



# Grain and Soy Market Opening Comments

Benson Quinn Commodities Inc.  
Minneapolis, MN

March 10, 2010

**Opening Call:** Beans mixed, corn and wheat down 5 to 10-cents. In what was expected to be a pretty mundane report, the USDA managed to come out with some humdinger of some corn and wheat numbers leading to mostly lower calls for the opening of the day session after quiet mixed/lower overnight trade. Trade was looking for only nominal changes to corn and wheat numbers and tighter ending stocks in beans. USDA was a little more aggressive on cutting corn and wheat demand with carryouts coming in at the upper end of estimates. Corn carryout rose 80 million bushels compared to average estimate of 1 million with USDA cutting exports 100 million which was offset by a 20 million decline in production due to resurveys in the west. Wheat demand was cut by 20 million on slower food usage with carryout raised to 1.001 billion bushels reaching the outer reaches of the estimate range. Soybean usage was increased 10 million with exports raised by 20 million taking bean carryout down 30 million to 190 million bushels, which was 4 million less than the average estimate. World ending stocks were increased across all three commodity classes. USDA revised Russian wheat data back three years which accounts for the nearly 1.0 MMT increase in global wheat stocks. Production increases accounted for the increased corn and bean stocks with USDA increasing Argentine and South African corn and increasing Brazilian bean production. Outside markets remain mixed with crude currently lower in two-sided trade, the US dollar nominally higher and US stock futures mixed/lower.

## USDA Report:

(Stocks & Production in billions of bushels/ Yield in bushels per acre)

	US 09/10 Ending Stocks			World 09/10 Ending Stocks	
	Mar	Ave Est	Feb	March	Feb
<b>Corn</b>	<b>1.799</b>	1.720	1.719	<b>140.15</b>	134.04
<b>Beans</b>	<b>0.190</b>	0.194	0.210	<b>60.67</b>	59.73
<b>Wheat</b>	<b>1.001</b>	0.971	0.981	<b>196.77</b>	195.86

## Overnights:

Symbol	Last	Net Change	High	Low
<b>CK</b>	<b>367 1/4</b>	-1 3/4	<b>369 3/4</b>	<b>367</b>
<b>SK</b>	<b>953</b>	+5 1/2	<b>955 1/2</b>	<b>945 1/4</b>
<b>MWK</b>	<b>512 1/2</b>	+1 1/4	<b>513</b>	<b>509 1/4</b>
<b>WK</b>	<b>488 1/2</b>	-1	<b>489 3/4</b>	<b>485 1/4</b>
<b>KWK</b>	<b>499 1/2</b>	+2	<b>499 1/2</b>	<b>496</b>

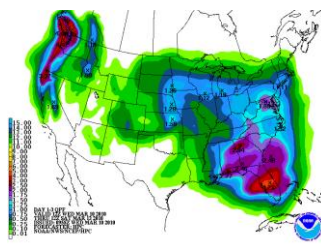
## Daily Trading Limits:

	Initial	Current	Expires
<b>Corn</b>	<b>30 cts</b>		
<b>Beans</b>	<b>70 cts</b>		
<b>MWheat</b>	<b>60 cts</b>		
<b>CWheat</b>	<b>60 cts</b>		
<b>KWheat</b>	<b>60 cts</b>		

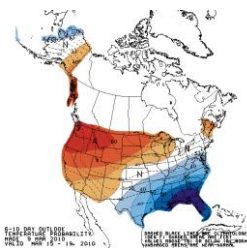
## Weather:



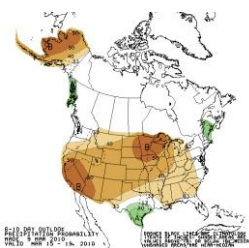
24 Hour Rainfall Est.



1-3 Day Precip Outlook



6-10 Day Temp Outlook



6-10 Day Precip Outlook

**Export News:** Egypt's GASC seeks up to 60,000 MT of optional origin wheat for last half May. China's February soybean imports were 2.95 MMT, down 9.5% year-on-year with the Chinese New Year falling within the month. March soybean imports are estimated at 3.7 to 4.0 MMT. In daily reporting, US sold 110,000 MT of beans to China for 2010/11 shipment.

**Palm Oil/Chinese Dalian/French Wheat:** Malaysian palm oil futures recouped some of yesterday's losses on lower than expected February stocks. The benchmark May contract closed up 35 ringgit a tonne at 2,685 ringgit. Chinese Dalian futures settled slightly higher in consolidative trade ahead of USDA supply and demand report. French milling wheat futures are higher this morning with the May contract up 0.25 Euros at 122.75 Euros a tonne.

**Equities/Currencies:** The Dow Jones Industrial average closed up 12 points in its prior session settling at 10,564. The Chinese Shanghai Composite closed down 20 points to settle at 3,049. The Hong Kong Hang Seng Index closed up 1 point to settle at 21,208. The Japanese Nikkei 225 Index was down 4 points to close at 10,564. European markets are higher in morning trade. US Dow futures are pointing to a flat start on the 10<sup>th</sup> anniversary of the Nasdaq's peak.

## Technical Support & Resistance:

Symbol	1 <sup>st</sup> Support	2 <sup>nd</sup> Support	1 <sup>st</sup> Resistance	2 <sup>nd</sup> Resistance
<b>CK</b>	<b>365</b>	<b>359</b>	<b>377</b>	<b>388 1/4</b>
<b>SK</b>	<b>935</b>	<b>925</b>	<b>956 1/4</b>	<b>972</b>
<b>MWK</b>	<b>508 3/4</b>	<b>500</b>	<b>520</b>	<b>532 1/4</b>
<b>WK</b>	<b>480 1/4</b>	<b>472</b>	<b>501 1/2</b>	<b>519</b>
<b>KWK</b>	<b>492 1/4</b>	<b>486 3/4</b>	<b>507 1/4</b>	<b>521 1/2</b>

**Point of Interest:** Take a brand new deck of cards, do eight perfect shuffles with cuts and the cards will return to their original order.

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