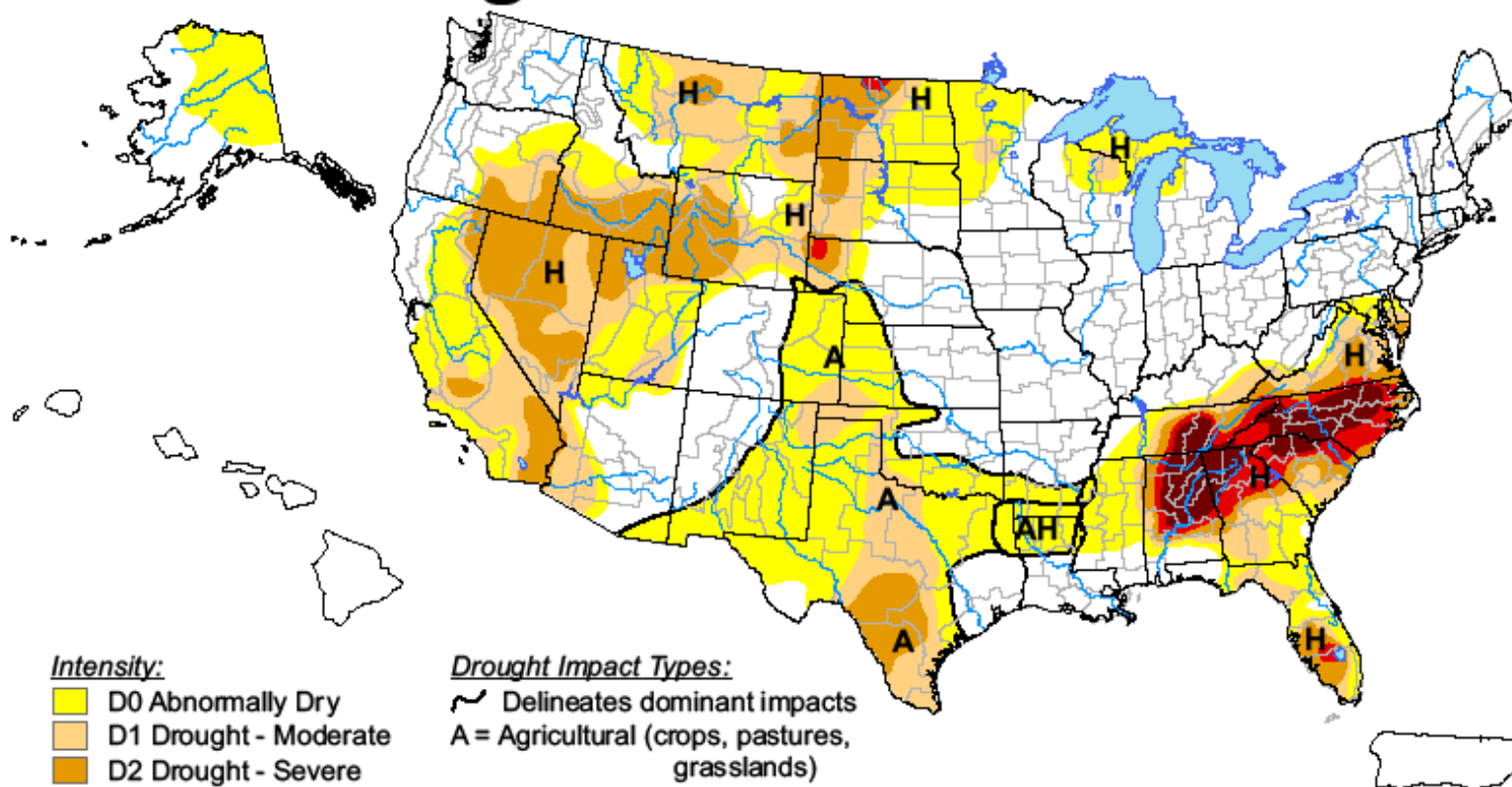


# Monthly Wheat Futures Price Action (Since February 2004)



# U.S. Drought Monitor

February 12, 2008  
Valid 7 a.m. EST



**Intensity:**

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

**Drought Impact Types:**

- Delineates dominant impacts
- A = Agricultural (crops, pastures, grasslands)
- H = Hydrological (water)

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

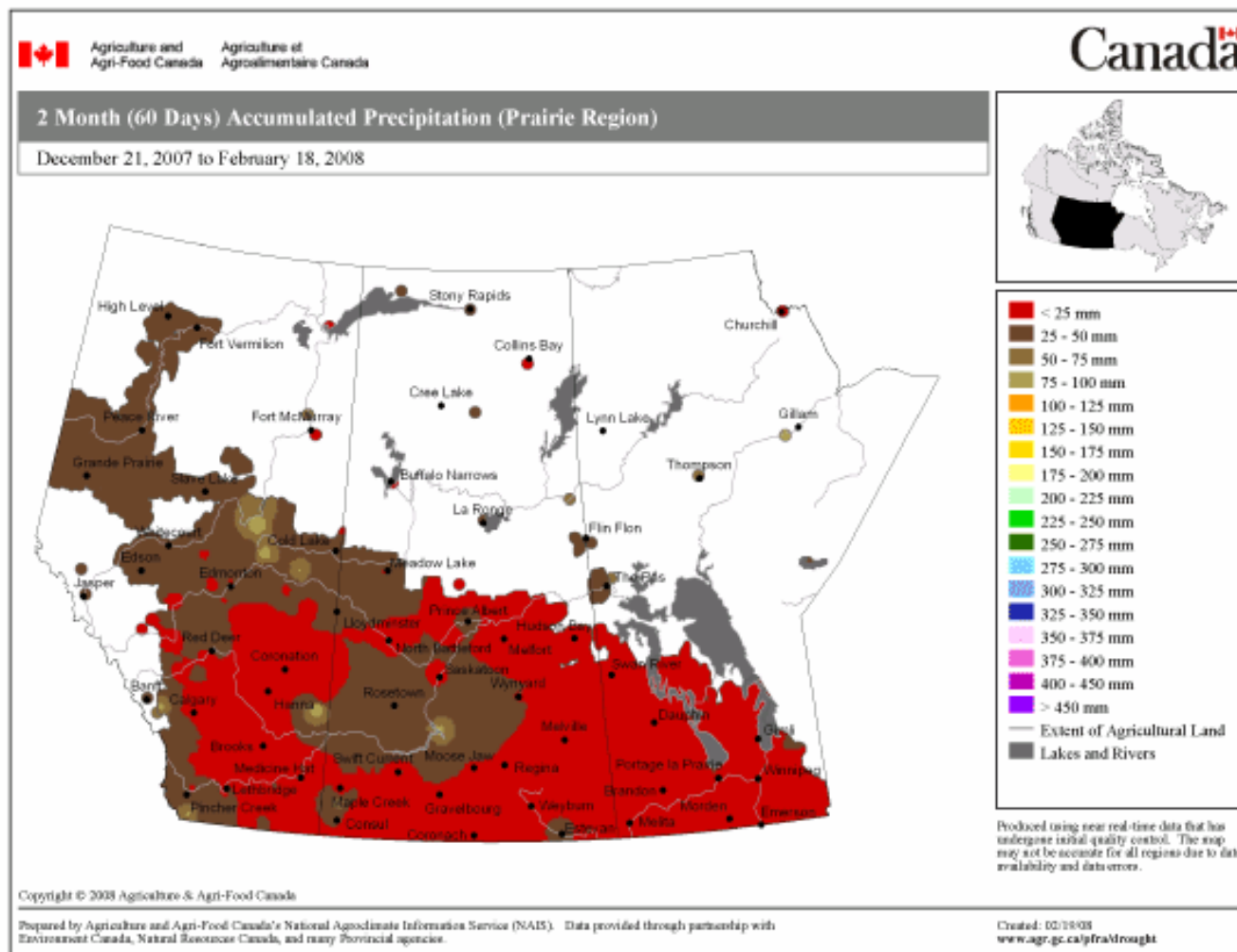
<http://drought.unl.edu/dm>



Released Thursday, February 14, 2008

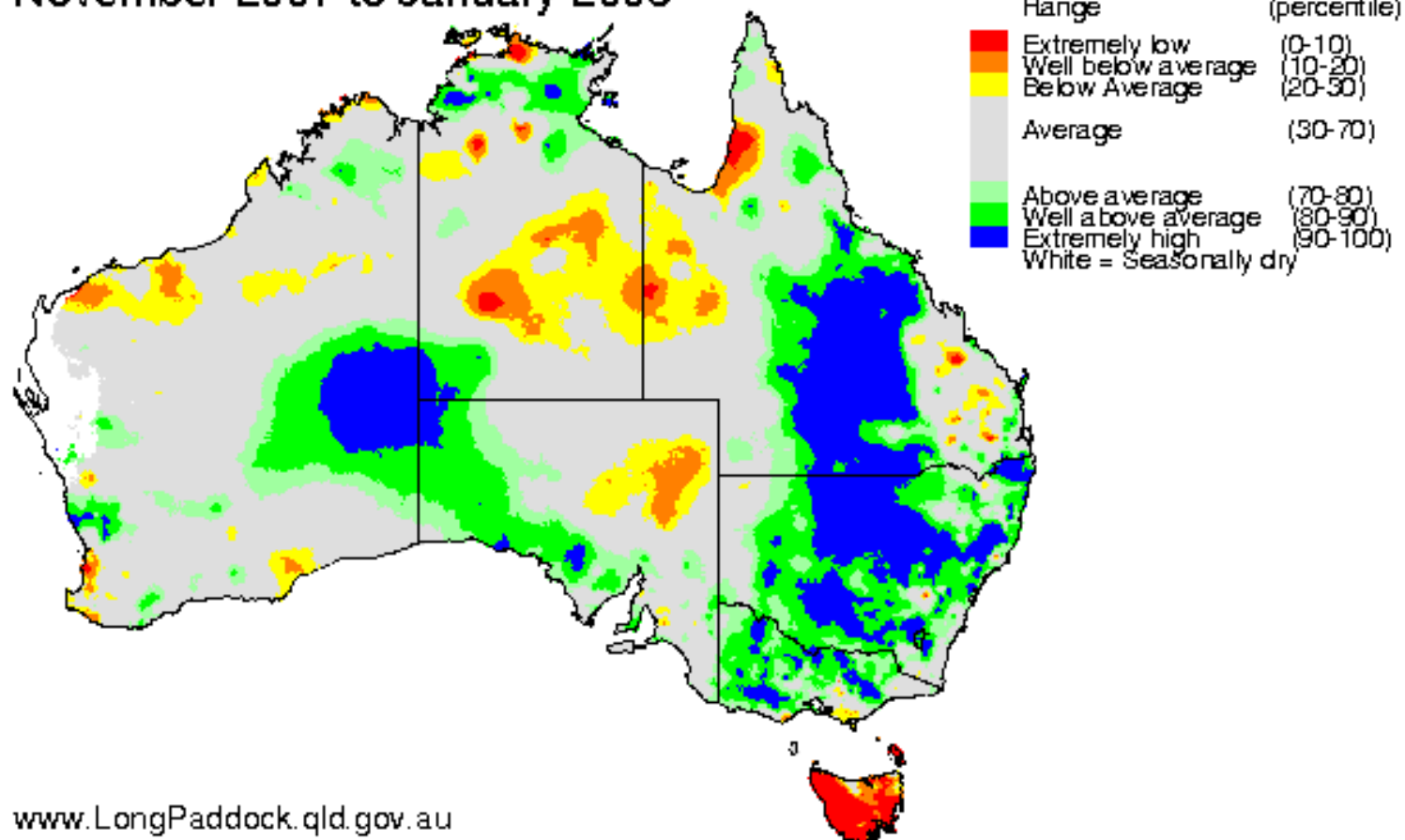
Authors: Jay Lawrimore/Liz Love-Brotak, NOAA/NESDIS/NCDC

# 60-day Canadian Prairie Precipitation



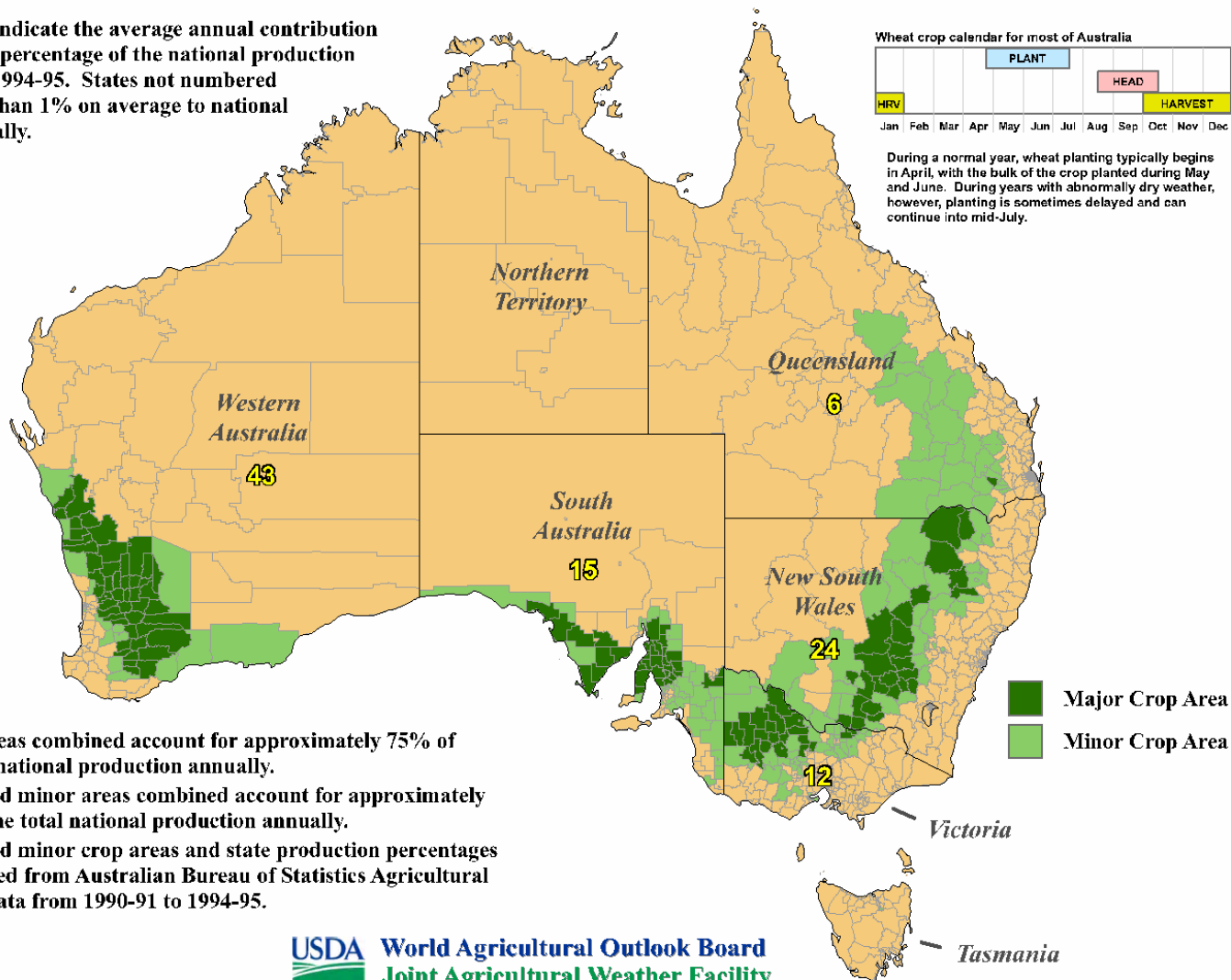
# 90-day Australian Rainfall

Rainfall Relative to Historical Records  
November 2007 to January 2008



# Australia: Wheat

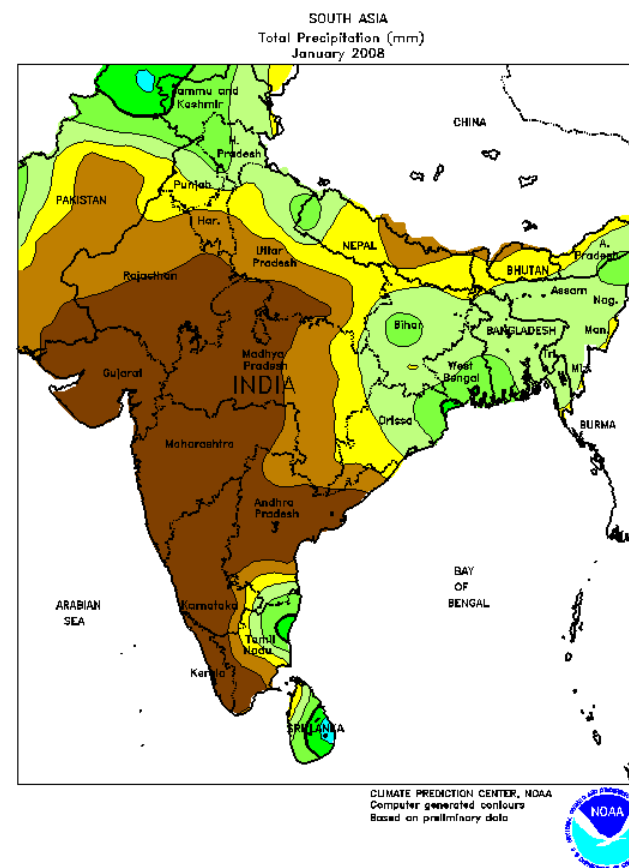
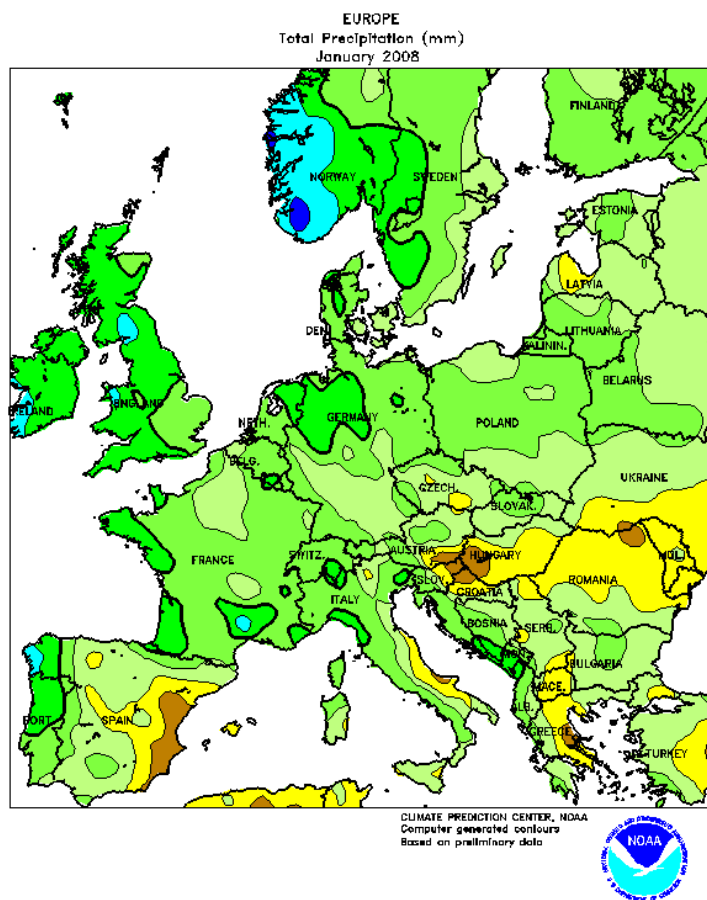
Yellow numbers indicate the average annual contribution of each state as a percentage of the national production from 1990-91 to 1994-95. States not numbered contributed less than 1% on average to national production annually.



- Major areas combined account for approximately 75% of the total national production annually.
- Major and minor areas combined account for approximately 99% of the total national production annually.
- Major and minor crop areas and state production percentages are derived from Australian Bureau of Statistics Agricultural Census data from 1990-91 to 1994-95.

USDA World Agricultural Outlook Board  
 Joint Agricultural Weather Facility

# World Wheat Weather Hotspots



# Wheat Situations to Monitor

- Continued moisture replenishment in US HRW areas, EU, Black Sea and Australia
- Relationship between corn/beans and spring wheat in upper midwestern states and Canadian prairies
- Continuation of the record US export sales pace and any spillover effect it might have on new crop sales
- Crop development in India, China and northern African countries
- Continued speculative money flow into commodities

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