

Newedge USA, LLC

Grain Outlook

September 2009

Dan Cekander
Corn and Soybean Complex

Skip Searcy
Wheat

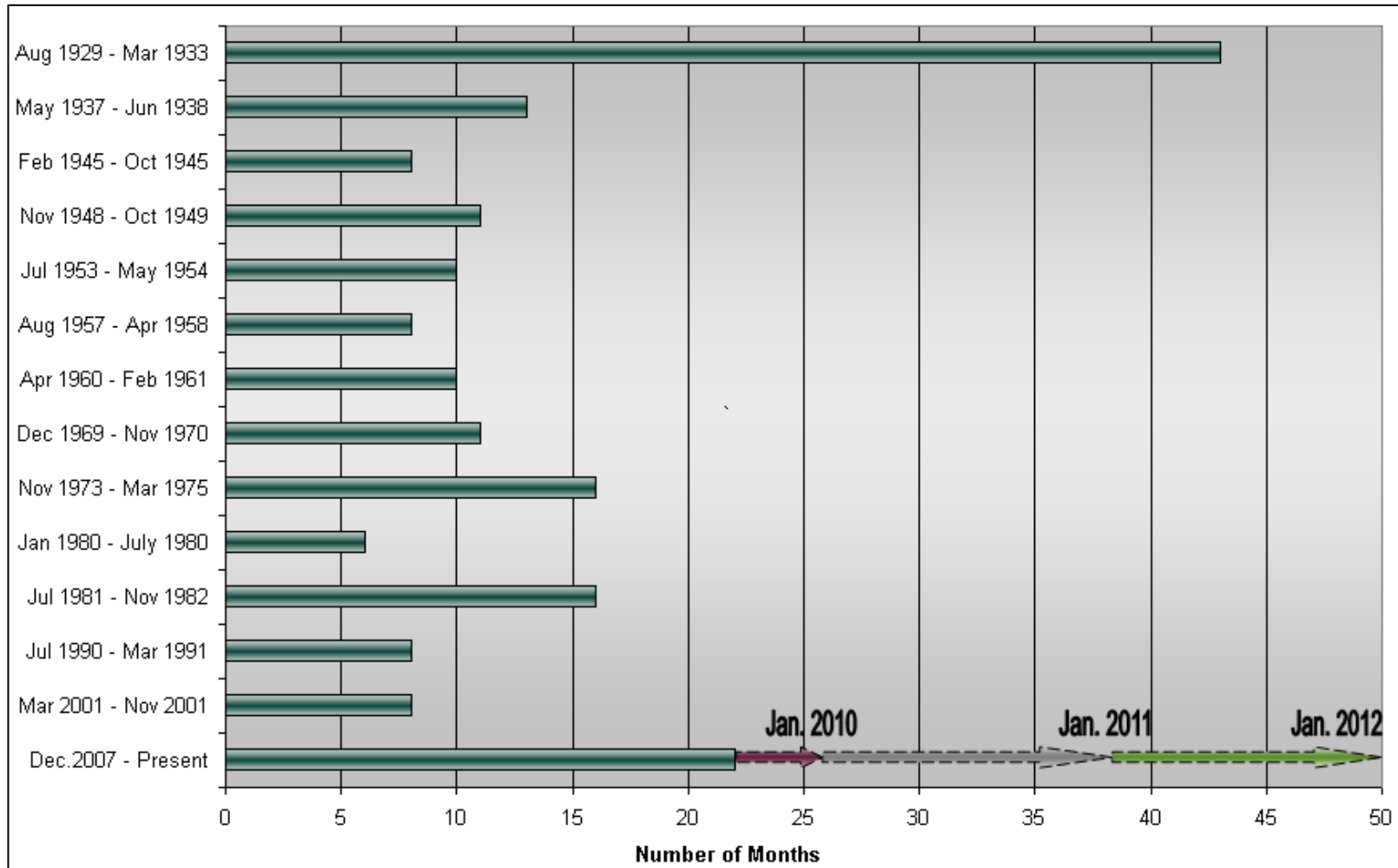


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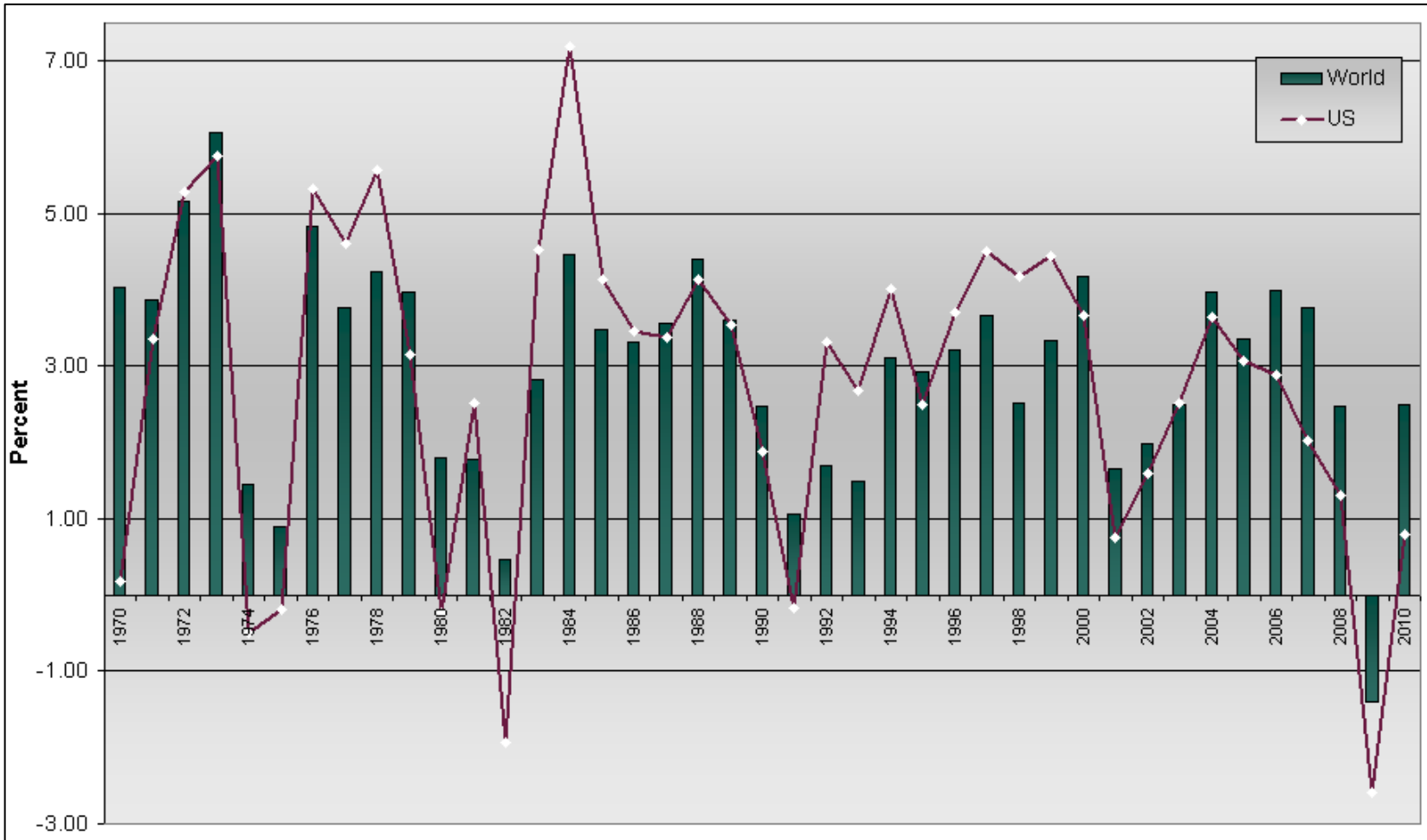


U.S. Recession History



Source: National Bureau of Economic Research

GDP Growth Rates by Percent



Source: USDA Economic Research Service

Dow Jones Industrial Average, Monthly



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Dollar Index, Monthly



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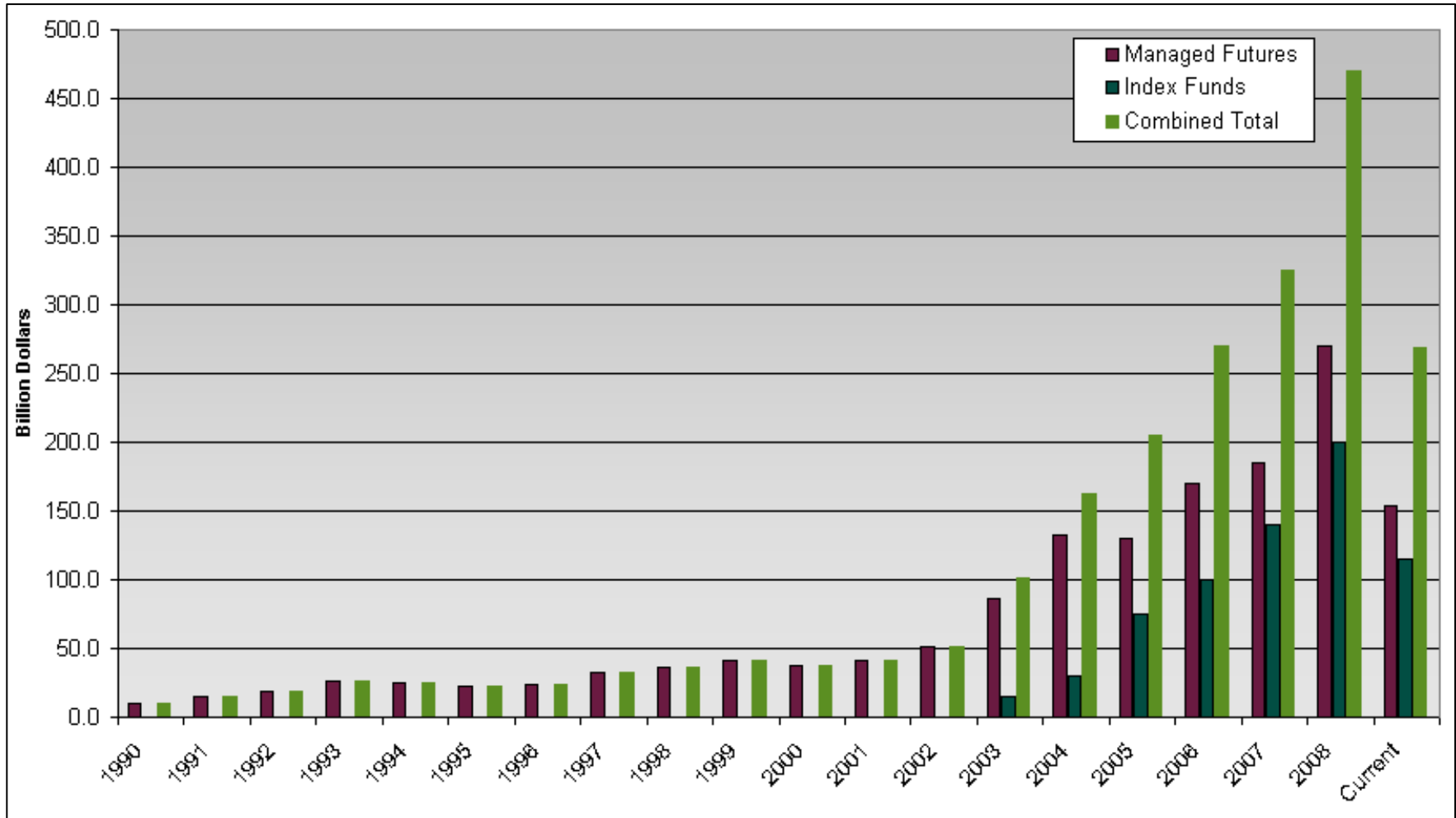
Crude Oil Light Futures, Monthly



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Money Under Management in Futures and Index Funds

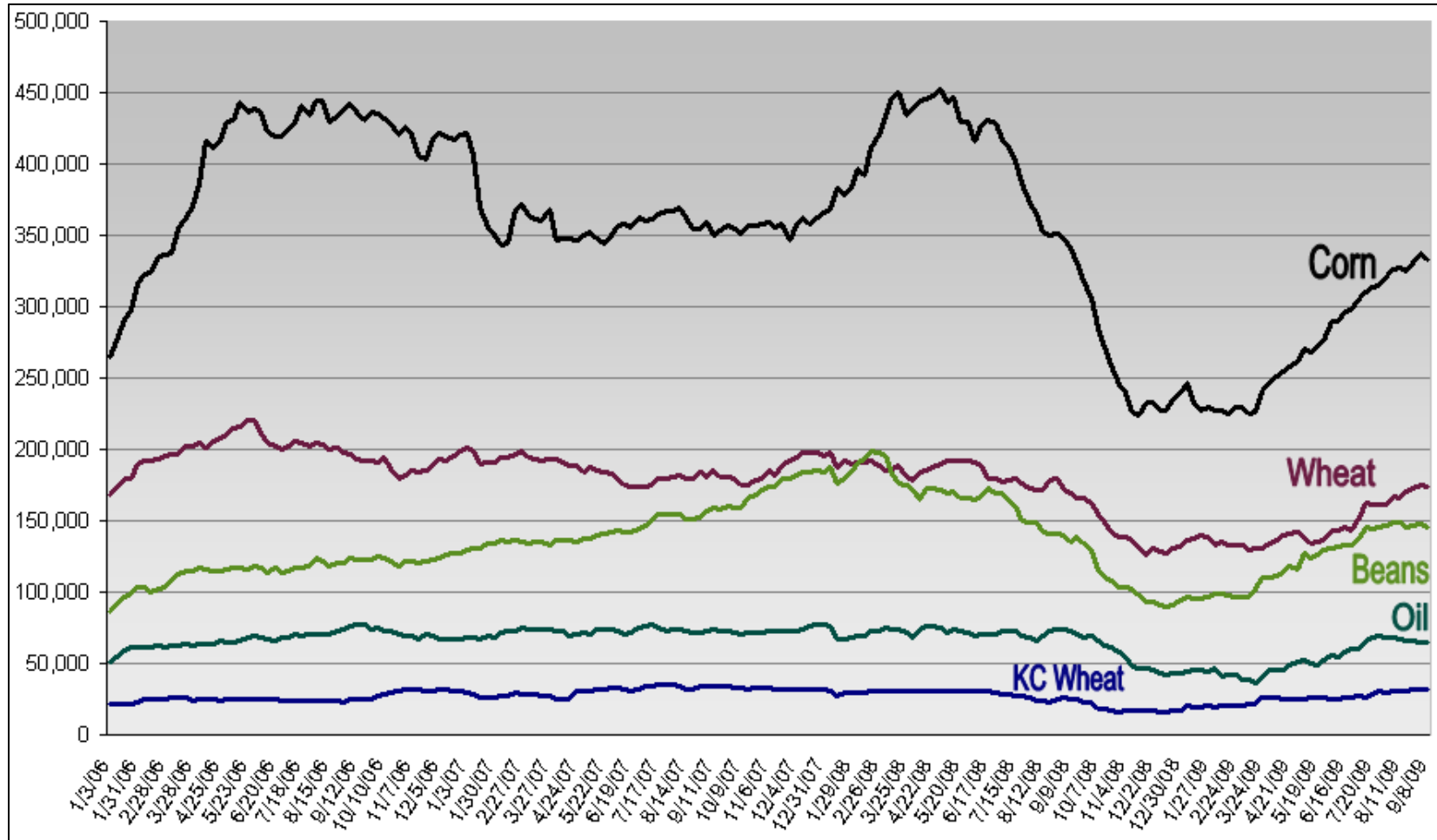


Source: Barclay Trading Group, LTD and Newedge estimates

September 2009

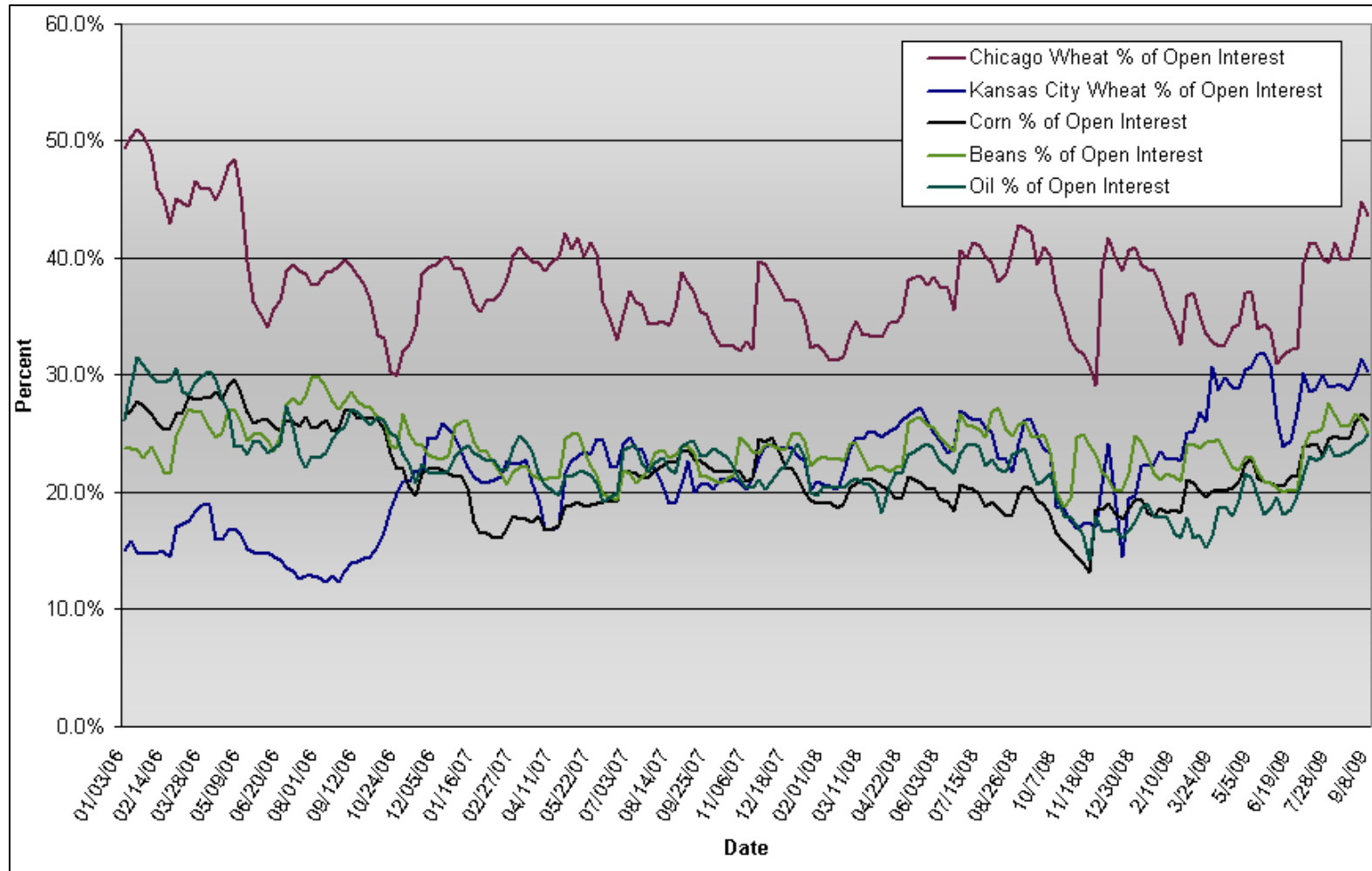
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Index Funds Net Positions



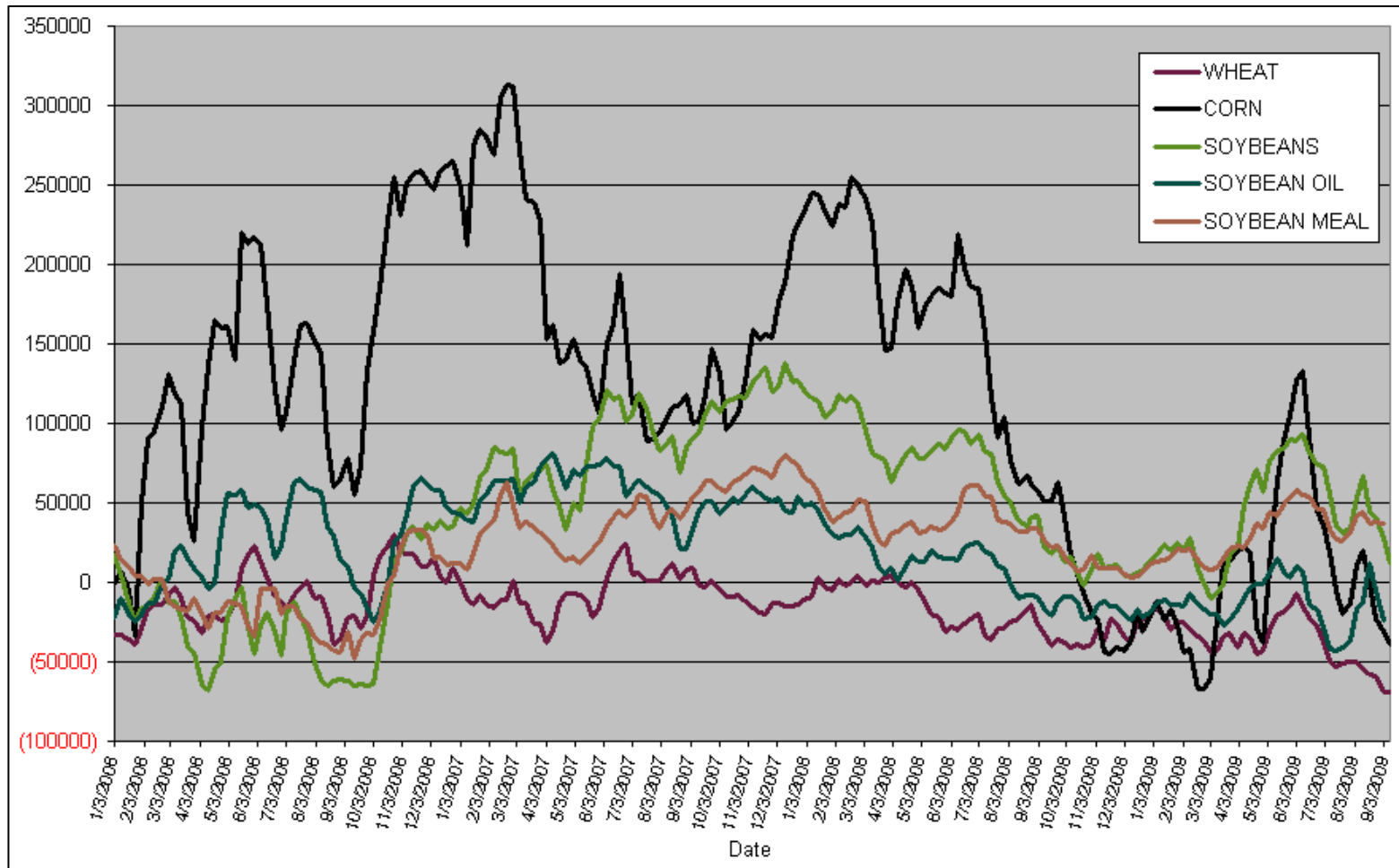
Source: CFTC Commitments of Traders Reports

Index Funds Percent of Open Interest



Source: CFTC Commitments of Traders Reports

Large Speculators Net Positions



Source: CFTC Commitments of Traders Reports

September 2009

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COT Net Positions in Thousand Contracts

(as of September 8, 2009)

	Disaggregated Options and Futures Combined				Supplemental Report			
	Producer/Merchant Processor/User	Swap Dealers	Managed Money	Other Reportables	Index	Large Spec	Commercial	Small Spec
CHI WHEAT	-72.3	121.7	-19.7	-11.3	173.9	-69.1	-86.3	-18.5
KC Wheat	-26.5	20.5	4.1	9.3	32.3	-0.5	-24.3	-7.4
CORN	-170.3	250.9	17.6	28.7	332.6	-39.2	-166.5	-126.9
SOYBEANS	-110.8	107.0	45.9	-1.5	145.3	12.3	-117.1	-40.6
SOYOIL	-31.1	53.1	-18.8	2.2	64.8	-26.5	-32.9	-5.4
SOYMEAL*	-40.3	3.6	32.1	-3.0		29.0	-36.7	7.7

* Soymeal Supplemental numbers are from the CFTC Futures and Options Combined Report.

Source: CFTC Commitments of Traders Report

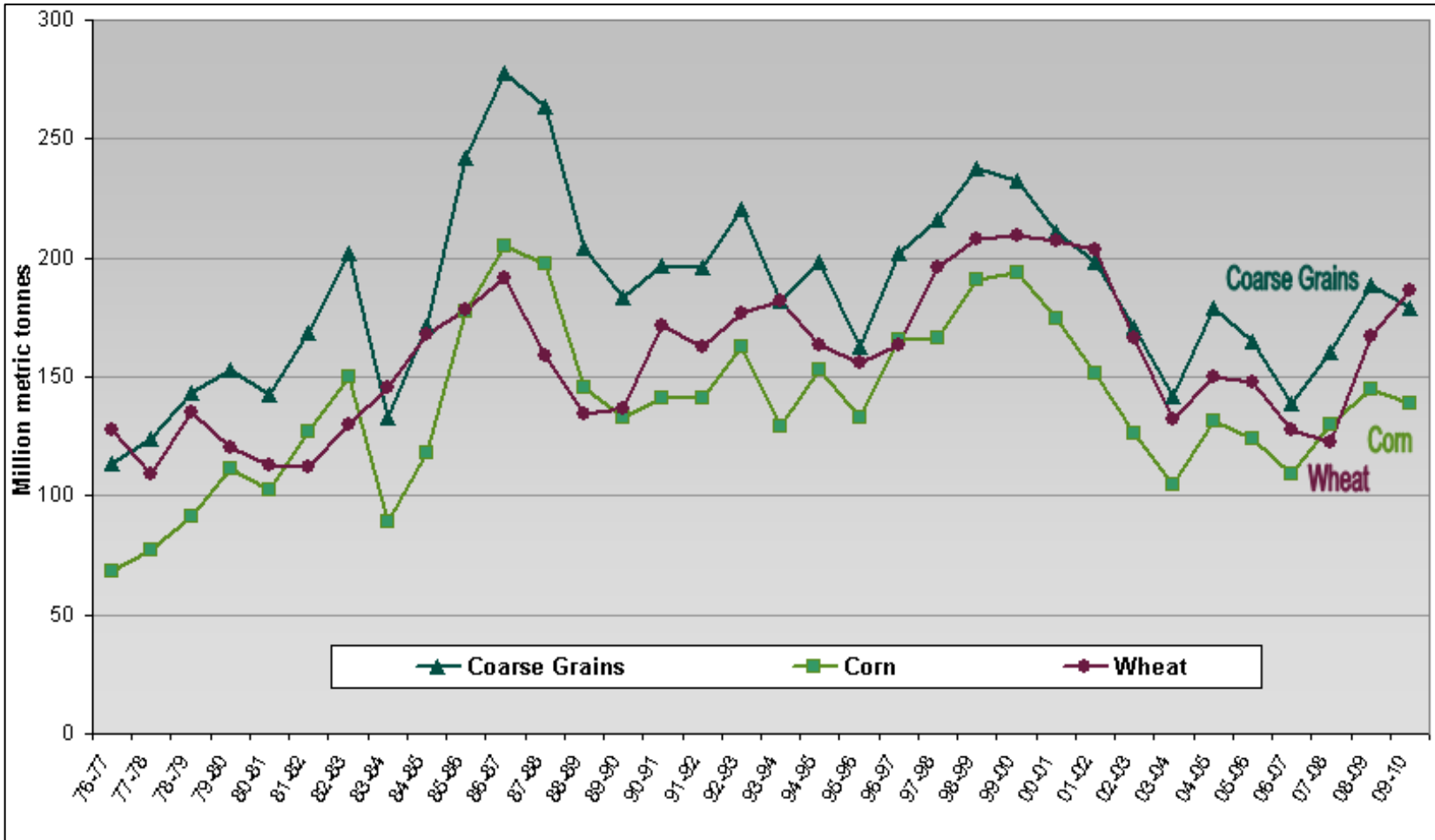
Monthly Corn Futures



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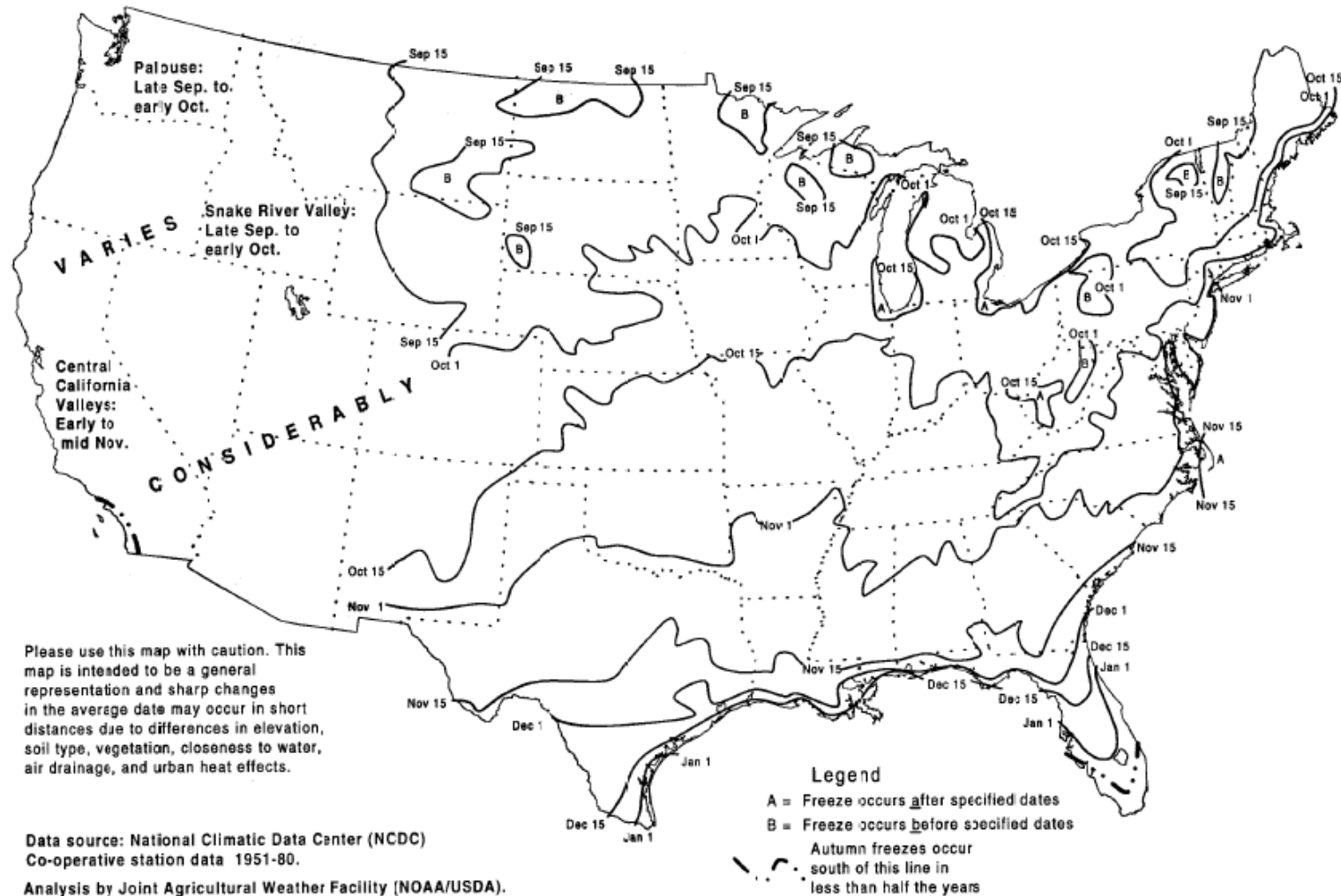
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World Coarse Grain, Corn and Wheat Carry-out

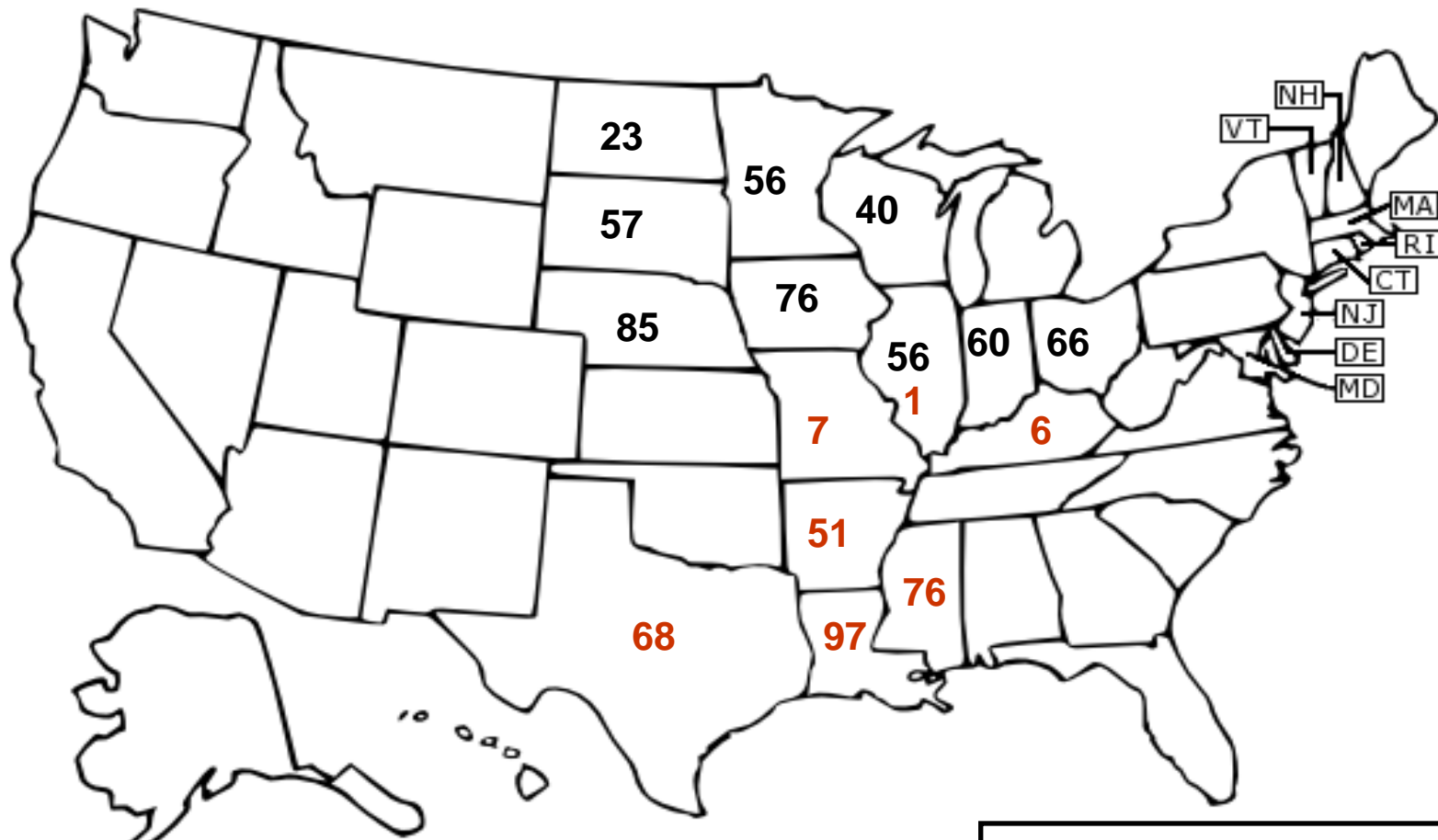


Source: USDA

U.S. Average First Frost Dates



U.S. Corn Crop Progress Map



U.S. Corn Supply and Demand, Million Bushels

	SEPT									
	03-04	04-05	05-06	06-07	07-08	USDA Newedge 08-09	USDA Newedge 08-09	USDA Newedge 09-10	Newedge 09-10	Newedge 10-11
Planted Acres	78.6	80.9	81.8	78.3	93.5	86.0	86.0	87.0	87.0	87.0
Harvested Acres	70.9	73.6	75.1	70.6	86.5	78.6	78.6	80.0	80.0	79.6
Difference	7.7	7.3	6.7	7.7	7.0	7.4	7.4	7.0	7.0	7.4
Yield	142.2	160.3	147.9	149.1	150.7	153.9	153.9	161.9	162.5	159.0
Sept 1 Stocks	1087	958	2114	1967	1304	1624	1624	1695	1692	1777
Production	10087	11806	11112	10531	13038	12101	12101	12954	13000	12656
Imports	14	11	9	12	20	15	15	10	10	15
TOTAL SUPPLY	11188	12775	13235	12510	14362	13740	13740	14660	14702	14448
Feed	5793	6157	6153	5591	5913	5250	5250	5350	5300	5350
F/S/I	2537	2686	2981	3490	4387	4945	4945	5475	5475	5930
Ethanol for Fuel	1168	1323	1603	2119	3049	3675	3675	4200	4200	4600
Exports	1900	1818	2134	2125	2437	1850	1853	2200	2150	2000
TOTAL USAGE	10230	10661	11268	11207	12737	12045	12048	13025	12925	13280
ENDING STOCKS	958	2114	1967	1304	1624	1695	1692	1635	1777	1168
Stocks/Use Ratio	9.4%	19.8%	17.5%	11.6%	12.8%	14.1%	14.0%	12.6%	13.7%	8.8%
Farm Price (\$/bushel)	2.42	2.06	2.00	3.04	4.20	4.08	4.08	3.35	3.30	3.80

Source: USDA and Newedge estimates

Ethanol Production

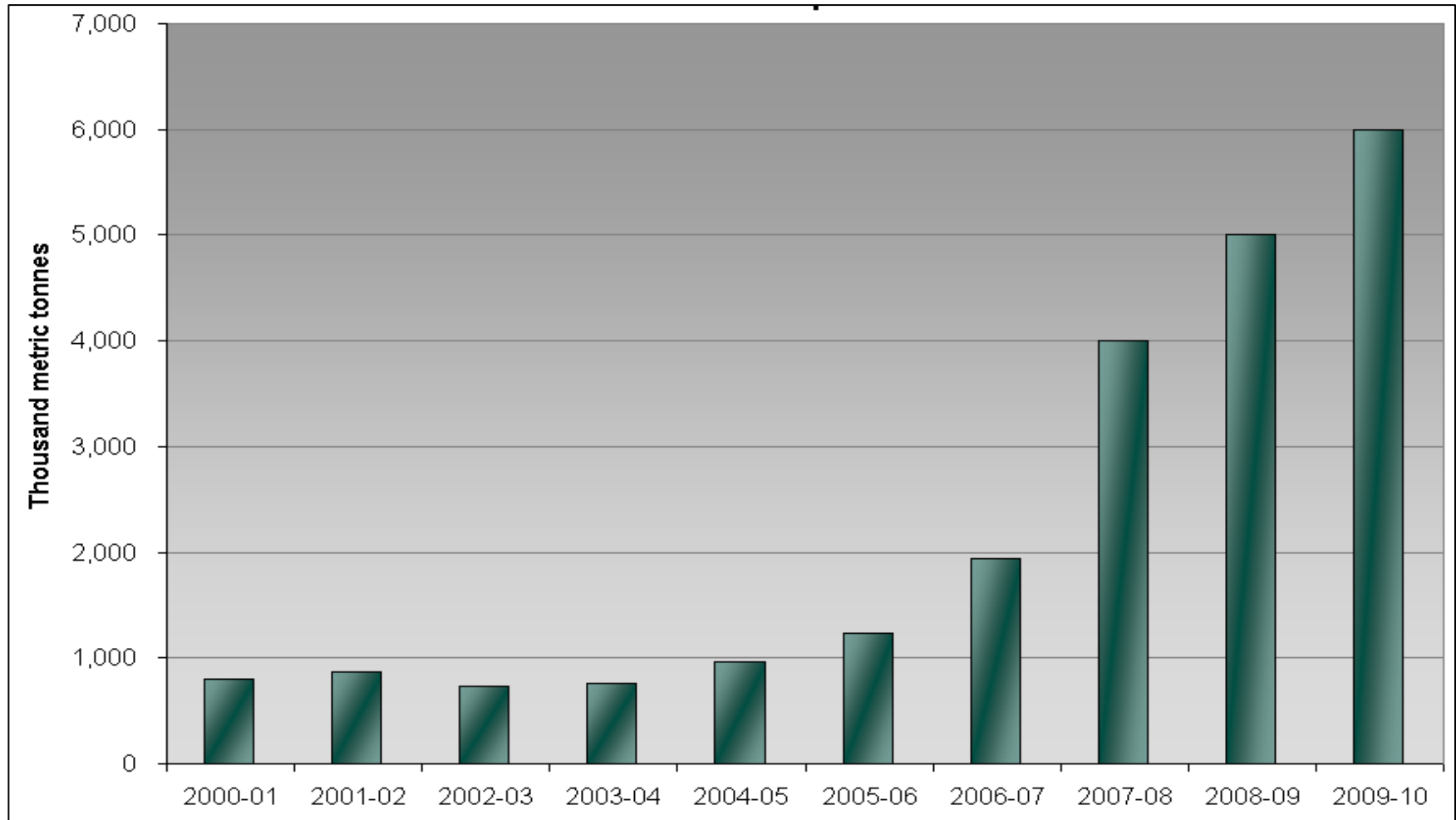
	ETHANOL PRODUCTION (billion gallons)				CORN USAGE			
	Ethanol Production Capacity	Energy Bill Mandate		Newedge	Newedge	Corn Usage	Net Change	
	<i>calendar year</i>	New	Old	<i>calendar year</i>	Ethanol	<i>Million bushels</i>	<i>mrkting year</i>	
2007	6.9		4.7	6.5	5.8	2006-07	2117	514
2008	10.6	9.0	5.4	9.3	8.3	2007-08	3026	909
2009	13	10.5	6.1	11.0	10.1	2008-09	3675	649
2010	13.9	12.0	6.8	12.2	11.5	2009-10	4200	525
2011	14.3	12.6	7.4	13.1	12.6	2010-11	4600	400
2012	14.4	13.2	7.5	13.6	13.1	2011-12	4760	160
2013	14.5	13.8				2012-13		
2014		14.8				2013-14		
2015		15.0				2014-15		

Current Capacity*	13.0
Operating	11.5
Under construction	1.5

*Renewable Fuels Association

Source: RFA and Newedge estimates

U.S. DDG Exports



Source: USDA and Newedge estimates

September 2009

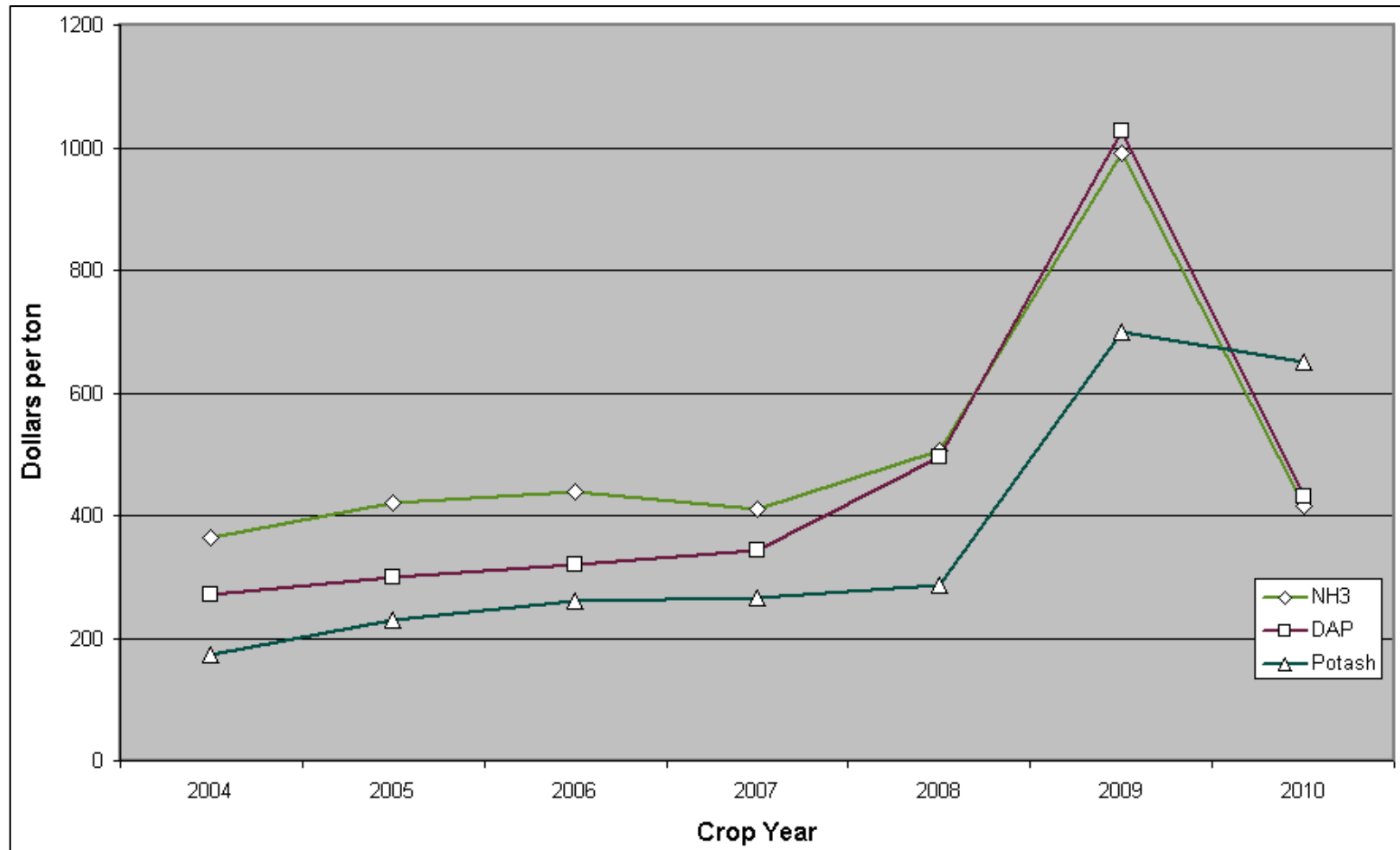
Newedge USA, LLC Grain Outlook Presentation

U.S. Planted Acreage, Million Acres

U.S. Planted Acreage (Million acres)											
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Newedge vs year ago
Corn	75.7	78.9	78.6	80.9	81.8	78.3	93.5	86.0	87.0	87.0	0.0
Wheat	59.4	60.3	62.1	59.7	57.2	57.3	60.5	63.1	59.8	59.0	-0.8
Soybeans	74.1	74.0	73.4	75.2	72.0	75.5	64.7	75.7	77.7	77.7	0.0
G. Sorghum	10.2	9.6	9.4	7.5	6.5	6.5	7.7	8.3	6.9	7.1	0.2
Barley	5.0	5.0	5.3	4.5	3.9	3.5	4.0	4.2	3.6	3.5	-0.1
Oats	4.4	5.0	4.6	4.1	4.2	4.2	3.8	3.2	3.2	3.2	0.0
Cotton	15.8	14.0	13.5	13.7	14.2	15.3	10.8	9.5	9.1	9.7	0.6
Rice	3.3	3.2	3.0	3.3	3.4	2.8	2.8	3.0	3.0	3.1	0.1
Sunflower	2.6	2.6	2.3	1.9	2.7	2.0	2.1	2.5	2.1	2.2	0.1
Canola	1.5	1.5	1.1	0.9	1.2	1.0	1.2	1.0	0.8	1.0	0.2
Dry Edible Beans	1.4	1.9	1.4	1.4	1.6	1.6	1.5	1.5	1.5	1.5	0.0
Peanuts	1.5	1.4	1.3	1.4	1.7	1.2	1.2	1.5	1.1	1.2	0.1
Rye	1.3	1.4	1.3	1.4	1.4	1.4	1.3	1.3	1.3	1.3	0.0
Sugar Beets	1.4	1.4	1.4	1.3	1.3	1.4	1.3	1.1	1.2	1.3	0.1
Harvested Hay	63.5	63.9	63.4	62.0	61.7	60.9	61.0	60.1	60.2	60.1	-0.1
Total Crop Acreage	321.1	324.1	322.1	319.2	314.8	312.9	317.4	322.0	318.5	318.9	0.4
CRP	33.6	34.0	34.1	34.7	35.0	36.0	36.8	34.6	33.8	31.3	-2.5
Total with CRP	354.7	358.1	356.2	353.9	349.8	348.9	354.2	356.6	352.3	350.2	-2.1
											0.0
Corn + Soybeans	149.8	152.9	152.0	156.1	153.8	153.8	158.2	161.7	164.7	164.7	0.0

Source: USDA and Newedge estimates

Central Illinois Fertilizer Prices



Source: United Prairie, LLC

September 2009

Newedge USA, LLC Grain Outlook Presentation

Monthly Soybean Futures



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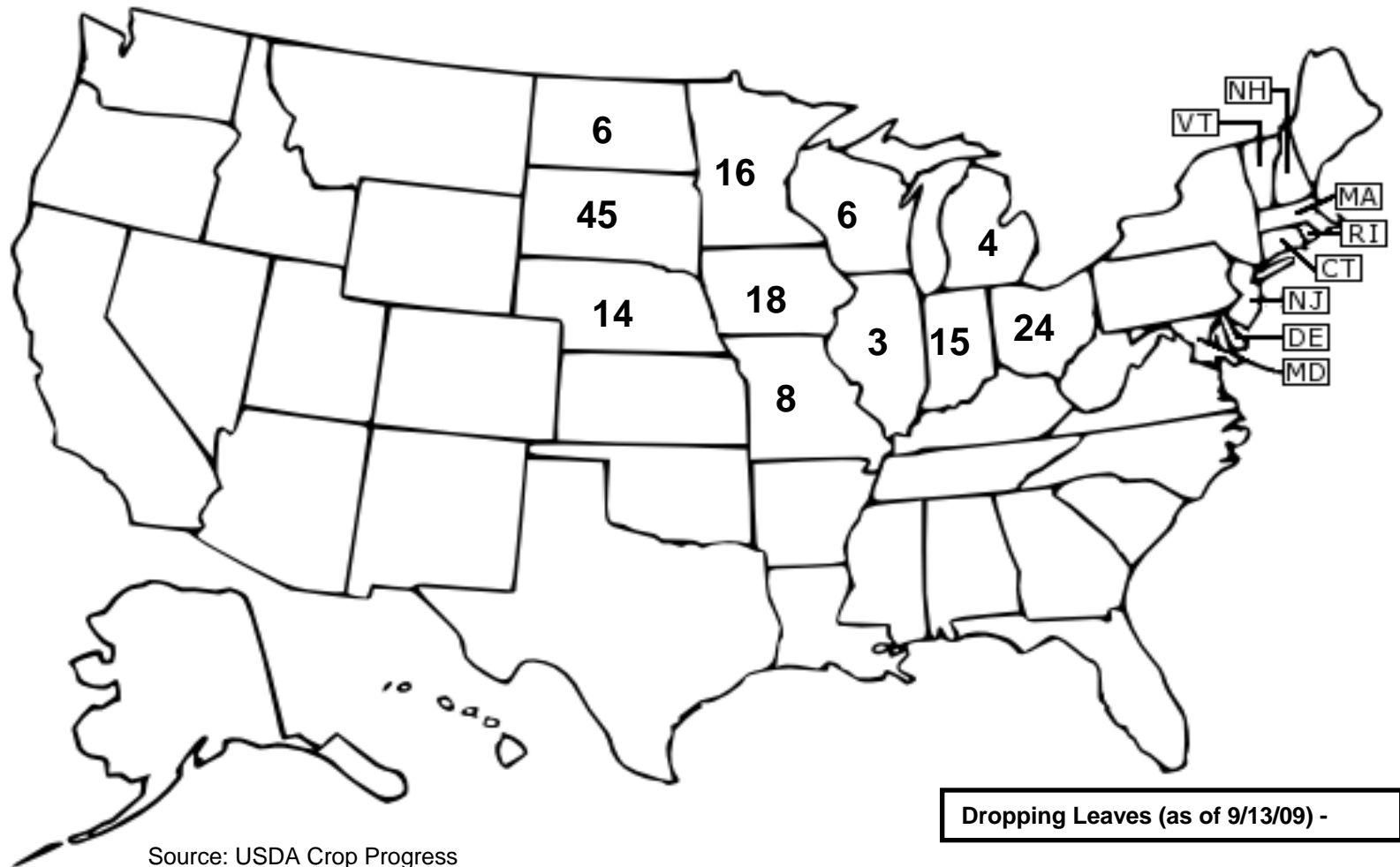
South American Soybean Production

million tonnes

Country	2007	2008	2009	USDA 2010	Newedge 2010
Brazil	59.0	61.0	57.0	62.0	62.0
Argentina	48.8	46.2	32.0	51.0	52.0
Paraguay	6.2	6.9	3.8	5.8	5.8
Uruguay	0.8	0.8	0.8	0.9	0.9
Bolivia	1.6	1.1	1.2	1.4	1.4
Total	116.4	116.0	94.8	121.0	122.0

Source: USDA and Newedge estimates

U.S. Soybean Crop Progress Map

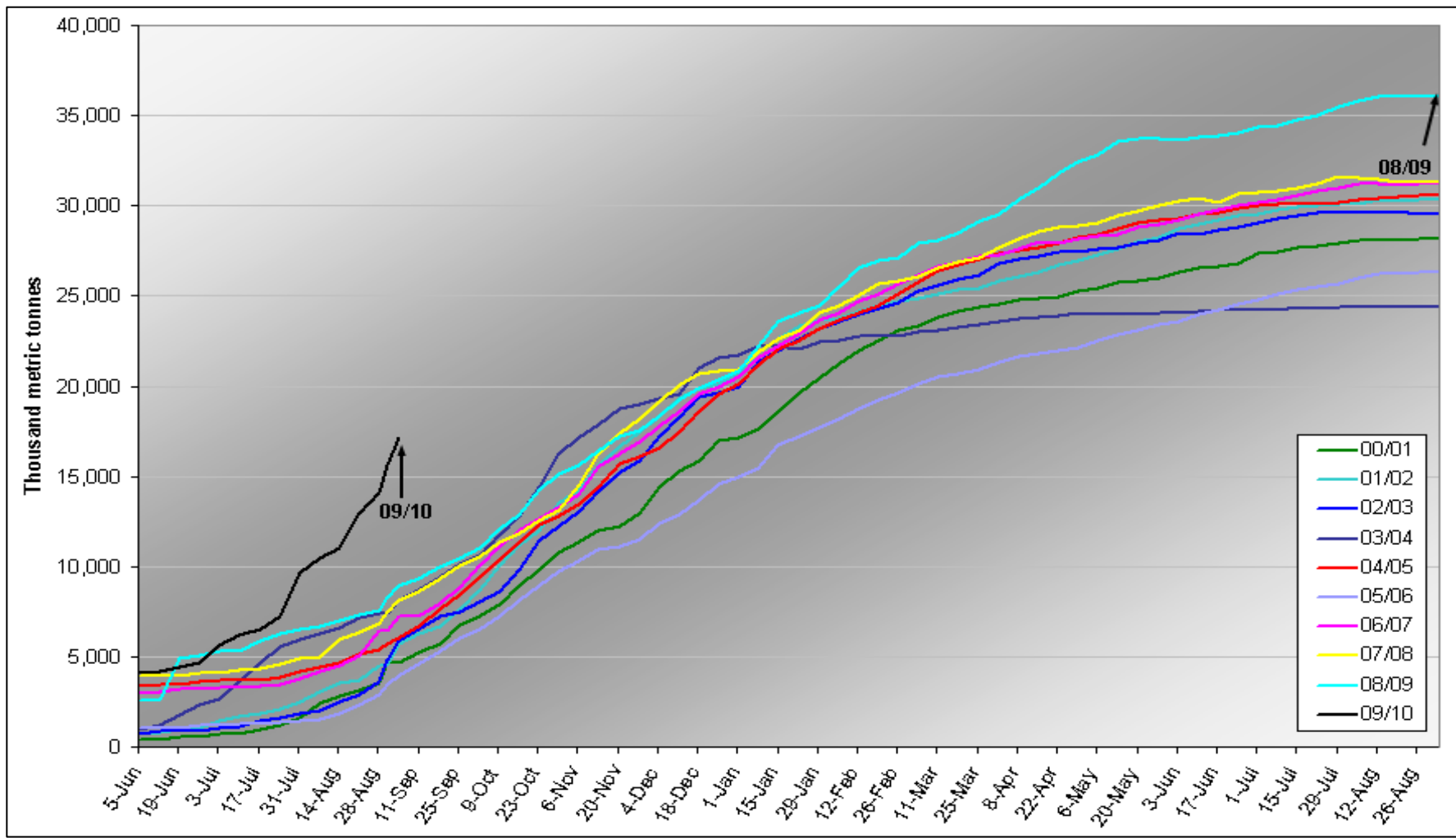


U.S. Soybean Supply and Demand, Newedge Million Bushels

	SEPT										
	03-04	04-05	05-06	06-07	07-08	USDA 08-09	Newedge 08-09	USDA 09-10	Newedge 09-10	Newedge 10-11	
Planted Acres	73.4	75.2	72.0	75.5	64.7	75.7	75.7	77.7	77.7	77.7	
Harvested Acres	72.5	74.0	71.3	74.6	64.1	74.6	74.6	76.8	76.8	76.5	
Percent Harvested	98.8	98.3	98.9	98.5	98.0	98.6	98.8	98.9	98.9	98.5	
Yield	33.9	42.2	43.1	42.9	41.7	39.6	39.6	42.3	42.3	42.8	
Sept 1 Stocks	178	112	256	449	574	205	205	110	110	211	
Production	2454	3124	3068	3197	2677	2959	2959	3245	3245	3274	
Imports	6	6	3	9	10	15	15	10	10	12	
TOTAL SUPPLY	2638	3242	3327	3655	3261	3179	3179	3366	3365	3497	
Crush	1530	1696	1739	1808	1803	1660	1663	1690	1690	1686	
Seed/Feed	92	88	93	80	93	96	96	94	96	94	
Residual	17	104	106	77	0	33	28	81	73	77	
Exports	887	1097	940	1116	1159	1280	1282	1280	1295	1322	
TOTAL USAGE	2525	2986	2878	3081	3056	3069	3069	3145	3154	3179	
ENDING STOCKS	112	256	449	574	205	110	110	220	211	318	
Stocks/Use Ratio	4.4%	8.6%	15.6%	18.6%	6.7%	3.6%	3.6%	7.0%	6.7%	10.0%	
Loan Rate (\$/bushel)	5.00	5.00	5.00	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	10.10	10.00	9.90	9.10	9.15	8.90	

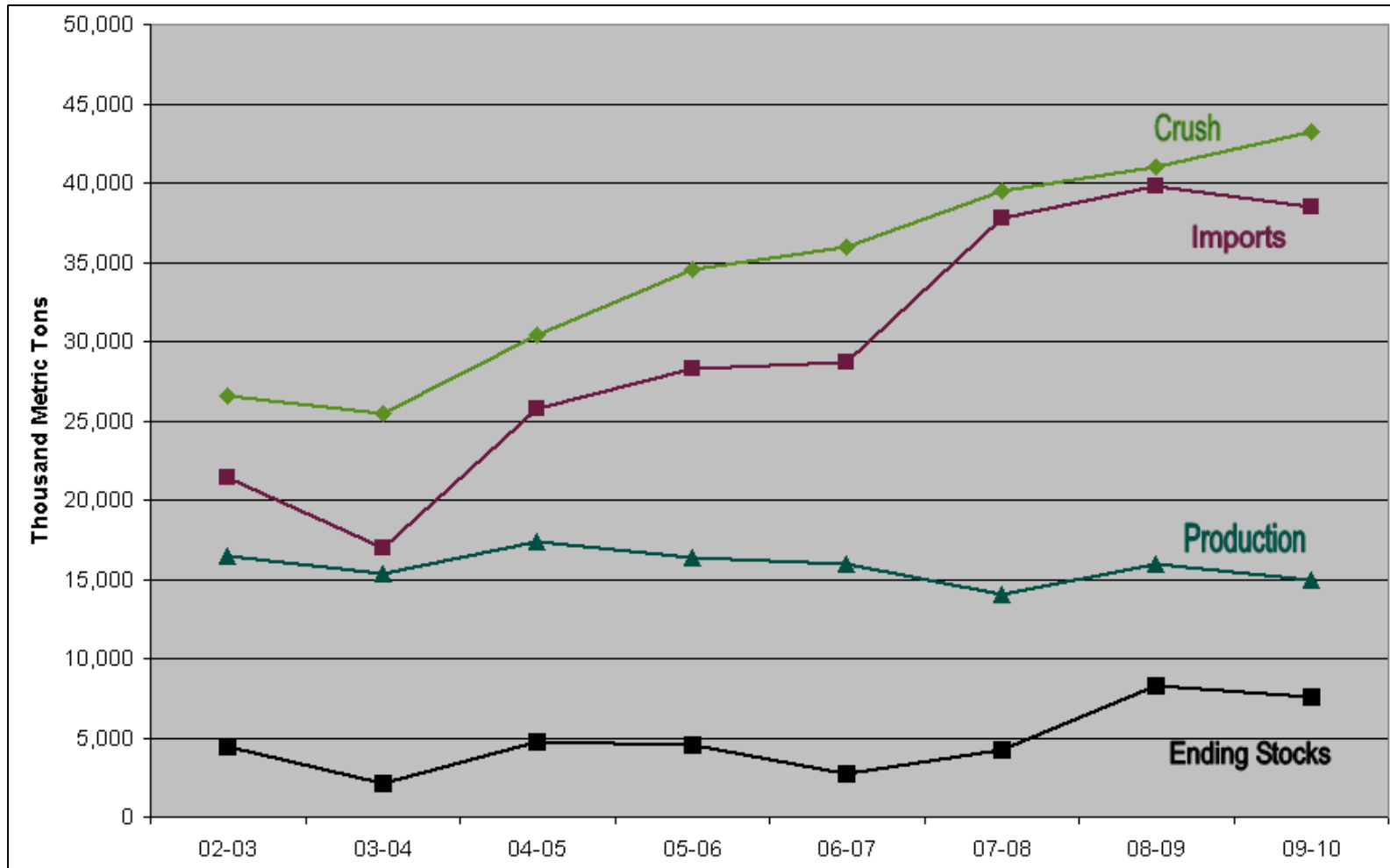
Source: USDA and Newedge estimates

U.S. Soybean Export Sales



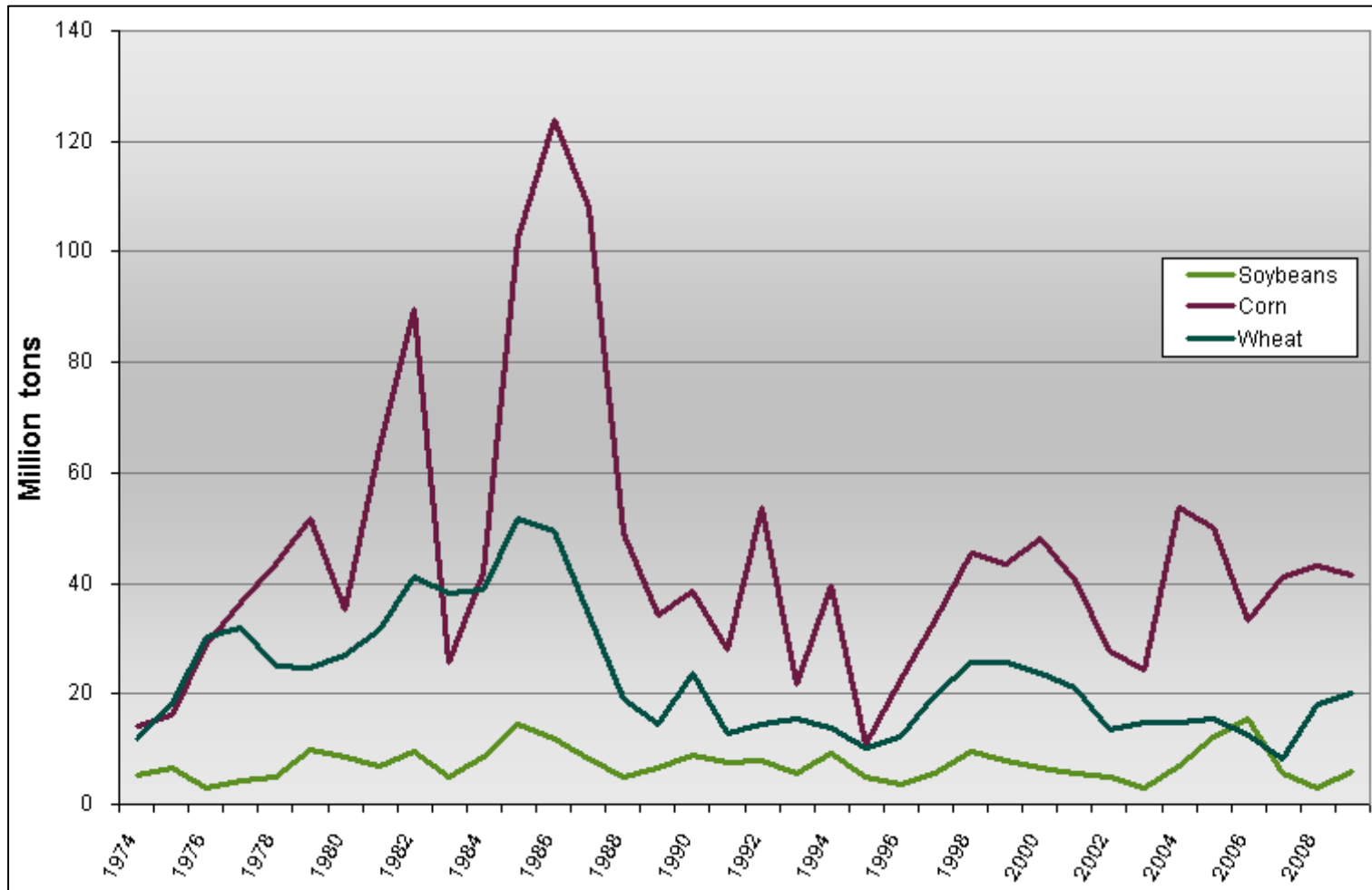
Source: USDA

China Soybean Supply/Demand



Source: USDA

U.S. Ending Stocks in Million Tons



Source: USDA

Monthly Soybean Meal Futures

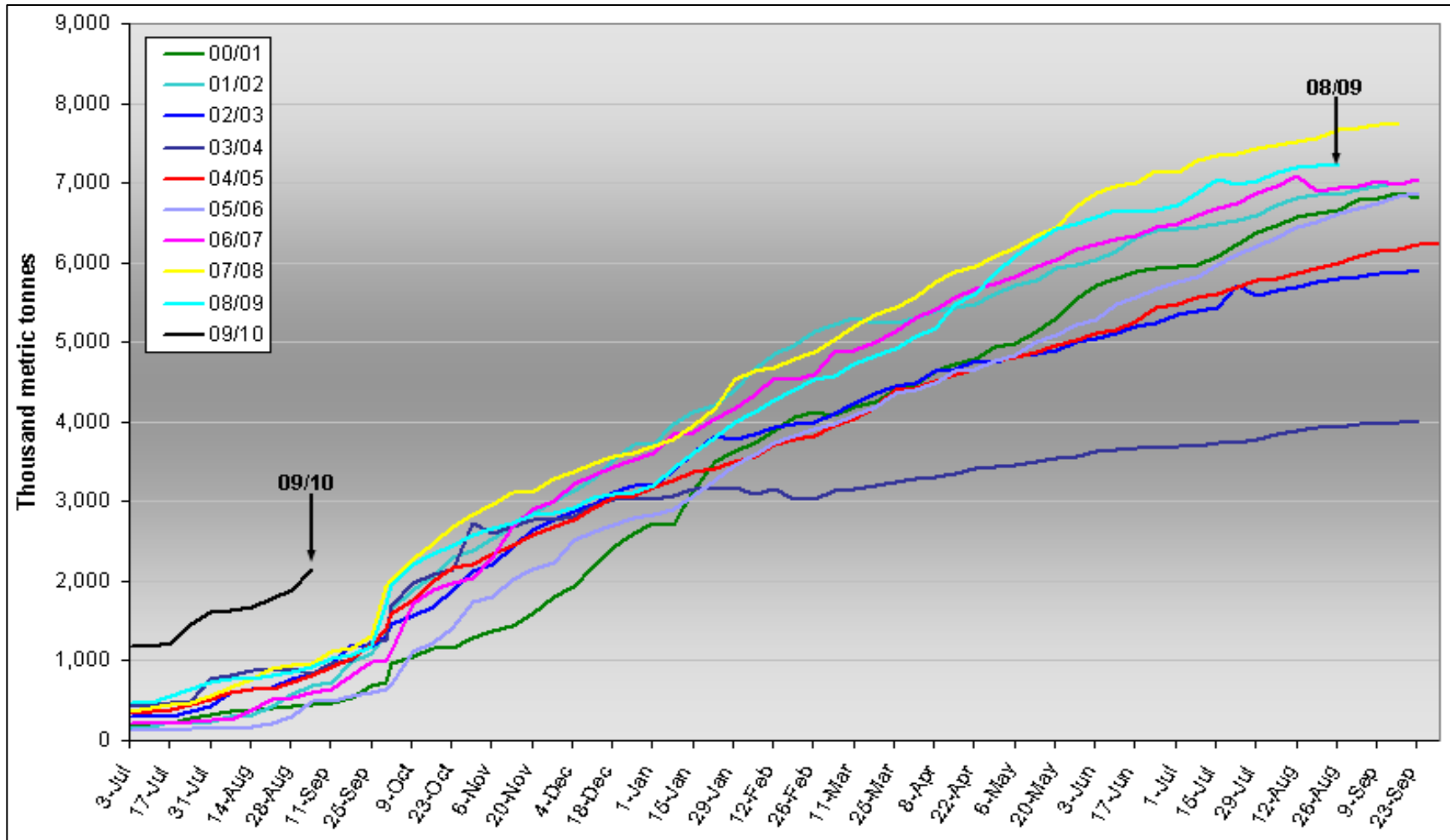


U.S. Soybean Meal Supply and Demand, Thousand Tons

	03-04	04-05	05-06	06-07	07-08	SEPT		09-10	09-10
						USDA	Newedge	USDA	Newedge
						08-09	08-09	09-10	09-10
SOYBEAN CRUSH									
<i>Million bushels</i>	1523	1708	1748	1813	1782	1665	1657	1690	1700
MEAL YIELD									
<i>Pounds/bushel</i>	47.7	47.7	47.2	47.5	47.5	47.4	47.4	47.6	47.5
Oct 1 Stocks	220	211	172	314	343	294	294	300	296
Production	36325	40715	41244	43054	42284	39456	39302	40235	40369
Imports	285	147	141	156	141	100	100	165	160
TOTAL SUPPLY	36830	41073	41557	43524	42768	39850	39696	40700	40825
Domestic Usage	31449	33561	33195	34377	33232	30750	30700	30800	30175
Exports	5170	7340	8048	8804	9242	8800	8700	9600	10350
TOTAL USAGE	36619	40901	41243	43181	42474	39550	39400	40400	40525
ENDING STOCKS	211	172	314	343	294	300	296	300	300
Decatur, 48% Protein (<i>\$/ton</i>)	256.05	182.89	174.17	205.44	335.94	330.00	328.00	280.00	285.00

Source: USDA and Newedge estimates

U.S. Soybean Meal Export Sales



Source: USDA

September 2009

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Monthly Soybean Oil Futures



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U.S. Soybean Oil Supply and Demand, Million Pounds

	03-04	04-05	05-06	06-07	07-08	SEPT		USDA 09-10	Newedge 09-10
						USDA 08-09	Newedge 08-09		
SOYBEAN CRUSH									
<i>Million bushels</i>	1523	1708	1748	1813	1782	1665	1657	1690	1700
OIL YIELD									
<i>Pounds/bushel</i>	11.21	11.33	11.66	11.30	11.55	11.36	11.36	11.35	11.35
Oct 1 Stocks	1489	1076	1699	3010	3085	2485	2483	3100	2956
Production	17081	19360	20387	20489	20580	18915	18823	19180	19295
Imports	306	26	35	37	65	100	100	75	75
TOTAL SUPPLY	18875	20462	22122	23536	23730	21500	21406	22355	22326
Domestic Usage	16864	17439	17959	18575	18335	16200	16225	16500	16550
For methyl ester			1555	2762	3245	1850	1825	2100	2050
Exports	936	1324	1153	1877	2911	2200	2225	3250	3150
TOTAL USAGE	17800	18763	19112	20451	21246	18400	18450	19750	19700
ENDING STOCKS	1076	1699	3010	3085	2485	3100	2956	2605	2626
Stocks/Use Ratio	6.0%	9.1%	15.7%	15.1%	11.7%	16.8%	16.0%	13.2%	13.3%
Decatur, Crude (<i>\$/pound</i>)	0.300	0.230	0.234	0.310	0.520	0.322	0.320	0.340	0.335

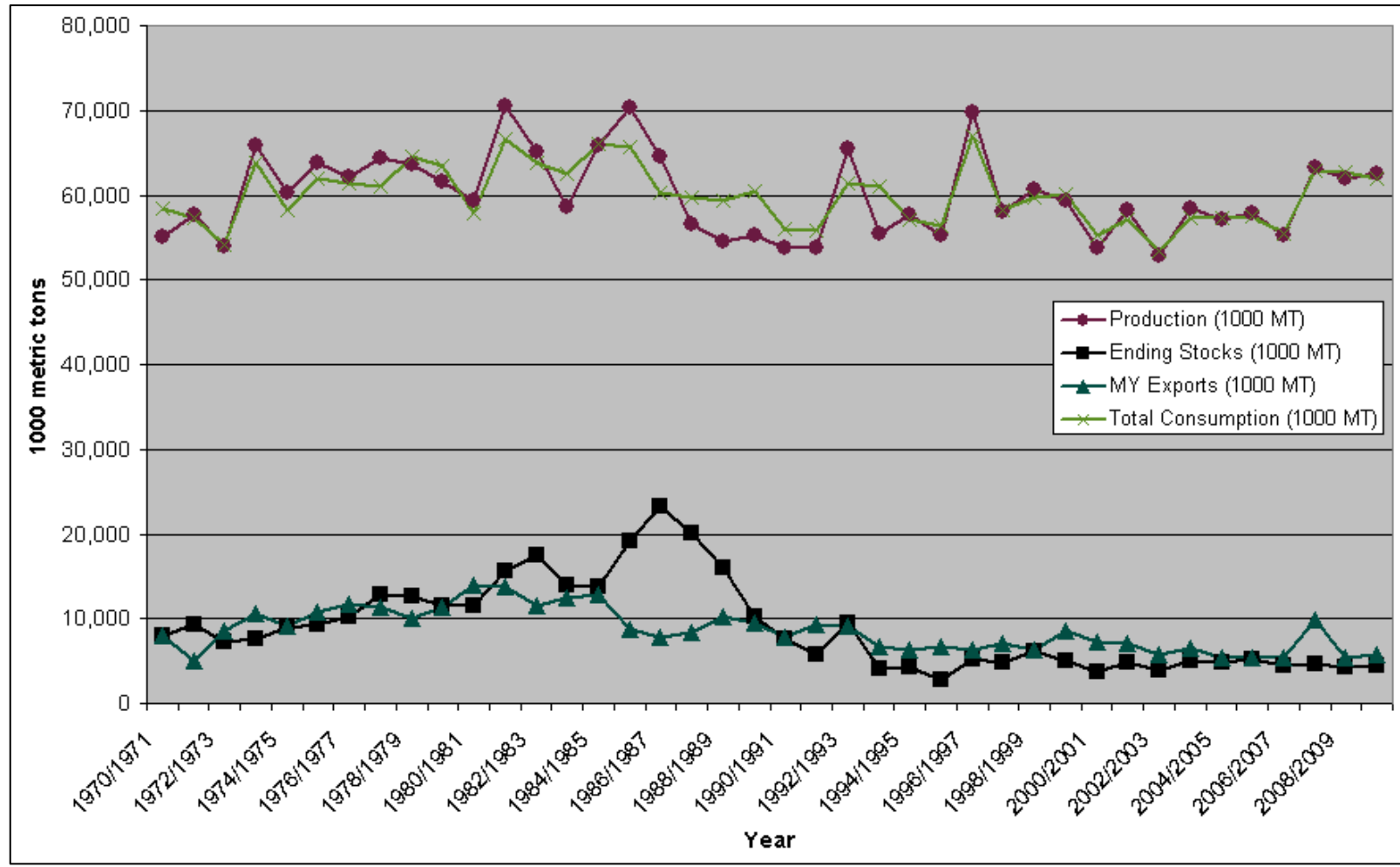
Source: USDA and Newedge estimates

U.S. Sorghum Supply and Demand

	03-04	04-05	05-06	06-07	07-08	08-09	SEPT USDA 09-10	Newedge 09-10	Newedge 10-11
Planted Acres	9.4	7.5	6.5	6.5	7.7	8.3	6.9	6.9	7.1
Harvested Acres	7.8	6.5	5.7	4.9	6.8	7.3	5.9	5.9	6.1
Percent Harvested	83.0	86.7	87.7	75.4	88.3	88.0	85.5	85.5	86.5
Average Yield	52.7	69.6	68.5	56.1	73.2	65.0	65.5	65.5	64.5
Oct 1 Stocks	43	34	57	66	32	53	40	40	45
Production	411	454	393	277	497	472	390	390	393
TOTAL SUPPLY	454	487	450	343	530	525	430	430	438
Feed	182	191	140	113	165	230	150	155	150
F/S/I	40	55	50	45	35	110	90	90	95
Exports	199	184	194	153	277	145	140	140	145
TOTAL USAGE	421	430	384	311	477	485	380	385	390
ENDING STOCKS	34	57	66	32	53	40	50	45	48
Free Carry-out	33	56	65	31	52	39	49	44	47

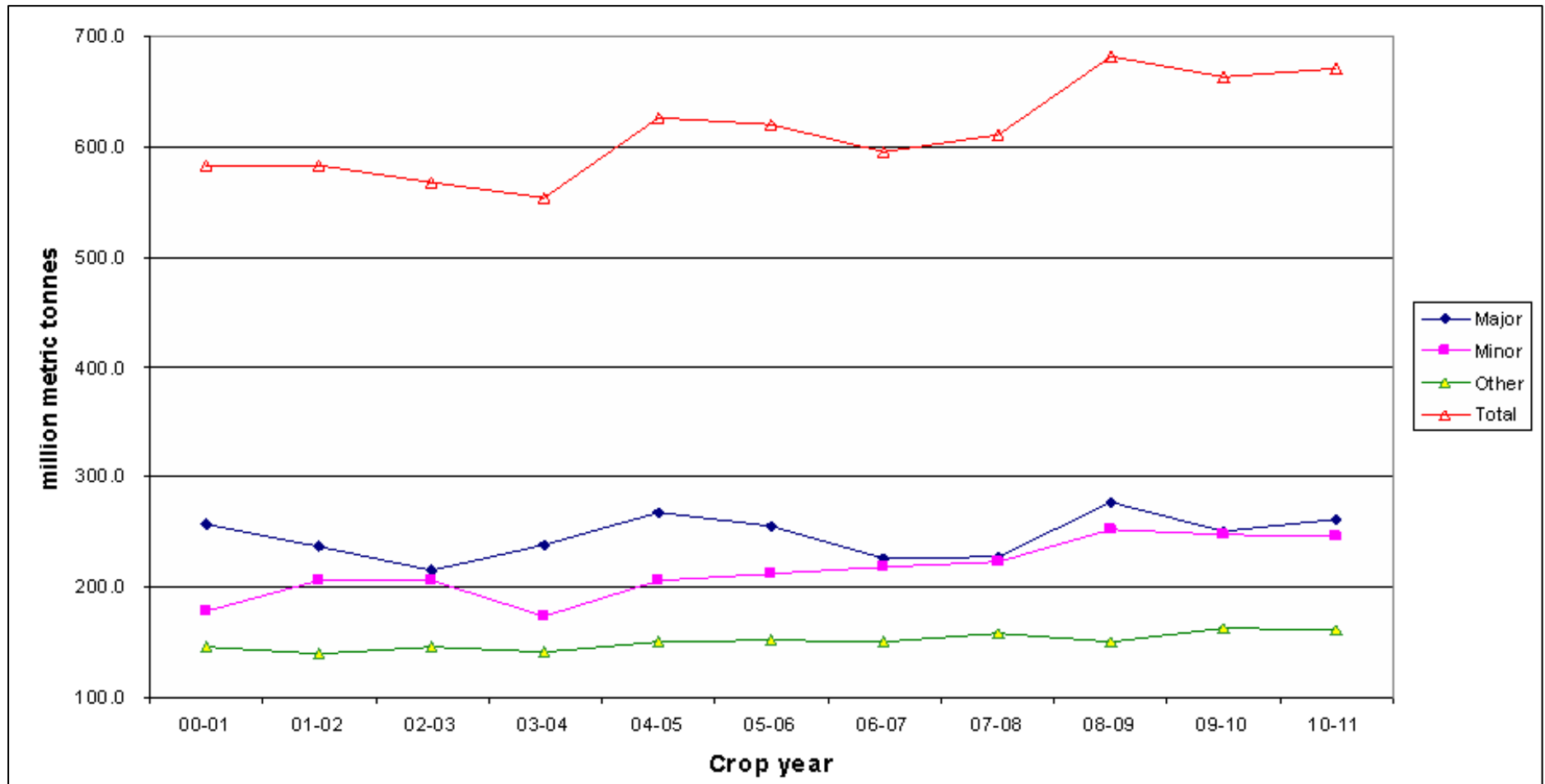
Source: USDA and Newedge estimates

World Sorghum Supply and Demand



Source: USDA

World Wheat Production



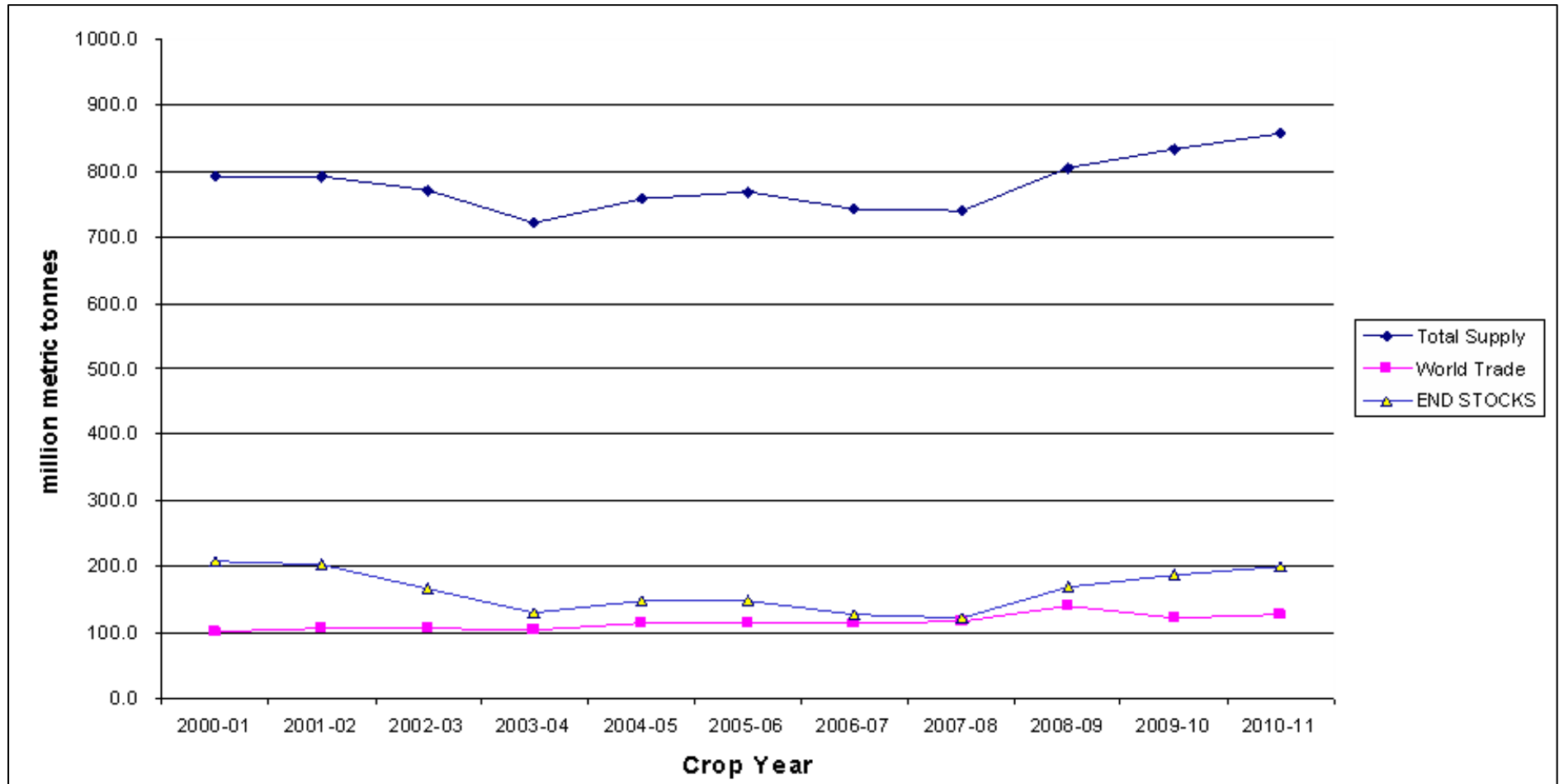
Source: USDA and Newedge estimates

World Wheat Production

	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11
MAJOR EXPORTERS:											
U.S.	60.6	53.3	43.7	63.8	58.7	57.2	49.2	55.8	68.0	59.4	57.9
Argentina	16.2	15.5	12.3	14.5	16.0	14.5	16.0	18.0	8.4	8.0	15.0
Australia	22.1	24.3	10.1	26.1	21.9	25.2	10.8	13.8	21.5	23.0	23.0
Canada	26.5	20.6	16.2	23.0	24.8	25.7	25.3	20.1	28.6	22.5	26.0
EU-27	131.7	123.4	132.6	110.6	146.9	132.4	124.9	120.4	151.3	138.5	140.0
SUB-TOTAL	257.2	237.0	214.9	238.1	268.3	255.0	226.2	228.1	277.8	251.4	261.9
MAJOR IMPORTERS:											
Brazil	1.7	3.3	2.9	5.9	5.8	4.9	2.2	3.8	6.0	5.5	5.5
China	99.6	93.9	90.3	86.5	92.0	97.4	108.5	109.3	112.5	114.5	113.0
Other Europe	4.6	4.9	4.9	3.9	5.4	4.2	4.3	4.4	4.6	4.7	4.7
North Africa	9.9	12.7	11.7	16.3	17.2	15.2	18.6	13.9	14.6	19.0	17.0
FSU-12	63.0	91.3	96.9	60.9	85.6	91.1	84.9	92.5	115.6	105.0	107.0
SUB-TOTAL	178.8	206.0	206.8	173.4	206.0	212.8	218.5	224.0	253.3	248.7	247.2
OTHER FOREIGN:											
India	76.4	69.7	71.8	65.1	72.2	68.6	69.4	75.8	78.6	80.6	80.0
Mexico	3.4	3.3	3.2	2.7	2.4	3.0	3.2	3.6	4.0	4.0	4.0
Pakistan	21.1	19.0	18.2	19.2	19.5	21.6	21.3	23.3	21.5	24.0	23.0
Turkey	18.0	15.5	16.8	16.8	18.5	18.5	17.5	15.5	16.8	17.8	17.5
Others	28.0	32.6	36.2	38.3	38.7	40.2	39.5	40.6	30.3	37.2	37.0
SUB-TOTAL	146.9	140.0	146.2	142.0	151.3	152.0	150.9	158.9	151.2	163.6	161.5
GRAND TOTAL	582.9	583.1	567.9	553.5	625.6	619.8	595.6	611.0	682.3	663.7	670.6

Source: USDA and Newedge estimates

World Wheat Supply and Demand



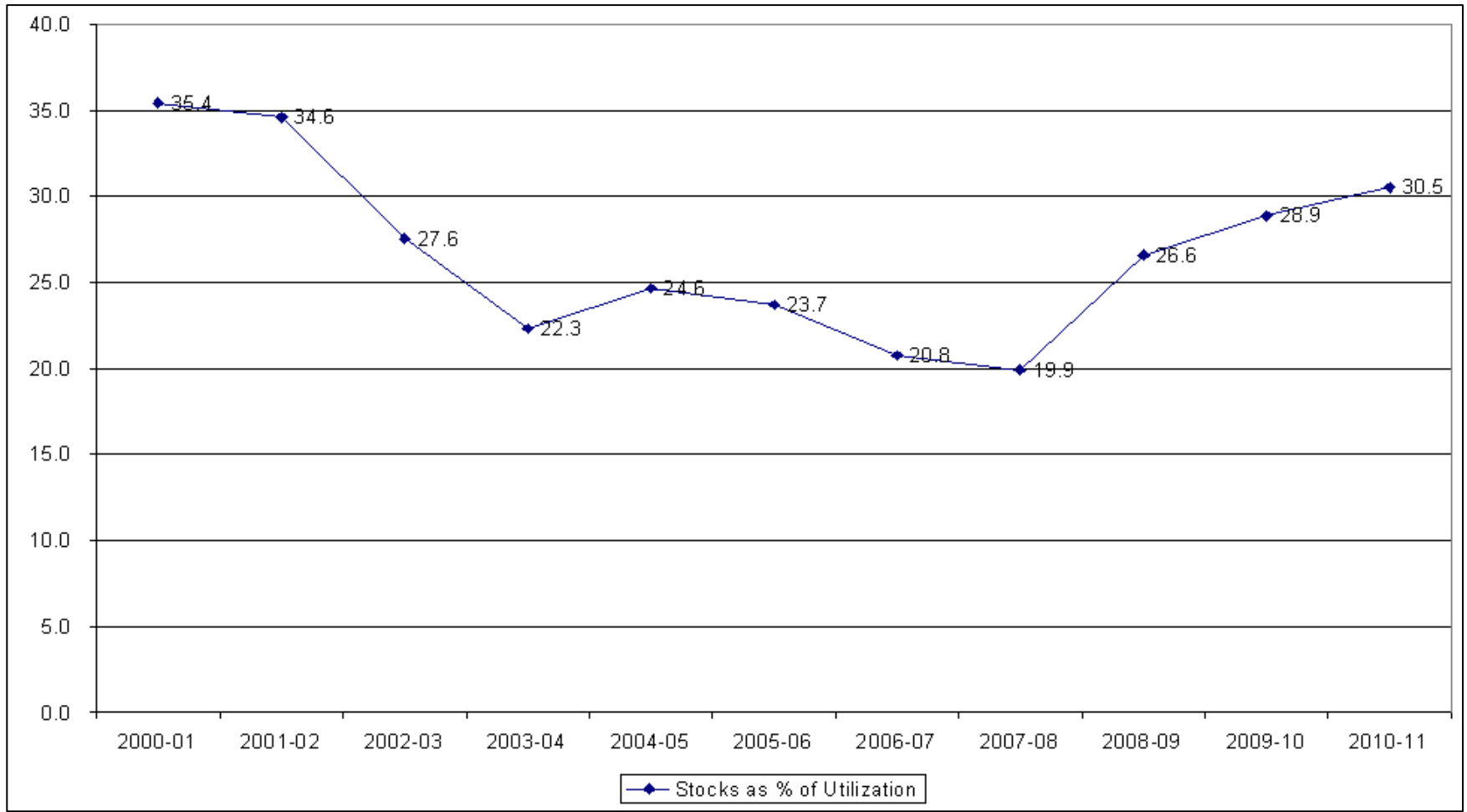
Source: USDA and Newedge estimates

World Wheat Supply and Demand

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Beginning Stocks	209.5	207.3	203.2	166.6	131.4	149.7	147.4	127.7	122.6	169.0	186.6
Production	582.9	583.1	567.9	553.5	625.6	619.8	595.6	611.0	682.3	663.7	670.6
Total Supply	792.4	790.4	771.1	720.1	757.0	769.4	743.0	738.7	804.8	832.7	857.2
World Trade	102.3	108.0	107.1	103.7	113.8	114.0	115.6	116.7	141.2	121.1	128.0
Domestic Consumption	482.8	479.2	497.4	485.0	493.6	508.0	499.7	499.4	494.6	525.0	528.7
Total Disappearance	585.1	587.2	604.5	588.7	607.3	622.0	615.3	616.1	635.8	646.1	656.7
END STOCKS	207.3	203.2	166.6	131.4	149.7	147.4	127.7	122.6	169.0	186.6	200.5
Stocks as % of Utilization	35.4	34.6	27.6	22.3	24.6	23.7	20.8	19.9	26.6	28.9	30.5

Source: USDA and Newedge estimates

World Wheat Ending Stocks as a Percent of Usage



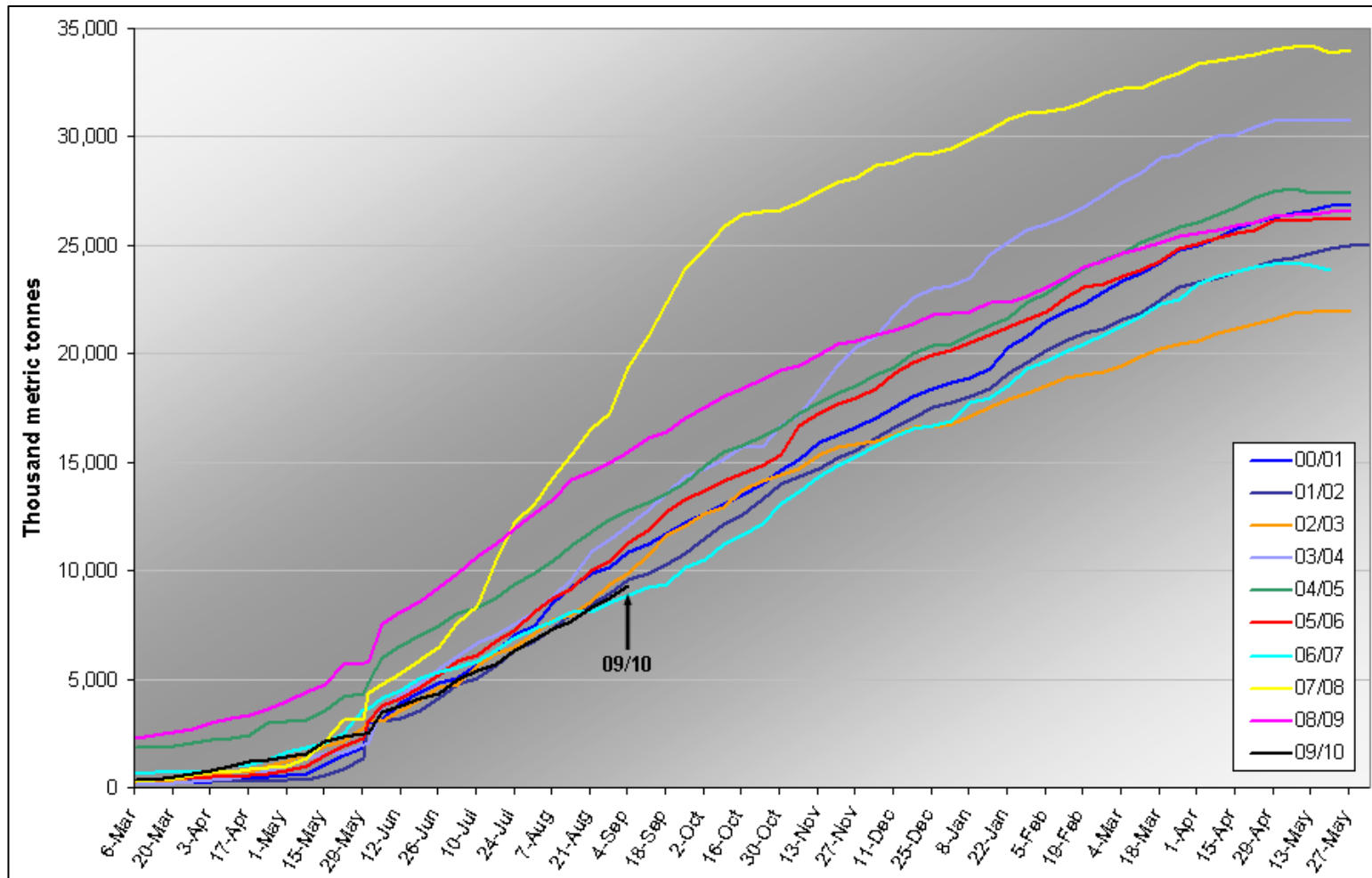
Source: USDA and Newedge estimates

U.S. Wheat Supply and Demand, Million Bushels

	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	USDA 08-09	USDA 09-10	Newedge 09-10	Newedge 10-11
Planted Acres	62.6	59.6	60.3	62.1	59.6	57.2	57.3	60.5	63.1	59.8	59.8	59.0
Harvested Acres	53.1	48.6	45.8	53.1	50.0	50.1	46.8	51.0	55.7	50.4	50.4	50.5
% Abandoned	15.2	18.4	24.0	14.6	16.2	12.4	18.4	15.6	11.7	15.6	15.6	14.4
Yield	41.9	40.3	35.0	44.2	43.2	42.0	38.6	40.2	44.9	43.3	43.6	43.0
June 1 Stocks	950	876	777	491	546	540	571	456	306	667	667	828
Production	2228	1958	1606	2344	2157	2103	1808	2051	2500	2184	2198	2127
Imports	90	108	77	63	71	82	122	113	127	110	115	115
TOTAL SUPPLY	3268	2941	2460	2899	2774	2725	2501	2620	2932	2960	2980	3069
Food	950	926	919	912	910	915	933	947	925	955	945	960
Seed	79	83	84	80	78	78	81	88	79	78	77	76
Feed	301	181	116	202	180	159	122	15	246	235	225	250
Exports	1062	964	850	1159	1066	1003	908	1263	1015	950	905	900
TOTAL USAGE	2392	2164	1969	2352	2234	2154	2045	2315	2265	2218	2152	2186
CARRY - OUT	876	777	491	546	540	571	456	306	667	742	828	883
Wheat Price, on-farm \$/bushel	2.62	2.78	3.56	3.40	3.40	3.42	4.26	6.48	6.78	5.10	5.10	4.30

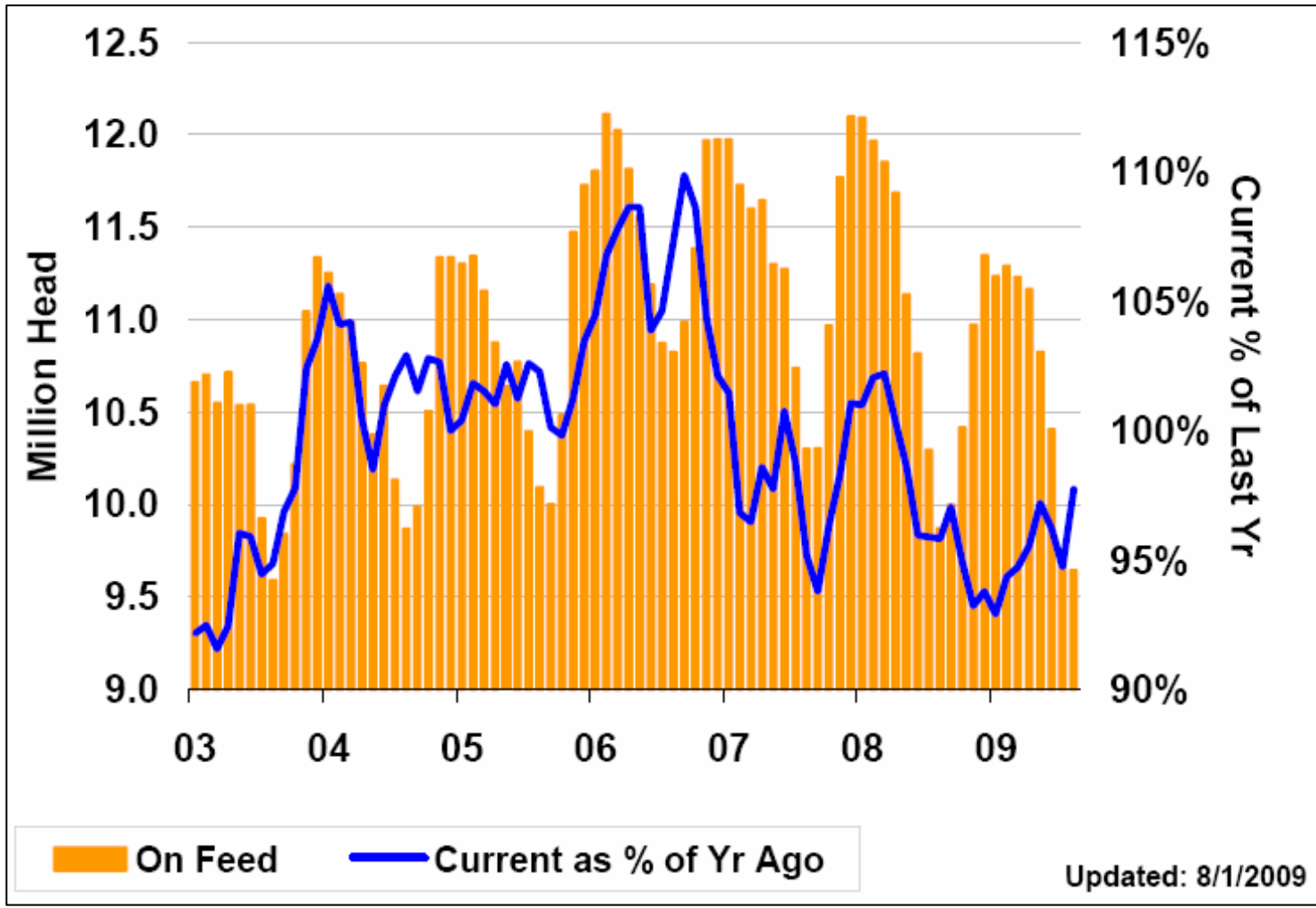
Source: USDA and Newedge estimates

U.S. Wheat Export Sales Commitments



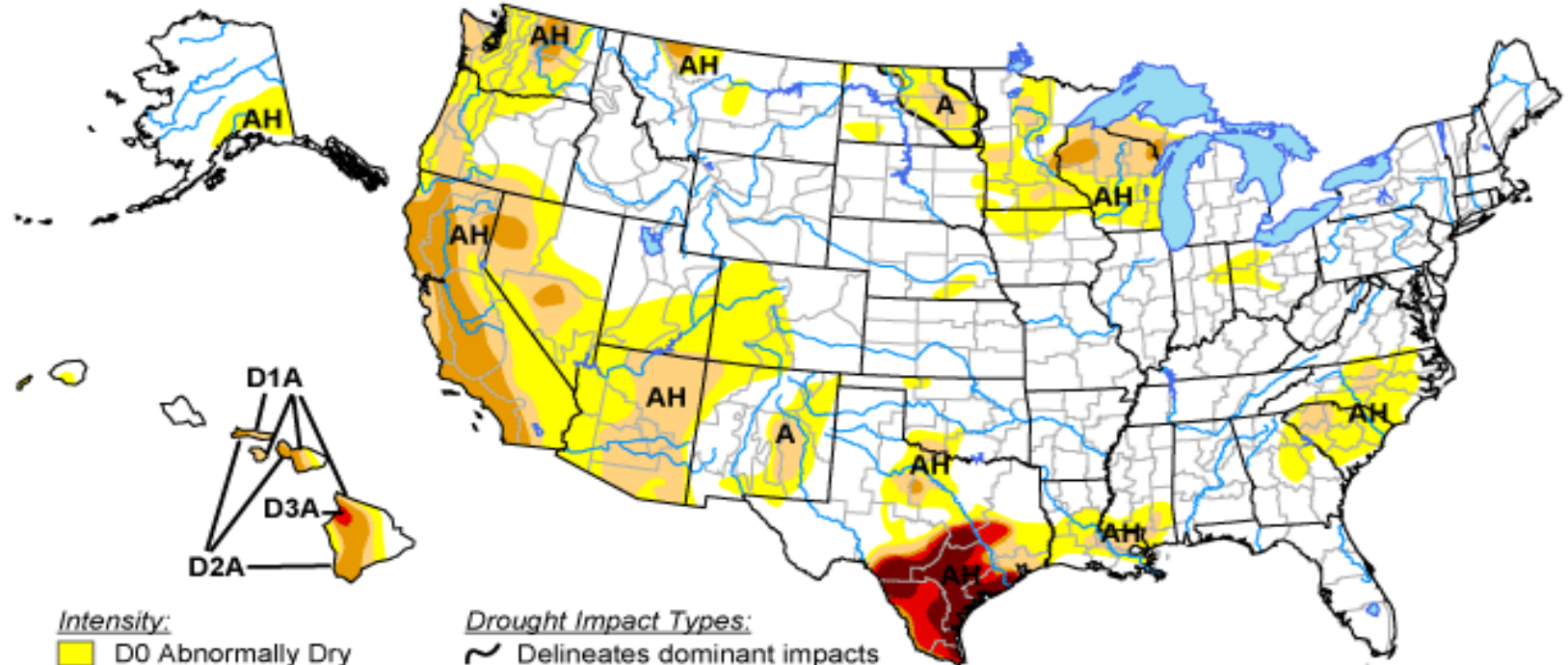
Source: USDA

Cattle on Feed, All States



U.S. Drought Monitor

September 8, 2009
Valid 8 a.m. EDT



Intensity:

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

Drought Impact Types:

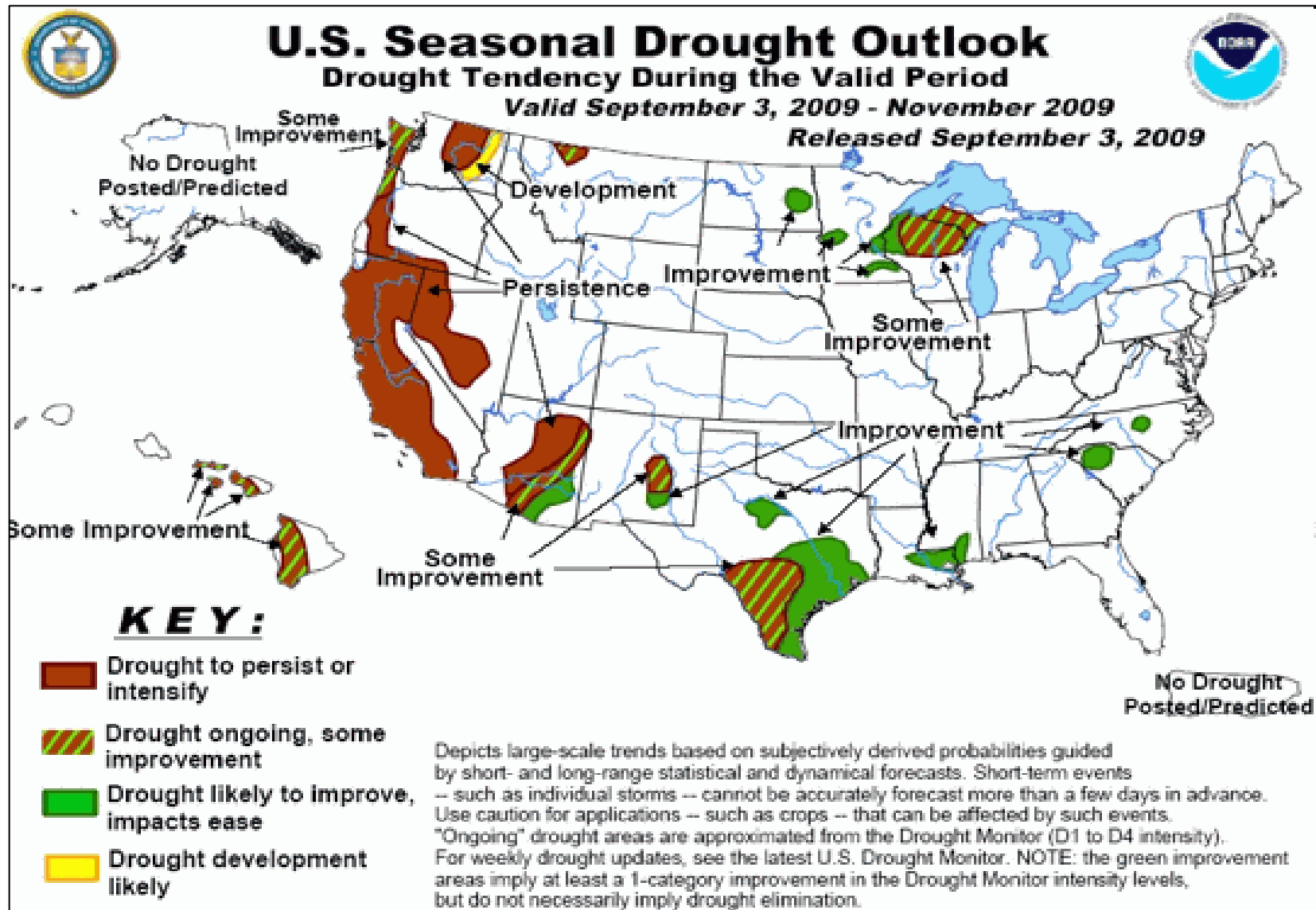
- Delineates dominant impacts
- A = Agricultural (crops, pastures, grasslands)
- H = Hydrological (water)

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

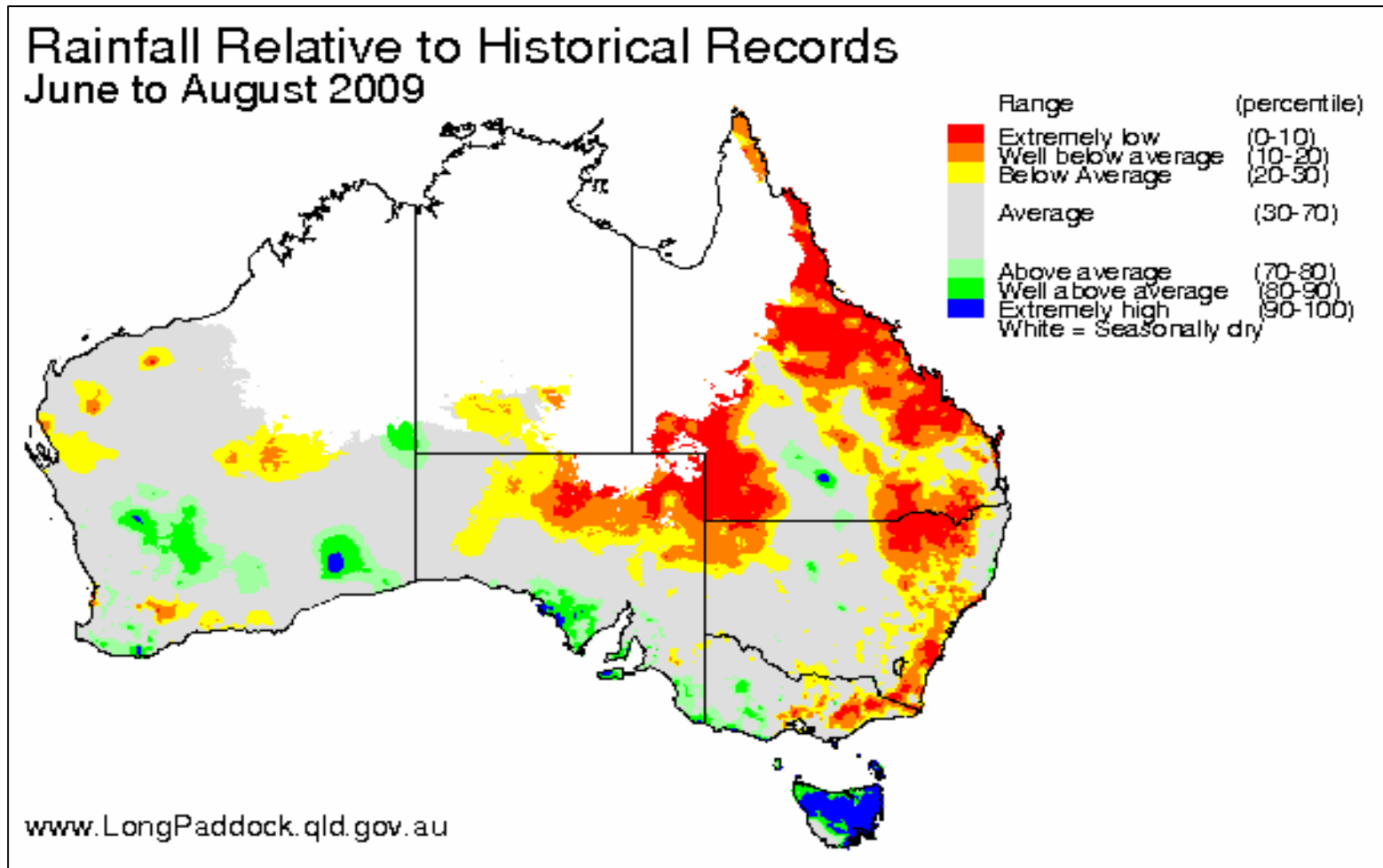
<http://drought.unl.edu/dm>



Released Thursday, September 10, 2009
Author: Rich Tinker, CPC/NCEP/NWS/NOAA

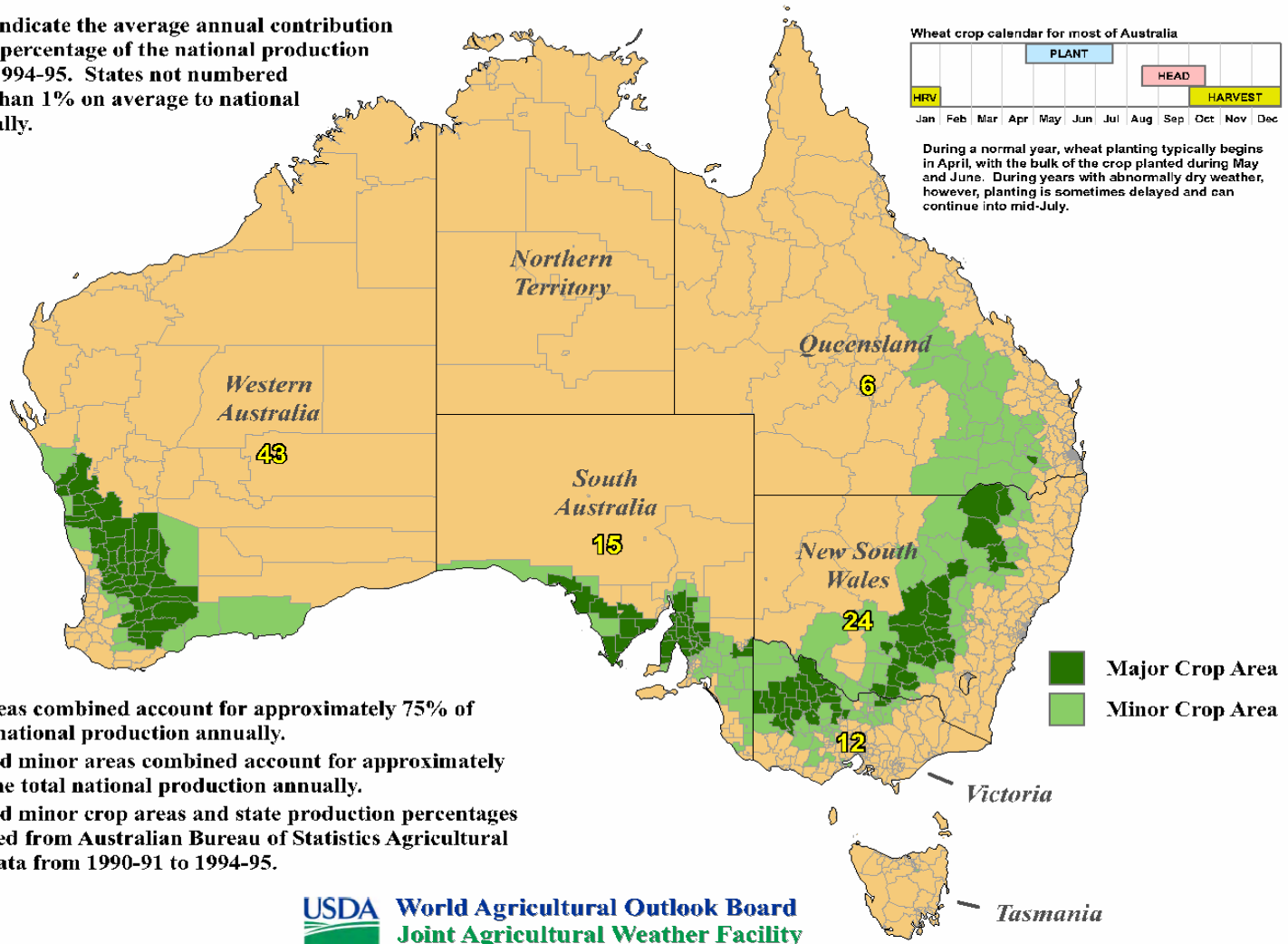


Australian Wheat Moisture Map



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.

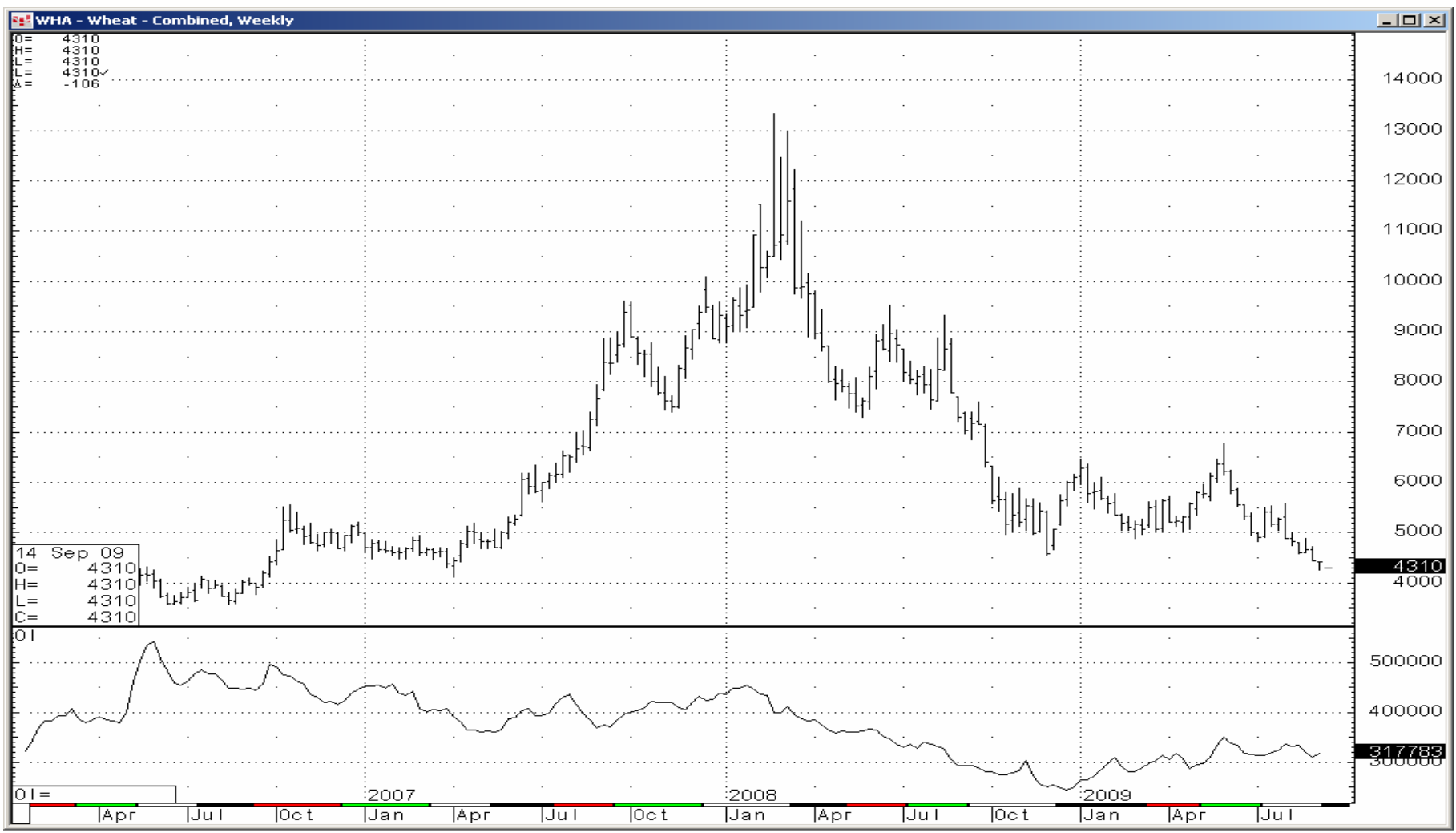
USDA World Agricultural Outlook Board
 Joint Agricultural Weather Facility

Source: USDA

September 2009

Newedge USA, LLC Grain Outlook Presentation

Chicago Wheat Weekly Continuation Chart with Total Open Interest



U.S. Hard Red Winter Wheat Supply and Demand

	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	USDA 08-09	USDA 09-10	Newedge 09-10	Newedge 10-11
Planted Acres	30.4	29.0	30.1	32.6	30.8	30.0	29.3	32.9	31.2	31.6	31.6	31.2
Harvested Acres	23.6	20.9	19.9	25.6	23.4	24.6	21.3	25.7	25.9	24.1	24.1	24.3
% Abandoned	22.4	27.8	33.8	21.3	24.0	18.1	27.3	22.0	16.9	23.6	23.6	22.0
Yield	35.9	36.6	31.1	41.8	36.6	38.3	32.0	37.2	39.9	37.9	38.2	37.5
June 1 Stocks	458	411	363	188	227	193	215	165	138	259	259	304
Production	846	766	620	1071	857	942	682	956	1035	915	921	913
Imports	0	1	0	0	1	0	1	1	1	0	1	1
TOTAL SUPPLY	1304	1179	984	1260	1085	1136	898	1122	1174	1174	1181	1218
Domestic Usage	500	467	488	523	503	493	453	448	468	490	504	525
Exports	393	349	308	510	389	428	280	536	447	380	360	375
TOTAL USAGE	893	816	796	1033	892	921	733	984	915	870	864	900
CARRY-OUT	411	363	188	227	193	215	165	138	259	304	317	318

Source: USDA and Newedge estimates

U.S. Soft Red Winter Wheat Supply and Demand

	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	USDA 08-09	USDA 09-10	Newedge 09-10	Newedge 10-11
Planted Acres	9.5	8.7	8.1	8.3	8.2	6.1	7.4	8.7	11.2	8.3	8.3	8.1
Harvested Acres	8.2	7.2	6.5	6.8	7.0	5.1	6.2	7.1	10.1	7.3	7.3	7.0
% Abandoned	14.4	17.1	20.1	17.7	14.7	16.1	16.6	18.4	10.0	11.8	11.8	13.0
Yield	57.5	55.4	49.6	55.6	54.2	60.2	63.2	49.9	60.9	56.4	56.5	58.0
June 1 Stocks	133	135	78	55	64	88	106	109	55	174	174	143
Production	469	397	321	380	380	310	390	352	614	412	413	409
Imports	3	3	13	22	22	26	20	14	33	17	20	20
TOTAL SUPPLY	602	532	413	457	466	424	516	475	702	603	607	572
Domestic Usage	287	254	253	255	256	242	262	211	329	320	305	300
Exports	180	200	105	138	122	76	145	208	199	140	135	130
TOTAL USAGE	467	454	358	393	378	318	407	420	528	460	440	430
CARRY-OUT	135	78	55	64	88	106	109	55	174	143	167	142

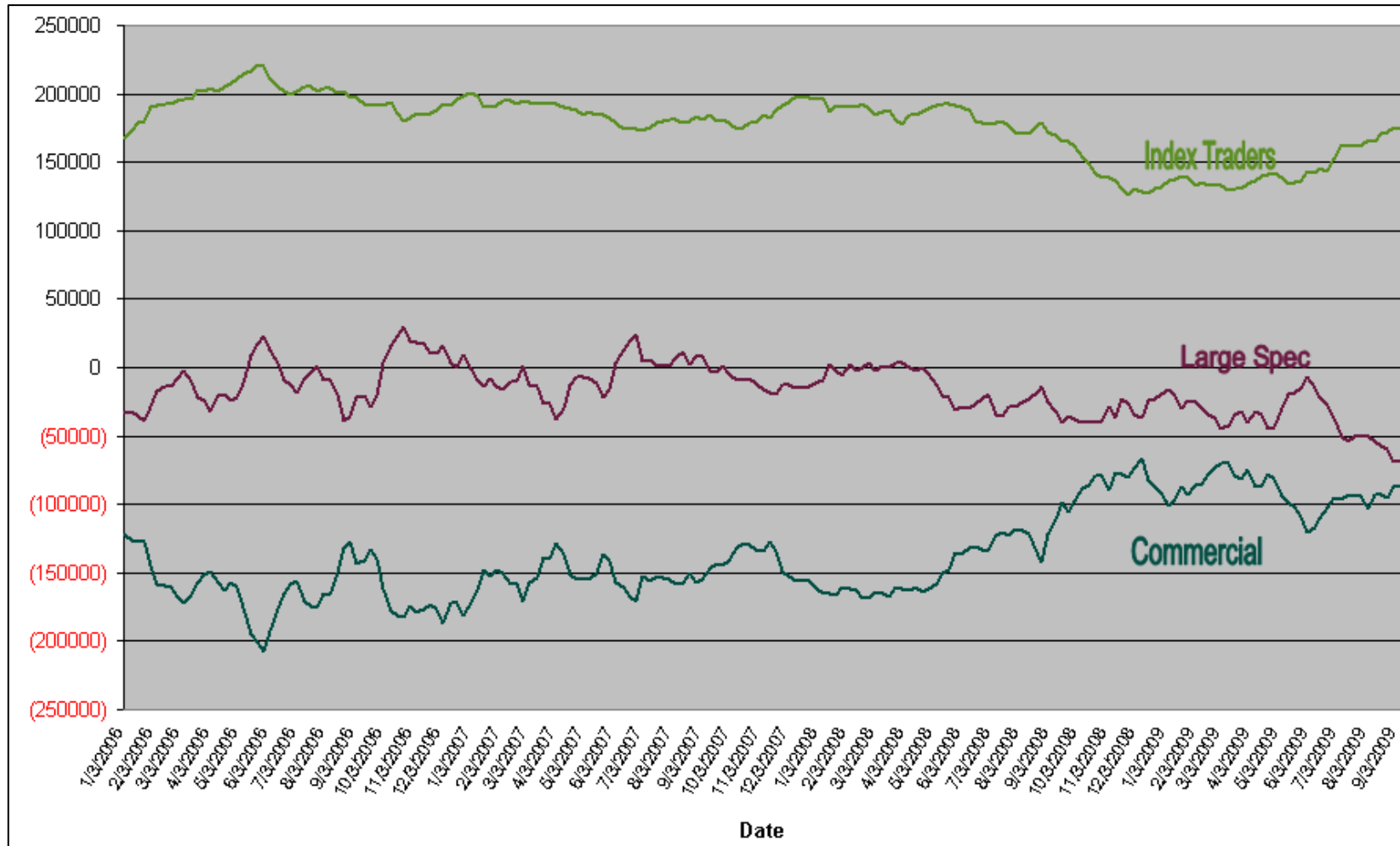
Source: USDA and Newedge estimates

U.S. Hard Red Spring Wheat Supply and Demand

	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	USDA 08-09	USDA 09-10	Newedge 09-10	Newedge 10-11
Planted Acres	14.4	14.8	14.8	13.1	13.0	13.3	14.4	12.7	13.4	13.1	13.1	13.0
Harvested Acres	13.6	13.8	12.6	12.7	12.5	12.9	13.4	12.4	12.8	12.6	12.6	12.4
% Abandoned	5.5	6.9	15.0	2.9	4.4	3.0	6.9	2.6	4.6	4.2	4.2	4.3
Yield	37.0	34.6	27.9	39.2	42.2	36.1	32.2	36.3	39.9	40.7	41.1	38.0
June 1 Stocks	218	210	230	145	157	159	132	117	68	145	145	191
Production	502	475	351	500	525	467	432	450	512	511	516	473
Imports	56	61	23	9	8	12	50	48	45	40	45	45
Total Supply	776	746	604	654	690	638	614	615	625	696	706	709
Domestic Usage	339	299	201	225	216	226	249	243	270	265	248	260
Exports	227	217	258	272	315	280	248	304	210	240	240	230
Total Usage	566	516	459	497	531	506	497	547	480	505	488	490
CARRY - OUT	210	230	145	157	159	132	117	68	145	191	218	219

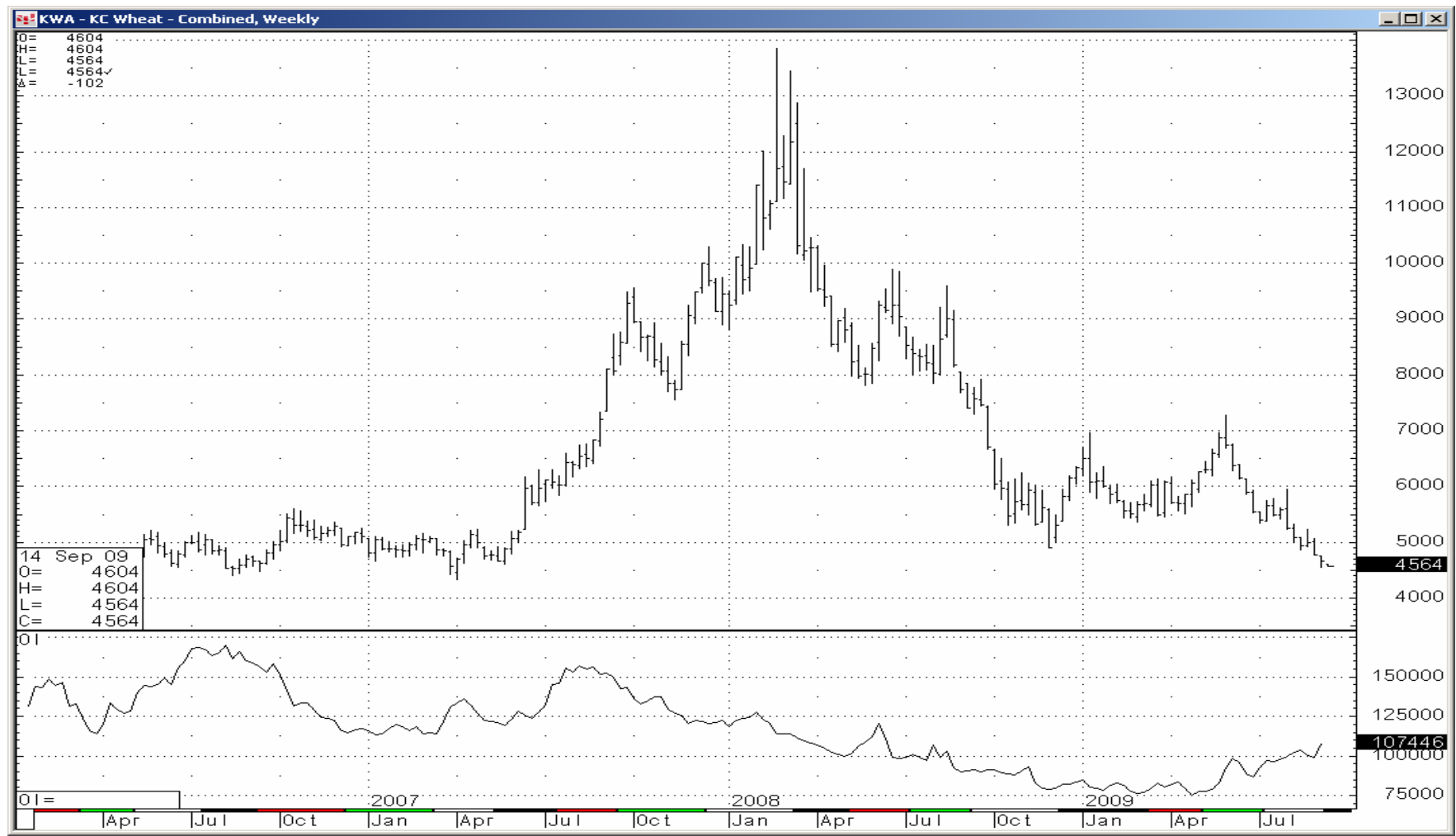
Source: USDA and Newedge estimates

CFTC Commitments of Traders, Wheat Net Position Chart



Source: CFTC Commitments of Traders

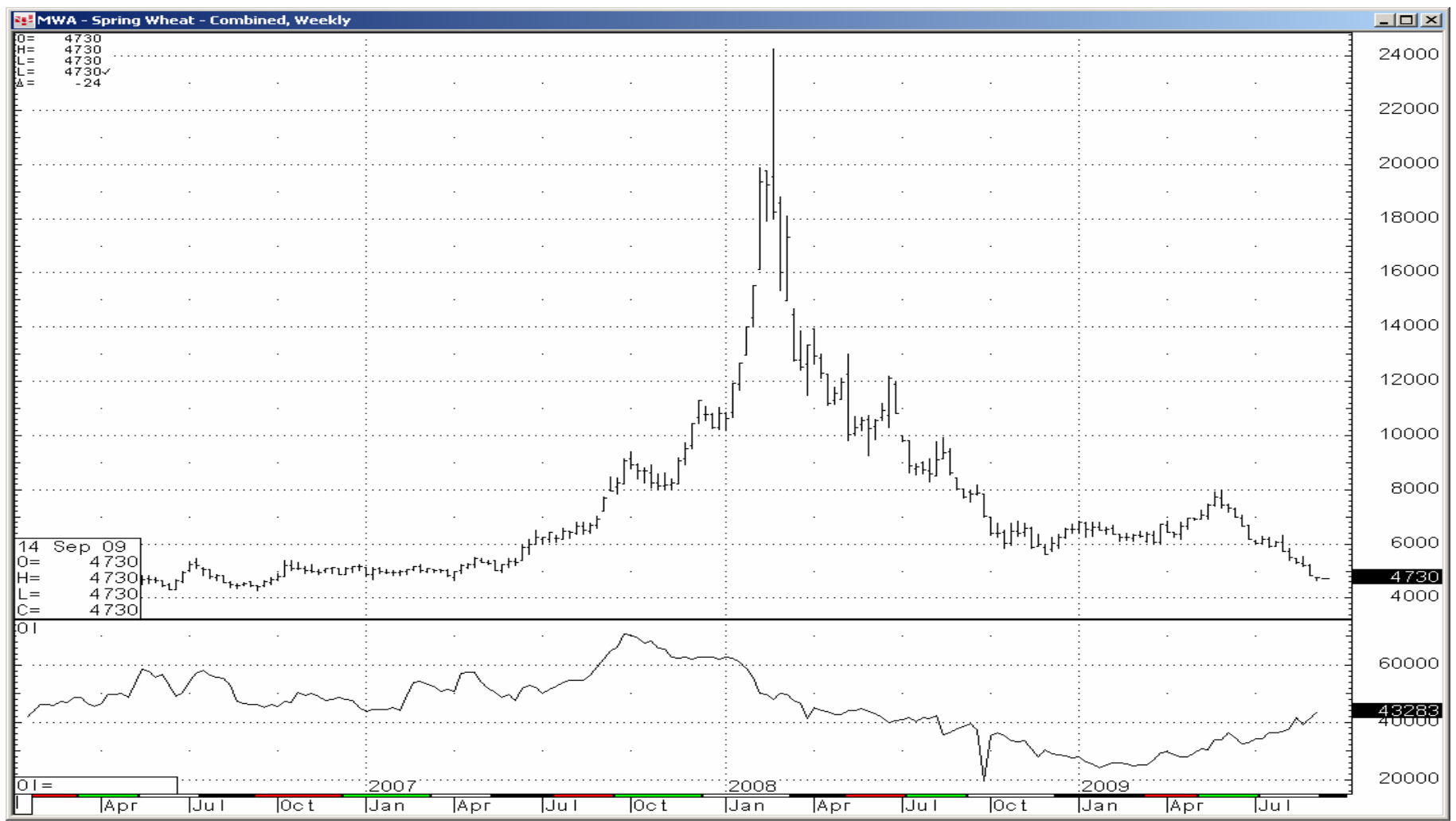
KC Wheat Weekly Continuation Chart with Total Open Interest



Source: CQG, Inc. © 2009 All rights reserved worldwide. www.cqg.com

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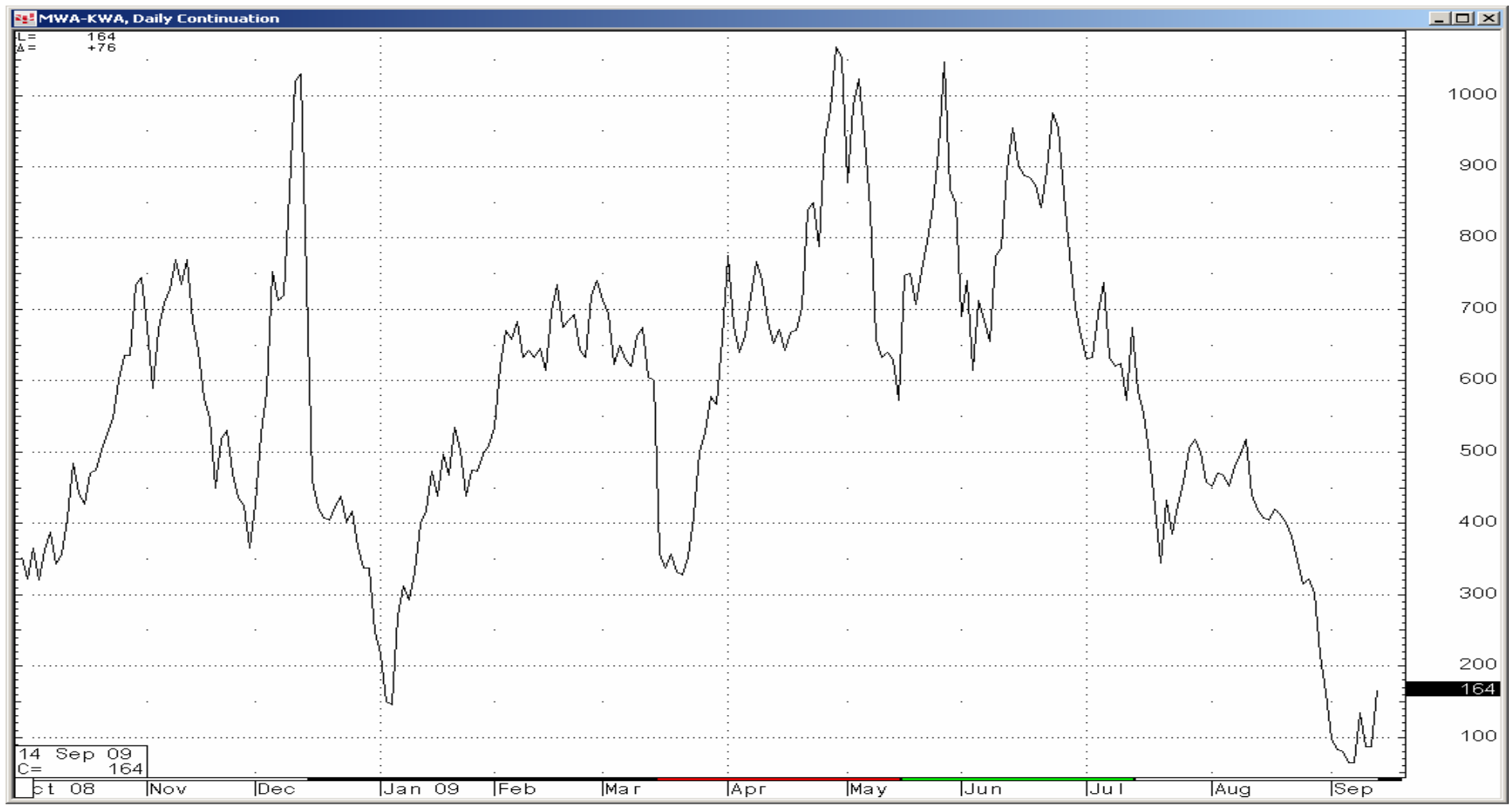
MPLS Wheat Weekly Continuation Chart with Total Open Interest



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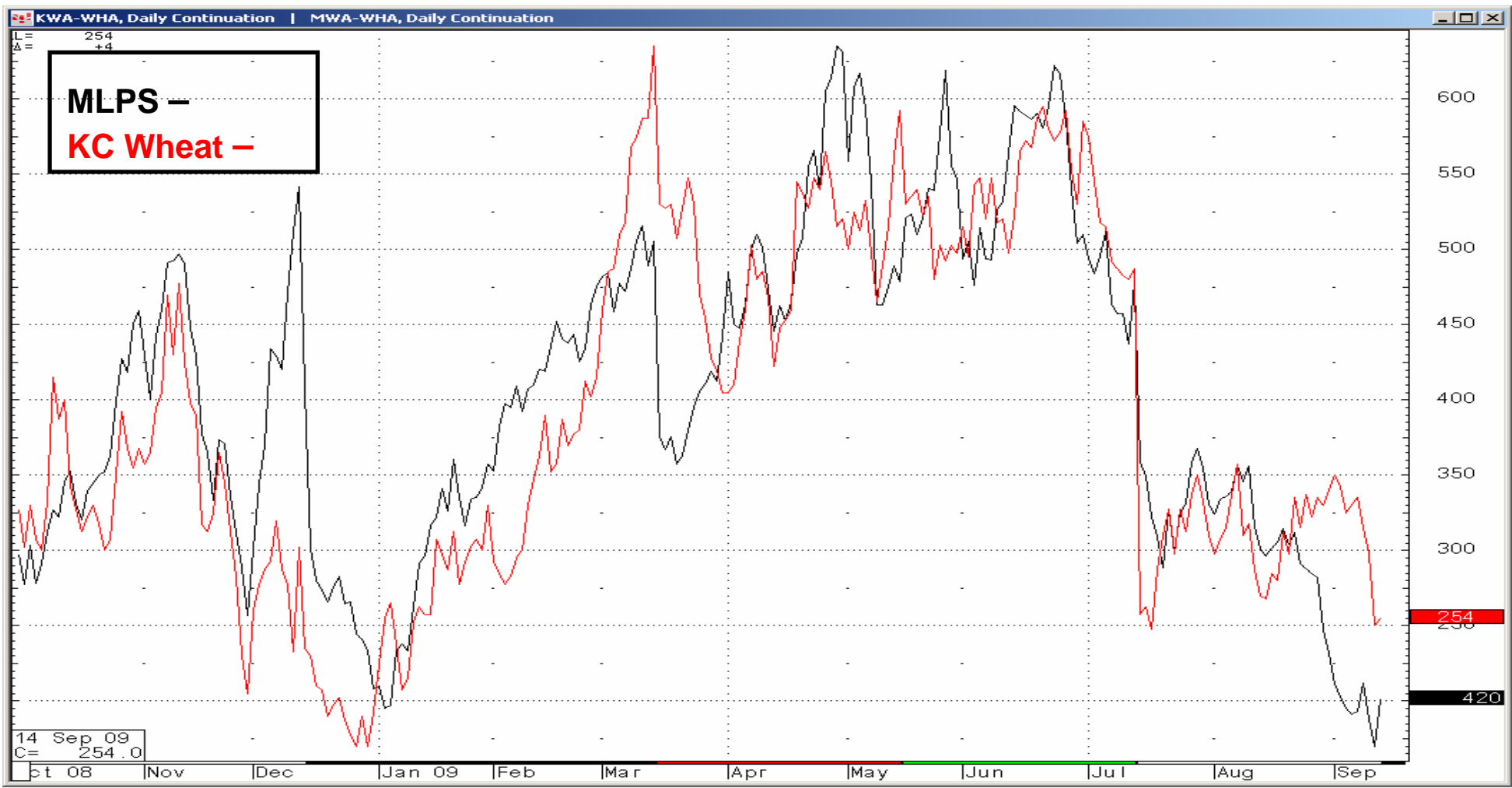
MLPS versus KC Wheat Daily Intermarket Spread



Source: CQG, Inc. © 2009 All rights reserved worldwide. www.cqg.com

Mon Sep 14 2009 16:42:54

MLPS and KC versus CHI Intermarket Wheat Spread



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Mon Sep 14 2009 16:57:40

Wheat Situations to Monitor for 2009/10

- U.S. Export Sales and shipment pace
- Final corn yield and futures price impact
- Pace of ECB corn and bean harvest and SRW planting
- Winter wheat planting conditions in EU and FSU regions
- Development of El Nino pattern relating to Australia and India
- Movement of investment capital – long-only indices versus directional and discretionary funds
- Changes in livestock numbers and wheat/corn relationships

2009/10 Futures Price Range Forecasts

- Chicago front month price range: \$4.00 to \$4.80, depending on final corn production
- Chicago calendar spreads maintain trade at 90%+ of full carry
- Intermarket spreads narrow to the low side of historical relationships

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