2008 GRAIN GUIDE

The Grain Trader's Reference for Supply/Demand,
Price Tendencies, and Market Strategies

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JANUARY 2008

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	1 **NEW YEAR'S DAY**	**2**	**3**	**4**	**1**
7	**8**	**9**	**10**	**11** Winter Wheat Acreage Final US Crop Production US and World Supply/Demand US Grain & Oilseed Stocks	**2**
14	**15**	**16**	**17**	**18**	**3**
21 **MARTIN LUTHER KING, JR. DAY**	**22** Cold Storage	**23**	**24**	**25** COF Slaughter	**4**
28	**29**	**30**	**31**	**1**	**5**

MAJOR REPORTS

1 WINTER WHEAT ACREAGE ON 11TH
2 ANNUAL CROP PRODUCTION ON 11TH
3 GRAIN & OILSEEDS STOCKS ON 11TH

IMPORTANT SEASONALITY

1 2ND WORST MONTH FOR CORN
2 JANUARY WHEAT RALLIES REVERSED IN FEBRUARY
3 STRONG DECEMBERS REVERSED IN JANUARY FOR SOUBEANS

WEEKLY PERFORMANCE

	WEEK#1	WEEK#2	WEEK#3	WEEK#4	WEEK#5
			CORN		
# Up	11	18	11	13	13
# Down	15	8	13	12	12
CHANGE	-1 3/4	3	-0	3/4	1/4
RALLY	2 3/4	6 2/4	4 1/4	4 1/4	3 3/4
BREAK	-4 3/4	-3	-4 3/4	-3	-3
RANGE	7 2/4	9 2/4	9 1/4	7 1/4	6 3/4
			CBOT WHEAT		
# Up	10	17	10	8	16
# Down	16	9	16	15	9
CHANGE	- 2/4	2 3/4	-3	-1 1/4	2 1/4
RALLY	6	9 1/4	5	7 1/4	7 2/4
BREAK	-8 3/4	-6 3/4	-10	-7 2/4	-6
RANGE	15	15 3/4	15 1/4	14 3/4	13 2/4
			SOYBEANS		
# Up	8	15	14	14	11
# Down	16	11	11	12	15
CHANGE	-5	4 2/4	-1 3/4	- 1/4	-1 3/4
RALLY	5	14 2/4	10 1/4	10 2/4	9 1/4
BREAK	-12 2/4	-9 3/4	-12	-7 3/4	-10 1/4
RANGE	17 3/4	24	22 1/4	18 2/4	19 2/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

JANUARY CBOT WHEAT RALLIES REVERSED BY FEBRUARY BREAK... FADE RALLIES IN JANUARY

In the grain markets, the "February Break" is the stuff of legends. However, only the Wheat market seems to have continued this tradition. The February Break is especially powerful following January Rallies. Following the last 14 January Rallies basis May CBOT Wheat, prices have declined in February 11 times (78.5%).

MAY CBOT WHEAT FUTURES CHANGES IN CENTS/BU

YEAR	JAN CLOSE	JAN CHANGE	FEB HIGH	FEB LOW	FEB CLOSE	FEB RALLY	FEB BREAK	FEB CHANGE
1982	391 3/4	-9	400 1/2	360 1/2	366 3/4	8 3/4	-31 1/4	-25
1983	351 1/2	13	363 1/2	318 1/2	321 1/2	12	-33	-30
1984	334	-26 1/2	339 3/4	324 1/2	331 1/4	5 3/4	-9 1/2	-2 3/4
1985	343 1/2	2 1/2	350	333 3/4	336 1/4	6 1/2	-9 3/4	-7 1/4
1986	288 1/4	-32 3/4	294	274	286 1/4	5 3/4	-14 1/4	-2
1987	271 1/4	10 1/2	282	263	280	10 3/4	-8 1/4	8 3/4
1988	327	19 1/2	339	318	323 1/2	12	-9	-3 1/2
1989	435	9	436	417 1/2	434 3/4	1	-17 1/2	- 1/4
1990	362 3/4	-25	369 1/2	359 1/2	362 1/4	6 3/4	-3 1/4	- 1/2
1991	271 1/4	4 3/4	272 1/2	258 1/2	269 1/2	1 1/4	-12 3/4	-1 3/4
1992	421 1/2	40 1/2	453	399	400	31 1/2	-22 1/2	-21 1/2
1993	352 3/4	14 1/2	352	330	333 1/4	- 3/4	-22 3/4	-19 1/2
1994	353 3/4	-6 1/4	367 1/4	342 1/4	345 1/4	13 1/2	-11 1/2	-8 1/2
1995	358 3/4	-18	368 1/2	346 1/2	347 1/4	9 3/4	-12 1/4	-11 1/2
1996	485 1/2	6 1/2	508 1/2	482	501 1/2	23	-3 1/2	16
1997	348 1/2	-12 1/2	382	345 1/2	375 1/4	33 1/2	-3	26 3/4
1998	347 1/4	13 3/4	356	327	338 1/4	8 3/4	-20 1/4	-9
1999	285 1/2	- 3/4	284 1/2	248	248 1/2	-1	-37 1/2	-37
2000	268	10	284 3/4	255	259	16 3/4	-13	-9
2001	285	-5 1/4	284 3/4	268	276 3/4	- 1/4	-17	-8 1/4
2002	289 3/4	3 3/4	291 1/2	275	276	1 3/4	-14 3/4	-13 3/4
2003	313	-4 1/2	336 1/2	309	310 1/4	23 1/2	-4	-2 3/4
2004	395	16 3/4	404	371	390 3/4	9	-24	-4 1/4
2005	298 3/4	-15 1/2	346 1/2	295	345 1/4	47 3/4	-3 3/4	46 1/2
2006	354 1/2	5 3/4	390 1/2	348 1/2	381	36	-6	26 1/2
2007	481	-27	509	461 1/2	488	28	-19 1/2	7
AVERAGE		**- 1/2**				**13 1/2**	**-14 3/4**	**-3 1/2**
# UP		**14**				**23**	**0**	**6**
# DOWN		**12**				**3**	**26**	**20**
Following Up January					**AVERAGE**	**12**	**-15 1/2**	**-4 3/4**
					# UP	**13**	**0**	**3**
					# DOWN	**1**	**14**	**11**

FEB RALLY = FEBRUARY HIGH – JANUARY CLOSE, FEB BREAK = FEBRUARY LOW – JANUARY CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Traders should note that following January Rallies, February Rallies are smaller than average and February Breaks are more severe. The February Break is still alive and kicking in the Wheat market, and is especially tradable following a January Rally.

Win, Place or Show
Commodity Speculating Using Spreads

The futures markets provide a variety of trading opportunities. In addition to profiting from rising prices by purchasing futures options or from falling prices by selling futures contracts, there is an opportunity to profit from the relationship between different contracts – or SPREAD. A spread refers to the simultaneous purchase and sales of two or more different futures contracts.

There are three basic types of spreads: Interdelivery, Intermarket, and Intercommodity. The main reasons for trading spreads are two-fold: lower risk and attractive margin rates.

SPREAD TYPE DEFINITIONS

Interdelivery Spreads: Simultaneous purchase of one delivery month and the sale of another delivery month of the same commodity on the same exchange. AKA Intramarket, or Calendar Spread.

Intermarket Spreads: Simultaneous purchase of a given commodity and delivery month on one exchange and the sale of the same commodity and delivery month on a different exchange. AKA Interexchange spread.

Intercommodity Spreads: Simultaneous purchase of one commodity and delivery month and the sale of another different but related commodity with the same (or similar) delivery month.

The most common spread type traded is the **Interdelivery Spread**. An Interdelivery Spread position attempts to take advantage of the price difference between two delivery months of a single futures market when the trader perceives the difference to be abnormal.

Intermarket Spreads try to exploit price anomalies of the same commodity and delivery month on two different exchanges. This type of spread position is generally limited to Chicago, Kansas City and Minneapolis Wheat contracts being traded against each other.

The last general category for spreads is the **Intercommodity Spread**, or trading one market against another. These spreads are commonly done, and can theoretically include any commodity against any other commodity. However, only a few of the combinations of inter-commodity spreads are exchange recognized, and receive a break in margins, as usually margins for spreads are lower (but subject to change without notice by the Exchange).

Because of their hedged nature, spreads generally are less risky than outright futures positions. Since the prices of two different futures contracts (on the same commodity or different but related commodities) exhibit a strong tendency to move up or down together, spread trading offers protection against losses that arise from unexpected or extreme price volatility. Spreads offer "protection" because losses on one side of the spread are more or less offset by gains from the other side of the spread.

Due to the partially hedged nature of spread positions, margin requirements tend to be lower than outright futures positions. This is not always the case, but as a general rule of thumb, one can expect spread margins to be lower than outright futures positions for Exchange recognized spread positions. Like any other margin requirement, spread margins are subject to change, without notice, by either your brokerage house or the exchange without notice.

Like anything else in the futures market, margin levels for spreads can be used as a rough guide for the level of risk involved in that particular market. Generally, the higher the margin rate, the higher the risk involved in trading that particular market is, as well as the higher the potential reward. As such, spread traders usually choose this avenue because of the lower perceived risks, and are willing to sacrifice the tremendous upside potential of trading straight futures positions, in return for the lower risk of trading spreads.

Spread trading is still considered much too complicated or esoteric for many, and as such many of the market anomalies have yet to be worked out of the market, leaving opportunity for the astute trader willing to venture off the traditional path. However, spread trading has its own unique set of risks as well, and in some cases may actually entail more risk than an outright futures position. As such, traders should fully understand the potential risks and rewards involved in spread trading before initiating any position.

JANUARY GRAIN SPREAD...
LONG JULY / SHORT MARCH CBOT WHEAT

The Fabled February Break is alive and well in CBOT Wheat, but only in the CBOT Wheat. Typically the near term CBOT Wheat contract (March) comes under marketing pressure from tax deferred sales, while the "new crop" contract tends to gain – at least relative to the "old crop" contract – at the beginning of the year.

JULY CBOT WHEAT – MARCH CBOT WHEAT
ENTER ROUGHLY JANUARY 10TH / EXIT ROUGHLY FEBRUARY 13TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
1/10/2007	13 2/4	2/13/2007	23 2/4	10	$ 500.00	21 2/4	13 2/4
1/10/2006	19	2/13/2006	20 3/4	1 3/4	$ 87.50	21 2/4	19
1/11/2005	13 2/4	2/11/2005	14 2/4	2	$ 100.00	2	0
1/9/2004	-15 1/4	2/12/2004	-12 2/4	2 3/4	$ 137.50	-9 3/4	-17
1/9/2003	-10	2/13/2003	-7 2/4	2 2/4	$ 125.00	- 2/4	-10
1/9/2002	-8 1/4	2/13/2002	9 3/4	18	$ 900.00	10 1/4	-8 1/4
1/9/2001	21 2/4	2/13/2001	23 1/4	1 3/4	$ 87.50	23 2/4	20 3/4
1/10/2000	21 1/4	2/11/2000	22	3/4	$ 37.50	22 2/4	20 3/4
1/11/1999	20 2/4	2/11/1999	20 2/4	0	$ -	21	19 2/4
1/9/1998	15 1/4	2/12/1998	19 1/4	4	$ 200.00	19 1/4	14 2/4
1/8/1997	-45 2/4	2/12/1997	-15 1/4	30 1/4	$ 1,512.50	-13	-45 2/4
1/9/1996	-63 3/4	2/12/1996	-57	6 3/4	$ 337.50	-57	-77 3/4
1/10/1995	-44 3/4	2/13/1995	-33 2/4	11 1/4	$ 562.50	-27 1/4	-44 3/4
1/10/1994	-44 2/4	2/11/1994	-26 3/4	17 3/4	$ 887.50	-23	-44 2/4
1/8/1993	-48 2/4	2/11/1993	-44	4 2/4	$ 225.00	-41 3/4	-56

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	114	$ 5,700.00	**Maximum Draw**	-14	$ (700.00)
# Win	14	**Average P&L**	7 2/4	$ 380.00	**Average Draw**	-2 3/4	$ (132.50)
# Loss	1	**Average Win**	8 1/4	$ 407.14			
% Win	93%	**Average Loss**	0	$ -	**Worst Draw on Win**	-14	$ (700.00)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.
HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

FEBRUARY 2008

MON	TUE	WED	THU	FRI	WEEK #
				1 Semi-Annual Cattle Report	**5**
4	**5**	**6**	**7**	**8** US and World Supply/Demand	**6**
11	**12**	**13**	**14**	**15**	**7**
18 **PRESIDENT'S DAY**	**19**	**20**	**21**	**22** COF Cold Storage Slaughter	**8**
25	**26**	**27**	**28**	**29**	**9**

MAJOR REPORTS

1 MONTHLY CROP REPORT ON 8TH

IMPORTANT SEASONALITY

1 CBOT WHEAT DOWN 20 OF LAST 26 YEARS

2 MIXED MONTH FOR CORN AND SOY

WEEKLY PERFORMANCE

	WEEK#5	WEEK#6	WEEK#7	WEEK#8	WEEK#9
			CORN		
# Up	13	15	12	17	13
# Down	12	11	14	9	12
CHANGE	1/4	3/4	1/4	1 1/4	- 1/4
RALLY	3 3/4	4	4	4	4
BREAK	-3	-3 1/4	-3 1/4	-3	-5
RANGE	6 3/4	7 1/4	7 1/4	7 1/4	9
			CBOT WHEAT		
# Up	16	11	11	10	11
# Down	9	15	15	16	13
CHANGE	2 1/4	- 3/4	-2 1/4	-1 1/4	-2
RALLY	7 2/4	6	6 1/4	6	6
BREAK	-6	-6 3/4	-8 2/4	-9	-9
RANGE	13 2/4	12 2/4	14 3/4	15	14 3/4
			SOYBEANS		
# Up	11	12	16	15	17
# Down	15	13	10	11	9
CHANGE	-1 3/4	1/4	4 2/4	3 3/4	1 2/4
RALLY	9 1/4	9 2/4	12 2/4	12 1/4	9 3/4
BREAK	-10 1/4	-9 1/4	-8	-7 2/4	-10 2/4
RANGE	19 2/4	18 3/4	20 2/4	19 3/4	20 1/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

THE FABLED FEBRUARY BREAK...
STILL ALIVE IN THE WHEAT MARKET

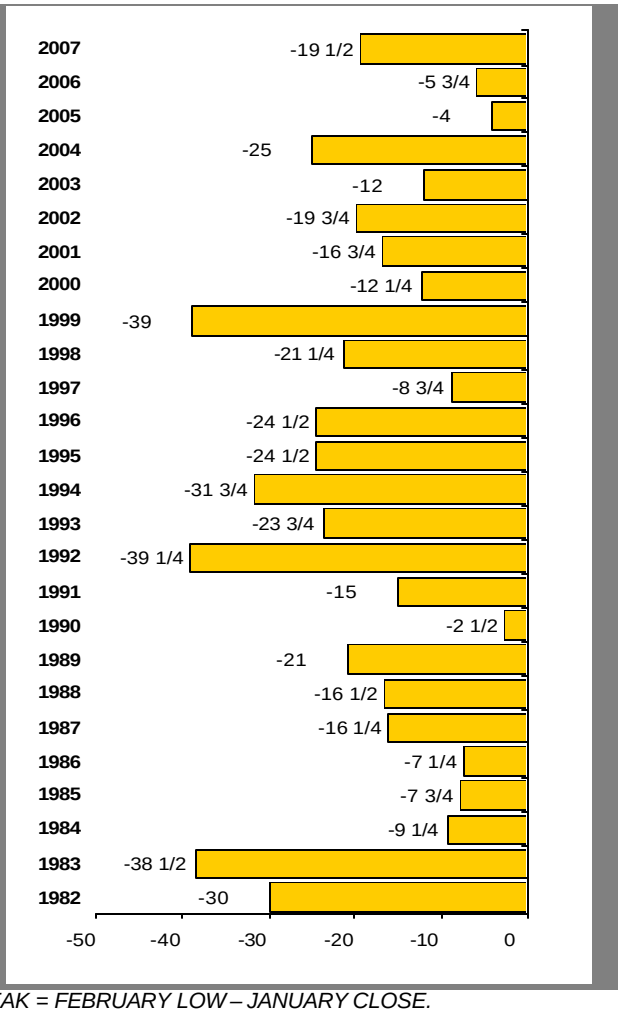
In the grain markets, the "February Break" is the stuff of legends. However, only the Wheat market seems to have continued this tradition. February is a strong month for the Soybean complex futures as well as Corn. In fact, KCBT (HRW) and MPLS (HRS) Wheat are not particularly weak in February. But, CBOT (SRW) Wheat surely is, keeping the tradition of a February break alive.

In the last 26 years, March CBOT Wheat futures have declined in February 20 times (76.9%) with an average decline of -6 ¾ cents/bu, making February the month with the worst "batting average" for Wheat and the 2nd weakest month on record.

MARCH CBOT WHEAT CHANGES IN CENTS/BU

YEAR	FEB CLOSE	FEB CHANGE	FEB RALLY	FEB BREAK
1982	356	-21	8	-30
1983	306 1/4	-37 1/4	9	-38 1/2
1984	326 1/4	-2 1/2	8 1/2	-9 1/4
1985	346 1/4	-4 1/2	9	-7 3/4
1986	337	9 3/4	12 1/4	-7 1/4
1987	282 3/4	-5 1/2	2	-16 1/4
1988	315 1/2	-10 1/2	13	-16 1/2
1989	436 1/4	-4 1/4	-1	-21
1990	393 1/4	17 1/2	22 1/2	-2 1/2
1991	259 3/4	-3 1/4	1/2	-15
1992	401 1/2	-38 3/4	23	-39 1/4
1993	372 1/4	-7 3/4	1/2	-23 3/4
1994	342 1/2	-29 1/4	6 3/4	-31 3/4
1995	349 3/4	-23 3/4	4 1/2	-24 1/2
1996	512 1/2	-7	13 1/2	-24 1/2
1997	373	13 1/4	20 1/4	-8 3/4
1998	327 1/2	-9 3/4	9 3/4	-21 1/4
1999	237 1/4	-38 1/4	-1	-39
2000	247	-9 1/4	17 1/4	-12 1/4
2001	265	-8	0	-16 3/4
2002	267 1/4	-18 3/4	2 1/4	-19 3/4
2003	312 1/2	-8	17 1/2	-12
2004	380 3/4	-8 1/4	6	-25
2005	337 1/4	46 1/4	46 1/2	-4
2006	370 1/4	27	34 3/4	-5 3/4
2007	474 1/2	7	25 1/2	-19 1/2
	AVERAGE	**-6 1/2**	**12**	**-19**
	# UP	**6**	**23**	**0**
	# DOWN	**20**	**2**	**26**

FEBRUARY CHANGES GRAPHICALLY



FEB RALLY = FEBRUARY HIGH – JANUARY CLOSE, FEBRUARY BREAK = FEBRUARY LOW – JANUARY CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

The average February Break of -19 cents/bu dwarfs the average rally of +12 cents/bu. Since 1982, only 6 years have seen February Rallies in excess of +20 cents, almost twice as many years have seen February Breaks in excess of -20 cents.

The February Break is especially tradable following January Rallies, as this pattern tends to see larger breaks and smaller rallies in February.

FEBRUARY CORN WEAKNESS REVERSED IN MARCH… BUY FEBRUARY BREAKS

The Fabled "February Break" may be over stated in the Corn market, as February is the 3rd strongest month on record for Corn. However, following the last 12 breaks during February in May Corn futures, prices have reversed in March 9 times (75.0%).

JULY CORN FUTURES CENTS/BU CHANGES

YEAR	FEB CLOSE	FEB CHANGE	MAR HIGH	MAR LOW	MAR CLOSE	MAR CHANGE	MAR RALLY	MAR BREAK
1982	280 3/4	-13	285 3/4	273	284 1/4	3 1/2	5	-7 3/4
1983	287 1/4	1 3/4	320 1/2	287 1/2	317	29 3/4	33 1/4	1/4
1984	331 1/2	-1	352 1/4	331	348 1/2	17	20 3/4	- 1/2
1985	274 1/2	-5 3/4	281 3/4	273	281 1/2	7	7 1/4	-1 1/2
1986	225 1/4	-19	234 1/2	222 1/4	230 3/4	5 1/2	9 1/4	-3
1987	157 1/4	-10 3/4	167 3/4	155	165 3/4	8 1/2	10 1/2	-2 1/4
1988	213 1/2	8	217 3/4	205 3/4	215 3/4	2 1/4	4 1/4	-7 3/4
1989	281 3/4	-4	288 1/2	266	271	-10 3/4	6 3/4	-15 3/4
1990	257 3/4	10	265 1/2	252	263 3/4	6	7 3/4	-5 3/4
1991	258 3/4	1/4	267 1/4	253 1/2	259 1/2	3/4	8 1/2	-5 1/4
1992	279 1/4	4 1/2	285	269	269 1/4	-10	5 3/4	-10 1/4
1993	225 3/4	-4	237 3/4	225 1/2	235 3/4	10	12	- 1/4
1994	296 1/2	3/4	297 3/4	279 1/2	279 3/4	-16 3/4	1 1/4	-17
1995	248 1/4	6	258 1/2	245 1/2	255 3/4	7 1/2	10 1/4	-2 3/4
1996	382	14	395	370	394	12	13	-12
1997	294	27 1/4	311 1/2	291 1/2	310 1/4	16 1/4	17 1/2	-2 1/2
1998	276 3/4	-9	289	265 1/4	265 3/4	-11	12 1/4	-11 1/2
1999	216	-9 1/4	240 1/4	216 1/2	231 1/2	15 1/2	24 1/4	1/2
2000	232 1/4	-2 1/4	249 1/2	230 1/4	244 1/2	12 1/4	17 1/4	-2
2001	230 1/2	5 1/2	233 3/4	211	212	-18 1/2	3 1/4	-19 1/2
2002	214 1/4	-5 1/2	219 1/2	208 1/2	209	-5 1/4	5 1/4	-5 3/4
2003	235 1/2	-7 1/2	242 3/4	227 1/4	237	1 1/2	7 1/4	-8 1/4
2004	305 3/4	22	327 1/2	294 3/4	325 1/2	19 3/4	21 3/4	-11
2005	229 3/4	18	238	217	221	-8 3/4	8 1/4	-12 3/4
2006	248 1/4	10 1/4	254	227 3/4	247 1/4	-1	5 3/4	-20 1/2
2007	444 1/4	21 3/4	439	385 1/2	385 1/2	-58 3/4	-5 1/4	-58 3/4
	AVERAGE	**2 1/4**				**1 1/4**	**10 1/2**	**-9 1/4**
	#UP	**14**				**17**	**25**	**2**
	#DOWN	**12**				**9**	**1**	**24**
	FOLLOWING DOWN FEBRUARY							
	AVERAGE					**4 1/2**	**11 1/2**	**-4 3/4**
	#UP					**9**	**12**	**1**
	#DOWN					**3**	**0**	**11**

MAR RALLY = MARCH HIGH – FEBRUARY CLOSE; MAR BREAK = MARCH LOW – FEBRUARY CLOSE
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On average following a February decline in Corn prices, the May futures have rallied in March by an average of +11 ½ cents/bu and only declined by an average of -4 ¾ cents/bu. As such, traders should view February Breaks in May Corn futures with great trepidation, perhaps looking to these bargain pricing situations as an opportunity to establish "long" positions ahead of planting and increasing crop risk.

FEBRUARY GRAIN SPREAD...
LONG JULY / SHORT MAY CBOT WHEAT

Tax deferred marketings in the New Year combined with transportation problems tend to weigh on near-term contracts (like the "old crop" May contract) relative to the deferred contracts (like the "new crop" July contract) in the CBOT Wheat market.

JULY CBOT WHEAT – MAY CBOT WHEAT
ENTER ROUGHLY FEBRUARY 2ND / EXIT ROUGHLY APRIL 8TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
2/2/2007	7 2/4	4/9/2007	14 2/4	7	$ 350.00	15 3/4	7 1/4
2/2/2006	10 1/4	4/7/2006	13 2/4	3 1/4	$ 162.50	14	8 3/4
2/2/2005	6 2/4	4/8/2005	10	3 2/4	$ 175.00	10 2/4	4 3/4
2/2/2004	-4 2/4	4/8/2004	9 2/4	14	$ 700.00	6	-11 1/4
2/3/2003	-3 2/4	4/8/2003	6	9 2/4	$ 475.00	6	-11 1/4
2/1/2002	3 3/4	4/8/2002	6 3/4	3	$ 150.00	6 3/4	2
2/1/2001	11	4/9/2001	11 3/4	3/4	$ 37.50	12	10 1/4
2/1/2000	10 2/4	4/10/2000	12 1/4	1 3/4	$ 87.50	12 2/4	9 2/4
2/1/1999	9	4/9/1999	10 2/4	1 2/4	$ 75.00	11	9
2/2/1998	7 2/4	4/8/1998	10 2/4	3	$ 150.00	10 2/4	7 1/4
2/3/1997	-12	4/8/1997	4	16	$ 800.00	4	-15 1/4
2/1/1996	-35 3/4	4/9/1996	-29 3/4	6	$ 300.00	-25 2/4	-42 2/4
2/1/1995	-21	4/10/1995	1	22	$ 1,100.00	1	-25 1/4
2/1/1994	-11	4/11/1994	-5 2/4	5 2/4	$ 275.00	-2	-17 1/4
2/1/1993	-21 1/4	4/12/1993	-36 1/4	-15	$ (750.00)	-17 1/4	-44 1/4

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	81 3/4	$ 4,087.50	**Maximum Draw**	-23	$ (1,150.00)
# Win	14	**Average P&L**	5 2/4	$ 272.50	**Average Draw**	-4 1/4	$ (217.50)
# Loss	1	**Average Win**	7	$ 345.54			
% Win	93%	**Average Loss**	-15	$ (750.00)	**Worst Draw on Win**	-7 3/4	$ (387.50)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.
HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

MARCH 2008

MON	TUE	WED	THU	FRI	WEEK #
					9
3	**4**	**5**	**6**	**7**	**10**
10	**11** US and World Supply/Demand	**12**	**13**	**14**	**11**
17	**18**	**19**	**20** COF Cold Storage Slaughter	**21**	**12**
24	**25**	**26**	**27**	**28** Hogs & Pigs	**13**
31 **Prospective Plantings for US Crops** **US Grain & Oilseeds Stock**					

MAJOR REPORTS

1 PROSPECTIVE PLANTINGS ON 31ST
2 CROP PRODUCTION ON 11TH
3 GRAIN & OILSEED STOCKS ON 31ST

IMPORTANT SEASONALITY

1 STRONGEST MONTH FOR SOYBEANS
2 CORN STRONG ALSO
3 2ND STRONGEST FOR SOYMEAL

WEEKLY PERFORMANCE

	WEEK#9	WEEK#10	WEEK#11	WEEK#12	WEEK#13
			CORN		
# Up	13	10	11	12	13
# Down	12	17	13	12	14
CHANGE	- 1/4	9	13	12	12
RALLY	4	1 1/4	- 2/4	1 1/4	3/4
BREAK	-5	4 2/4	5	5	5 2/4
RANGE	9	-3	-4 1/4	-3	-4 1/4
			CBOT WHEAT		
# Up	11	10	11	12	13
# Down	13	11	13	16	12
CHANGE	-2	15	13	9	14
RALLY	6	0	-2 1/4	2 1/4	-1
BREAK	-9	8	7	9 3/4	8
RANGE	14 3/4	-6	-8 2/4	-6 1/4	-7 3/4
			SOYBEANS		
# Up	17	16	16	17	17
# Down	9	10	10	9	8
CHANGE	1 2/4	3 2/4	3/4	10 3/4	2 2/4
RALLY	9 3/4	12 1/4	18 3/4	24	10 3/4
BREAK	-10 2/4	-8 2/4	-15 3/4	-11	-6 1/4
RANGE	20 1/4	20 3/4	34 3/4	34 3/4	16 3/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

BUILDING A PLANTING PREMIUM…
MARCH/APRIL PERIOD SEE SOYBEAN STRENGTH

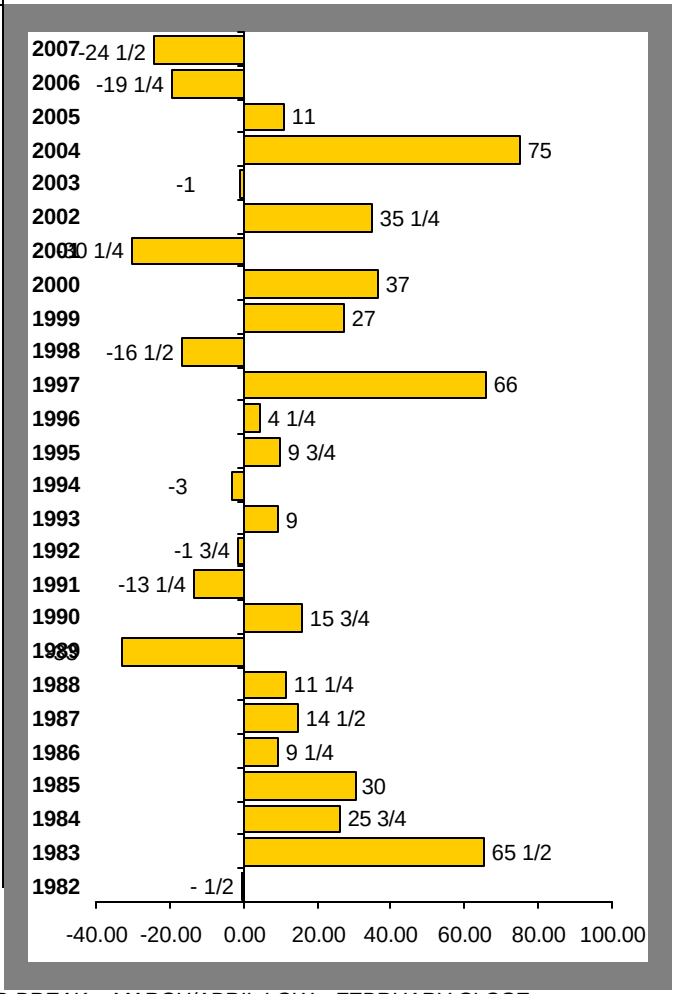
Typically in April, Soybean planting begins in the United States. At the same time, the Brazilian Soybean Crop is starting to be Harvested. Typically both planting and harvest are a time of crop risk as many things can wrong: too much or little precipitation, extreme temperatures, disease, etc. As such, future supply is extremely uncertain.

Combine crop risk with typically low stocks and it becomes obvious why March has tended to be the strongest month on record for Soybean futures. The July futures have posted gains in 16 years since 1982 (61.5%), adding an average of +11 ¾ cents.

JULY SOYBEAN FUTURES CHANGES IN CENTS/BU.

YEAR	APR CLOSE	APR CHANGE	MAR/APR RALLY	MAR/APR BREAK
1982	665 1/2	17 1/2	36	-33
1983	657 1/4	69 1/4	85	2 1/2
1984	782 1/2	9	52 1/2	-2
1985	594 1/2	10	38 1/2	-4
1986	551	18 3/4	31 1/4	-17
1987	537	56	57 1/2	1/4
1988	698 1/2	49 1/4	49 3/4	-33 1/4
1989	729 1/2	-51 1/2	23 1/2	-66
1990	648 1/2	56	63 1/2	-3
1991	589 1/2	-11	23	-22
1992	580 1/4	-18	16 1/4	-25
1993	591 1/4	6 3/4	19 1/2	-4 1/2
1994	676 1/2	-10	11 1/2	-37 1/4
1995	580	5 1/2	29 1/2	-3
1996	795	41	93	-32 1/2
1997	887	95	100	9
1998	638 1/2	-25	20 1/2	-35 1/2
1999	486 1/2	20 1/4	48 3/4	2 1/4
2000	539 1/4	18 3/4	45 1/2	-9
2001	438	-24 3/4	15	-40 3/4
2002	466 3/4	21 1/2	38 3/4	- 1/4
2003	627 1/4	53	59 1/4	-18 1/4
2004	1013	93	144	-21
2005	626 1/4	1 1/4	71	-14 1/2
2006	601	-3 3/4	13 3/4	-36 1/2
2007	743	-59 1/2	-1 1/2	-77
	AVERAGE	**16 6/7**	**45 2/4**	**-20**
	# UP	**18**	**25**	**4**
	# DOWN	**8**	**1**	**22**

MARCH CHANGES GRAPHICALLY



MAR/APR RALLY = MARCH/APRIL HIGH – FEBRUARY CLOSE, MAR/APR BREAK = MARCH/APRIL LOW – FEBRUARY CLOSE.
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Even more impressive than March's gain is the March/April gain, which has seen July Soybeans gain an average of +16 ¾ cents/bu in 18 of the last 26 years (69.2%). In almost half the years studied, July Soybeans rallies in excess of +50 cents/bu during this planting period as well. As such, traders should really look at this period with extreme bullishness.

MARCH WEAKNESS SIGNALS CONTINUED WEAKNESS... SELL MARCH CORN BREAKS

March has the best "batting average" of any month for Corn with 17 rallies and 9 breaks since 1982. However, following the rare bout of March weakness – only occurring in 9 years since '82, though in each of the last 3 years – July Corn futures have continued lower in April.

JULY CORN FUTURES CENTS/BU CHANGES

YEAR	MAR CLOSE	MAR CHANGE	APR HIGH	APR LOW	APR CLOSE	APR CHANGE	APR RALLY	APR BREAK
1982	284 1/4	3 1/2	294 1/4	283 3/4	286 1/4	2	10	- 1/2
1983	317	29 3/4	323 3/4	309	318 1/4	1 1/4	6 3/4	-8
1984	348 1/2	17	361 1/4	341	342 1/4	-6 1/4	12 3/4	-7 1/2
1985	281 1/2	7	285 1/4	279	279 3/4	-1 3/4	3 3/4	-2 1/2
1986	230 3/4	5 1/2	232 3/4	215 1/2	232 3/4	2	2	-15 1/4
1987	165 3/4	8 1/2	184 1/2	160 1/2	184 1/4	18 1/2	18 3/4	-5 1/4
1988	215 3/4	2 1/4	219 1/4	207	211 1/4	-4 1/2	3 1/2	-8 3/4
1989	271	-10 3/4	283	261	270 1/2	- 1/2	12	-10
1990	263 3/4	6	285	265	283	19 1/4	21 1/4	1 1/4
1991	259 1/2	3/4	268 1/2	253 3/4	254	-5 1/2	9	-5 3/4
1992	269 1/4	-10	270	249 1/4	249 1/2	-19 3/4	3/4	-20
1993	235 3/4	10	239 1/2	227 3/4	232 1/2	-3 1/4	3 3/4	-8
1994	279 3/4	-16 3/4	282	257 3/4	272	-7 3/4	2 1/4	-22
1995	255 3/4	7 1/2	260	249	255 1/4	- 1/2	4 1/4	-6 3/4
1996	394	12	484	394 1/2	452	58	90	1/2
1997	310 1/4	16 1/4	320 3/4	290	293 1/4	-17	10 1/2	-20 1/4
1998	265 3/4	-11	268	251 1/4	252 1/4	-13 1/2	2 1/4	-14 1/2
1999	231 1/2	15 1/2	231 1/2	217 1/2	218 3/4	-12 3/4	0	-14
2000	244 1/2	12 1/4	248	231 1/2	232	-12 1/2	3 1/2	-13
2001	212	-18 1/2	222 3/4	201 1/2	207 1/2	-4 1/2	10 3/4	-10 1/2
2002	209	-5 1/4	211 1/4	199 1/2	200 1/2	-8 1/2	2 1/4	-9 1/2
2003	237	1 1/2	246 1/2	229 1/2	231 1/4	-5 3/4	9 1/2	-7 1/2
2004	325 1/2	19 3/4	342	303	320 1/4	-5 1/4	16 1/2	-22 1/2
2005	221	-8 3/4	223 3/4	211 1/4	213 1/2	-7 1/2	2 3/4	-9 3/4
2006	247 1/4	-1	255	240 1/4	249	1 3/4	7 3/4	-7
2007	385 1/2	-58 3/4	393	355 1/2	367 1/2	-18	7 1/2	-30
	AVERAGE	**1 1/4**				**-2**	**10 1/2**	**-10 3/4**
	#UP	**17**				**7**	**25**	**2**
	#DOWN	**9**				**19**	**0**	**24**
	FOLLOWING DOWN MARCH							
	AVERAGE					**-8 1/2**	**5 1/2**	**-14 3/4**
	#UP					**1**	**9**	**0**
	#DOWN					**8**	**0**	**9**

APR RALLY = APRIL HIGH – MARCH CLOSE; APR BREAK = APRIL LOW – MARCH CLOSE
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March is usually when the Corn market begins to build a "risk premium" into future supply. When the market fails to do so, it is counting on a large supply, and usually continues to break in April. Following the last 9 down March's, the July Corn futures have continued lower by -8 ½ cents/bu in April with an average break of -14 ¾ cents versus an average rally of +5 ½ cents – or almost 3 to 1 to the downside, showing the potential for weakness to continue following March weakness in April.

MARCH CBOT WHEAT RALLIES FADE AHEAD OF HARVEST… SELL WHEAT POST SPRING RALLIES

The spring thaw in the Northern hemisphere can often be met with uncertainty regarding future production of Winter Wheat. As the Winter Wheat crop begins emerging and heading, the prospect for future supplies becomes more certain. The advent of future supply tends to curtail spring rallies as evident by the fact that 8 of the last 12 March rallies (66.6%) have been reversed in April.

JULY T WHEAT FUTURES CHANGES IN CENTS/BU

YEAR	MAR CLOSE	MAR CHANGE	APR HIGH	APR LOW	APR CLOSE	APR RALLY	APR BREAK	APR CHANGE
1982	**376**	- 3/4	394	368	374 3/4	18	-8	-1 1/4
1983	**368 1/2**	35 3/4	378	349 1/2	361 1/2	9 1/2	-19	-7
1984	**354 1/2**	26 3/4	360	341 1/2	341 3/4	5 1/2	-13	-12 3/4
1985	**336 1/2**	10 1/4	342	324 3/4	327	5 1/2	-11 3/4	-9 1/2
1986	**253 1/2**	-1 1/4	293 1/2	241	293 1/2	40	-12 1/2	40
1987	**269**	11 1/4	276	259	274	7	-10	5
1988	**307**	-21 1/4	330	305 3/4	315 1/2	23	-1 1/4	8 1/2
1989	**387 1/2**	-18 3/4	406	380	405	18 1/2	-7 1/2	17 1/2
1990	**337 3/4**	-7 1/4	347	332	345 3/4	9 1/4	-5 3/4	8
1991	**296**	16	303 1/2	279	283 1/4	7 1/2	-17	-12 3/4
1992	**361**	-24 3/4	370	348	353 1/2	9	-13	-7 1/2
1993	**310 1/4**	-4 1/2	316 1/2	295 1/2	301 1/4	6 1/4	-14 3/4	-9
1994	**323 1/4**	-11 3/4	339	311 1/4	330 3/4	15 3/4	-12	7 1/2
1995	**339**	7 1/2	358 1/2	337 1/2	351	19 1/2	-1 1/2	12
1996	**470 3/4**	9	636	467	567	165 1/4	-3 3/4	96 1/4
1997	**394**	29 1/2	459	367	433 1/2	65	-27	39 1/2
1998	**329 1/2**	-18 1/2	327 1/2	301	301 1/4	-2	-28 1/2	-28 1/4
1999	**290 3/4**	31 3/4	291	258 1/2	268	1/4	-32 1/4	-22 3/4
2000	**274 1/4**	4	278 1/2	253	254 3/4	4 1/4	-21 1/4	-19 1/2
2001	**266 1/2**	-21 1/4	284	267	283 1/4	17 1/2	1/2	16 3/4
2002	**289**	6 1/2	293 1/2	264 1/2	268 3/4	4 1/2	-24 1/2	-20 1/4
2003	**289**	-15 3/4	296 1/2	279 1/2	282 3/4	7 1/2	-9 1/2	-6 1/4
2004	**415 3/4**	23 1/2	430 1/2	375	390	14 3/4	-40 3/4	-25 3/4
2005	**341**	-10 1/2	340	311	326	-1	-30	-15
2006	**361 1/2**	-32	382	351	358 1/2	20 1/2	-10 1/2	-3
2007	**453 3/4**	-44 3/4	530	426	495 1/2	76 1/4	-27 3/4	41 3/4
AVERAGE		**-1**				**21 3/4**	**-15 1/2**	**3 1/2**
# UP		**12**				**24**	**1**	**11**
# DOWN		**14**				**2**	**25**	**15**
Following Up March					**AVERAGE**	**25 1/2**	**-18 2/4**	**1 3/4**
					# UP	**12**	**0**	**4**
					# DOWN	**0**	**12**	**8**

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On average following a March Rally, July CBOT Wheat futures have suffered an April Break of -18 ½ cents/bu. As such, traders should be on edge following a strong March. However, April Breaks tend to be short and violent, with prices coming back later in the month as the crop approaches heading and further risk to future supply.

MARCH GRAIN SPREAD...
LONG JULY / SHORT DECEMBER SOYMEAL

Increasing numbers of Cattle and Hogs being fed, coupled with declining Soymeal stocks, as the U.S. Soybean crop is approaching planting and the South American crop still has not begun harvest, tends to support near-by Soymeal futures relative to deferred contracts – like the July versus the December Soymeal contracts.

JULY SOYMEAL – DECEMBER SOYMEAL
ENTER ROUGHLY MARCH 3RD / EXIT ROUGHLY MAY 9TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
3/7/2007	-6.9	5/9/2007	-9.9	-3.0	$ (300.00)	-6.9	-10.5
3/7/2006	-3.8	5/10/2006	-4.8	-1.0	$ (100.00)	-3.9	-5.1
3/7/2005	-1.3	5/10/2005	1.3	2.6	$ 260.00	6.2	-1.3
3/8/2004	59.5	5/10/2004	85.5	26.0	$ 2,600.00	124.5	59.5
3/7/2003	16.4	5/9/2003	27.6	11.2	$ 1,119.00	44.2	16.3
3/7/2002	1.1	5/10/2002	4.8	3.7	$ 370.00	19.1	1.1
3/7/2001	2.2	5/10/2001	9.2	7.0	$ 700.00	16.2	2.0
3/7/2000	-1.3	5/10/2000	-0.5	0.8	$ 79.00	0.7	-4.0
3/8/1999	-8.9	5/10/1999	-6.5	2.4	$ 240.00	-2.7	-8.9
3/9/1998	-6.4	5/8/1998	-4.4	2.0	$ 201.00	0.0	-8.2
3/7/1997	39.6	5/9/1997	66.4	26.8	$ 2,680.00	101.0	39.6
3/7/1996	2.6	5/10/1996	8.0	5.4	$ 540.00	17.6	-0.5
3/7/1995	-8.9	5/10/1995	-8.0	0.9	$ 90.00	-4.9	-9.9
3/7/1994	4.5	5/10/1994	6.7	2.2	$ 219.00	9.5	3.8
3/8/1993	-6.8	5/10/1993	-1.5	5.3	$ 530.00	5.2	-6.9

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	92.3	$ 9,228.00	**Maximum Draw**	-3.6	$ (360.00)
# Win	13	**Average P&L**	6.2	$ 615.20	**Average Draw**	-1.0	$ (97.33)
# Loss	2	**Average Win**	7.4	$ 740.62			
% Win	87%	**Average Loss**	-2.0	$ (200.00)	**Worst Draw on Win**	-3.1	$ (310.00)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.

SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.

DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HY POTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

APRIL 2008

MON	TUE	WED	THU	FRI	WEEK #
	1	**2**	**3**	**4**	**14**
7 Crop Progress	**8** Weather & Crop Summary	**9** US and World Supply/Demand	**10**	**11**	**15**
14 Crop Progress	**15** Weather & Crop Summary	**16**	**17**	**18** COF	**16**
21 **Cold Storage** Crop Progress	**22** Weather & Crop Summary	**23**	**24**	**25** Slaughter	**17**
28 Crop Progress	**29** Weather & Crop Summary	**30**	**1**	**2**	**18**

MAJOR REPORTS

1 MONTHLY CROP PRODUCTION ON 9TH
2 CROP PROGRESS REPORT BEGIN ON MONDAYS

IMPORTANT SEASONALITY

1 STRONGEST MONTH FOR CBOT WHEAT
2 STRONGEST MONTH FOR SOYBEAN OIL
3 WORST "BATTING AVERAGE" OF ANY MONTH FOR CORN -17 OF 26 DOWN

WEEKLY PERFORMANCE

	WEEK#14	WEEK#15	WEEK#16	WEEK#17	WEEK#18
			CORN		
# Up	15	9	14	11	13
# Down	10	15	11	15	13
CHANGE	1	- 3/4	- 2/4	2/4	1
RALLY	6 1/4	4 1/4	4	6	6
BREAK	-4 2/4	-5 1/4	-5 3/4	-4 3/4	-5 1/4
RANGE	10 3/4	9 2/4	9 3/4	10 2/4	11 1/4
			CBOT WHEAT		
# Up	14	13	13	13	13
# Down	12	13	13	13	13
CHANGE	- 1/4	2	1 2/4	1 3/4	-2 2/4
RALLY	9 1/4	9 2/4	8	10 1/4	9 2/4
BREAK	-8 2/4	-8 1/4	-9	-8 1/4	-10 1/4
RANGE	17 3/4	18	16 3/4	18 2/4	19 3/4
			SOYBEANS		
# Up	16	13	14	15	16
# Down	10	13	12	11	10
CHANGE	1 3/4	- 1/4	- 2/4	1 1/4	8 3/4
RALLY	9 3/4	8 1/4	8 2/4	12 2/4	18 3/4
BREAK	-8 2/4	-7 1/4	-10	-10 2/4	-8 3/4
RANGE	18 1/4	15 3/4	18 2/4	23	27 2/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

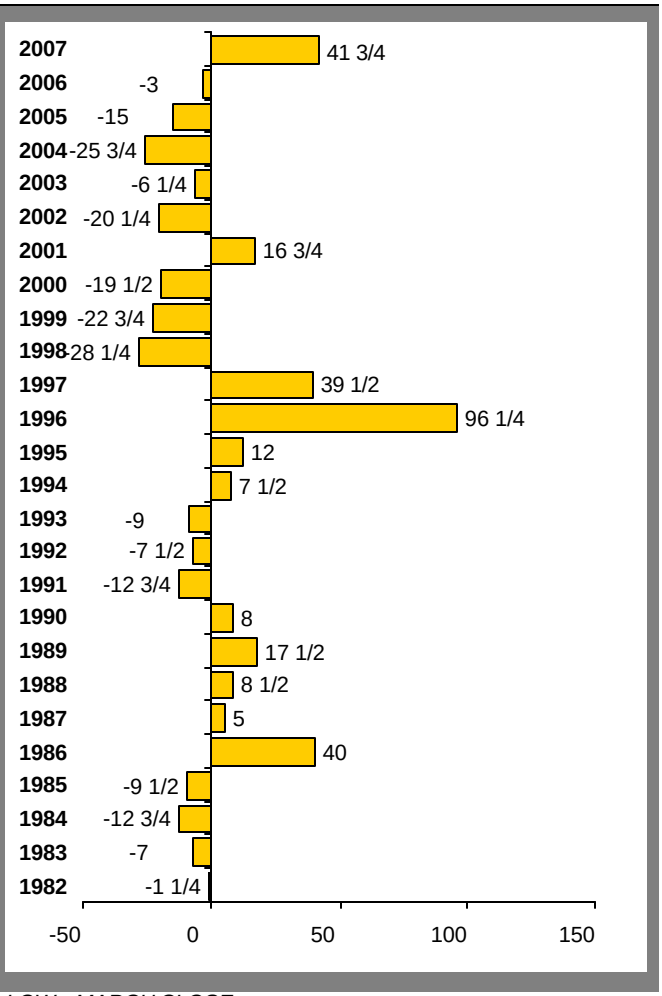
CBOT WHEAT STRONGEST MONTH…
PRE-HARVEST STRENGTH SHORT LIVED

With the harvest right around the corner, CBOT Wheat posts its strongest month on record with a total gain of +92 ¼ cents/bu since 1982 in April. Despite a "batting average" of 15 declines and only 11 rallies, July CBOT manages its largest monthly gain in April – due to especially large gains in '07, '96, '97, and '86.

JULY CBOT WHEAT CHANGES IN CENTS/BU

YEAR	APR CLOSE	APR CHANGE	APR RALLY	APR BREAK
1982	374 3/4	-1 1/4	18	-8
1983	361 1/2	-7	9 1/2	-19
1984	341 3/4	-12 3/4	5 1/2	-13
1985	327	-9 1/2	5 1/2	-11 3/4
1986	293 1/2	40	40	-12 1/2
1987	274	5	7	-10
1988	315 1/2	8 1/2	23	-1 1/4
1989	405	17 1/2	18 1/2	-7 1/2
1990	345 3/4	8	9 1/4	-5 3/4
1991	283 1/4	-12 3/4	7 1/2	-17
1992	353 1/2	-7 1/2	9	-13
1993	301 1/4	-9	6 1/4	-14 3/4
1994	330 3/4	7 1/2	15 3/4	-12
1995	351	12	19 1/2	-1 1/2
1996	567	96 1/4	165 1/4	-3 3/4
1997	433 1/2	39 1/2	65	-27
1998	301 1/4	-28 1/4	-2	-28 1/2
1999	268	-22 3/4	1/4	-32 1/4
2000	254 3/4	-19 1/2	4 1/4	-21 1/4
2001	283 1/4	16 3/4	17 1/2	1/2
2002	268 3/4	-20 1/4	4 1/2	-24 1/2
2003	282 3/4	-6 1/4	7 1/2	-9 1/2
2004	390	-25 3/4	14 3/4	-40 3/4
2005	326	-15	-1	-30
2006	358 1/2	-3	20 1/2	-10 1/2
2007	495 1/2	41 3/4	76 1/4	-27 3/4
	AVERAGE	**3 5/9**	**21 4/5**	**-15 1/2**
	# UP	**11**	**24**	**1**
	# DOWN	**15**	**2**	**25**

APRIL CHANGES GRAPHICALLY



APR RALLY = APRIL HIGH – MARCH CLOSE, APRIL BREAK = APRIL LOW – MARCH CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Traders should be cautious of trading CBOT Wheat strength in April though. Seven of the 11 April CBOT Wheat rallies have been reversed in May, as May is the weakest month on record. The best April's typically follow March weakness.

April strength is usually due to a lack of available supply, as stocks from the previous years harvest run low and demand begins to pick-up. The second strongest month for CBOT Wheat is August, as planting preparation begins, crop uncertainty runs high, and the marketplace has fully absorbed the plethora of supply associated with harvest.

SOYBEAN OIL'S STRONGEST MONTH...
PLANTING PREMIUMS PUSH SOYOIL HIGHER

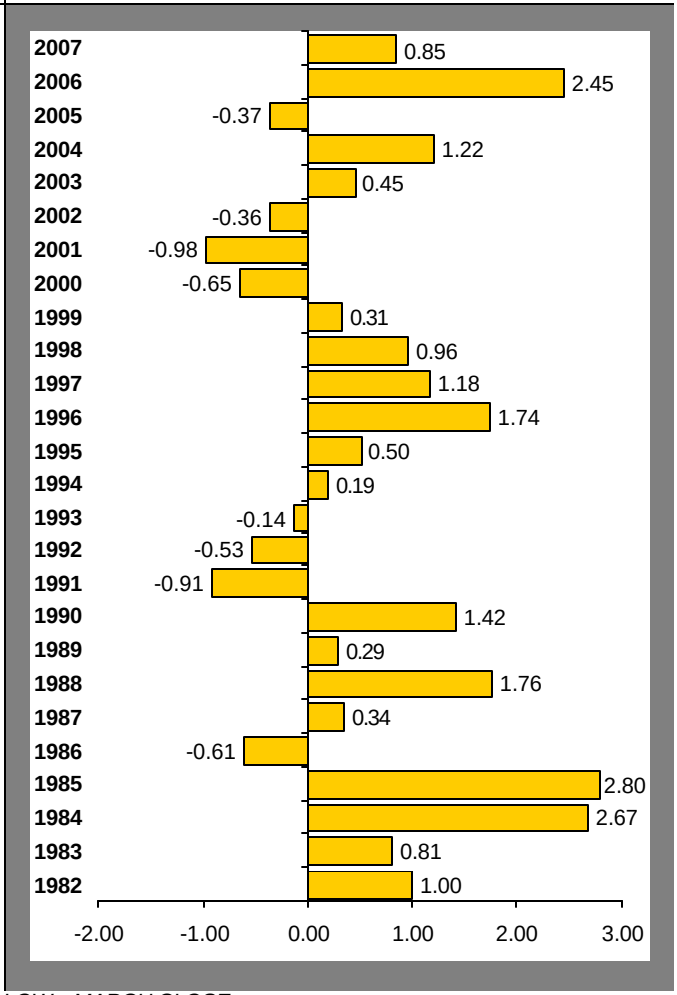
With the U.S. crop being planted and the Brazilian Crop beginning to be harvested, the readily available supply of Soybean Oil – a product of Soybean processing – tends to be relatively tight in April.

Since 1982, July Soybean Oil futures have gained a total of 16.39 cents/lb during the month of April. The July futures have advanced in 18 years (69.2%) and declined in 8 years, with 9 years showing a monthly gain in excess of 1.00 cent/lb.

JULY SOYBEAN OIL FUTURES CHANGES IN CENTS/LB.

YEAR	APR CLOSE	APR CHANGE	APR RALLY	APR BREAK
1982	20.43	1.00	1.47	0.02
1983	19.88	0.81	0.87	-0.15
1984	32.35	2.67	4.02	-0.08
1985	31.45	2.80	4.07	-0.25
1986	18.96	-0.61	-0.02	-2.27
1987	16.24	0.34	0.60	-0.27
1988	23.30	1.76	1.86	0.16
1989	23.38	0.29	0.96	-0.74
1990	23.62	1.42	1.75	-0.65
1991	20.68	-0.91	1.04	-0.93
1992	19.58	-0.53	0.09	-0.59
1993	21.04	-0.14	0.87	-0.16
1994	28.90	0.19	0.22	-1.71
1995	25.79	0.50	0.85	-0.47
1996	27.34	1.74	2.22	0.05
1997	25.47	1.18	1.36	-0.41
1998	28.53	0.96	1.98	-0.94
1999	19.47	0.31	1.57	-0.86
2000	18.05	-0.65	0.36	-0.82
2001	15.29	-0.98	0.16	-1.42
2002	16.32	-0.36	0.87	-0.37
2003	21.95	0.45	1.14	-0.19
2004	33.28	1.22	2.29	-1.36
2005	22.66	-0.37	0.36	-0.79
2006	25.72	2.45	3.30	-0.62
2007	33.77	0.85	1.09	-1.34
	AVERAGE	**0.63**	**1.36**	**-0.66**
	# UP	**18**	**25**	**3**
	# DOWN	**8**	**1**	**23**

APRIL CHANGES GRAPHICALLY



APR RALLY = APRIL HIGH – MARCH CLOSE, APR BREAK = APRIL LOW – MARCH CLOSE.
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The strongest April's have followed March declines, with 9 of the last 13 March declines (69.2%) reversed in April. However, traders should not become to infatuated with the bull side of the Bean Oil market. Since 1982, 13 of the last 18 years (72.2%) have seen the July futures reverse their April strength in May reversed, declining by an average of -0.70 cents/lb.

APRIL SOYBEAN STRENGTH REVERSED IN MAY… SELL APRIL STRENGTH IN JULY SOYBEANS

The U.S. Soybean crop begins being planted in April, while the South American crop is being harvested. April rallies are usually associated with either U.S. planting delays, or southern hemisphere harvest delays. However, both of these events usually run their course very smoothly, as such the rallies tend to be fleeting as supply becomes certain. This is evident by the mixed nature of April's performance (13 up, 13 down) as well as by the fact that 10 of the last 13 April rallies have been reversed in May.

JULY SOYBEAN FUTURES CHANGES IN CENTS/BU

YEAR	APR CLOSE	APR CHANGE	MAY HIGH	MAY LOW	MAY CLOSE	MAY RALLY	MAY BREAK	MAY CHANGE
1982	665 1/2	18	677	635	635 1/2	11 1/2	-30 1/2	-30
1983	657 1/4	3 3/4	660	607	607 1/2	2 3/4	-50 1/4	-49 3/4
1984	782 1/2	-16 3/4	899	778 1/2	847	116 1/2	-4	64 1/2
1985	594 1/2	-20	597	556 1/2	567 1/2	2 1/2	-38	-27
1986	551	9 1/2	554	525	525 1/4	3	-26	-25 3/4
1987	537	41 1/2	592 1/2	533 1/2	548 1/2	55 1/2	-3 1/2	11 1/2
1988	698 1/2	38	798	692	798	99 1/2	-6 1/2	99 1/2
1989	729 1/2	-18 1/2	758 1/2	688 1/2	714	29	-41	-15 1/2
1990	648 1/2	40 1/4	671 1/2	604	607 1/4	23	-44 1/2	-41 1/4
1991	589 1/2	2 1/4	596 1/2	567 1/2	581 1/2	7	-22	-8
1992	580 1/4	-16 1/4	625	578 1/4	614	44 3/4	-2	33 3/4
1993	591 1/4	-2 1/4	613 1/2	588	608 1/2	22 1/4	-3 1/4	17 1/4
1994	676 1/2	-7	732 1/2	656	701	56	-20 1/2	24 1/2
1995	580	-4 1/4	618 1/2	566	580 1/2	38 1/2	-14	1/2
1996	795	36 3/4	835	771 1/2	788 1/4	40	-23 1/2	-6 3/4
1997	887	29	902	830 1/2	880 1/2	15	-56 1/2	-6 1/2
1998	638 1/2	-8 1/2	659 1/2	614 1/4	618 1/2	21	-24 1/4	-20
1999	486 1/2	-6 3/4	492 1/2	452 1/4	461 1/2	6	-34 1/4	-25
2000	539 1/4	-18 1/4	582 1/2	512 1/4	517 1/2	43 1/4	-27	-21 3/4
2001	438	5 1/2	453 3/4	434	451	15 3/4	-4	13
2002	466 3/4	-13 3/4	503 1/4	457	508 3/4	36 1/2	-9 3/4	42
2003	627 1/4	54	658	616	624 1/2	30 3/4	-11 1/4	-2 3/4
2004	1013	18	1036 1/2	812	814	23 1/2	-201	-199
2005	626 1/4	-9 3/4	686	606 1/2	680 1/4	59 3/4	-19 3/4	54
2006	601	15 1/2	620	577 1/2	579 1/2	19	-23 1/2	-21 1/2
2007	743	-35	816	735	806 1/4	73	-8	63 1/4
AVERAGE		**5**				**34 1/2**	**-28 3/4**	**-3**
# UP		**13**				**26**	**0**	**11**
# DOWN		**13**				**0**	**26**	**15**
Following Up April					**AVERAGE**	**26 1/2**	**-38 3/4**	**-20 1/2**
					# UP	**13**	**0**	**3**
					# DOWN	**0**	**13**	**10**

MAY RALLY = MAY HIGH – APRIL CLOSE, MAY BREAK = MAY LOW – APRIL CLOSE.
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The average May Break following strong April's is larger than in years following April weakness, and the average May Rally is weaker as well. On average July Soybeans have lost -20 ½ cents/bu in May following April strength, giving traders an idea to be very leary of April rallies.

APRIL GRAIN SPREAD...
LONG JULY KCBT/SHORT CBOT WHEAT

As the winter wheat harvest approaches, high protein wheat – like that which that the high protein content KCBT Wheat futures represent – tend to gain in popularity on the world market, as it is more flexible in baking needs. As such, KCBT Wheat tends to gain relative to CBOT Wheat from mid-April through late-June.

JULY KCBT – JULY CBOT WHEAT
ENTER ROUGHLY APRIL 11TH / EXIT ROUGHLY JUNE 27TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
4/11/2007	3 1/4	6/27/2007	-17	-20 1/4	$ (1,012.50)	8 3/4	-21 3/4
4/11/2006	89	6/27/2006	115 1/4	26 1/4	$ 1,312.50	115 1/4	73
4/11/2005	-3 1/2	6/27/2005	1	4 1/2	$ 225.00	8 1/2	-3 1/2
4/12/2004	3 1/2	6/25/2004	24 3/4	21 1/4	$ 1,062.50	27 1/2	3 1/2
4/10/2003	20 1/2	6/26/2003	3 3/4	-16 3/4	$ (837.50)	20 1/2	-5 1/2
4/10/2002	11 1/2	6/26/2002	21 3/4	10 1/4	$ 512.50	24	6
4/10/2001	44 1/2	6/26/2001	47	2 1/2	$ 125.00	60	44 1/2
4/10/2000	24 1/4	6/26/2000	37 1/4	13	$ 650.00	37 1/4	21
4/12/1999	26 1/4	6/25/1999	30 1/4	4	$ 200.00	33 1/2	19 1/4
4/13/1998	14 1/2	6/26/1998	23 1/2	9	$ 450.00	26 1/2	14 1/2
4/10/1997	7 1/2	6/26/1997	12 1/4	4 3/4	$ 237.50	36 1/2	7
4/10/1996	17	6/26/1996	73 3/4	56 3/4	$ 2,837.50	95 3/4	17
4/10/1995	3	6/26/1995	50	47	$ 2,350.00	50	3
4/11/1994	-3 3/4	6/24/1994	12 3/4	16 1/2	$ 825.00	15	-3 3/4
4/12/1993	-6 1/2	6/25/1993	3 1/2	10	$ 500.00	6 3/4	-6 1/2

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	188 3/4	$ 9,437.50	**Maximum Draw**	-26	$ (1,300.00)
# Win	13	**Average P&L**	12 3/5	$ 629.17	**Average Draw**	-5 5/9	$ (277.50)
# Loss	2	**Average Win**	17 3/8	$ 868.27			
% Win	87%	**Average Loss**	-18 1/2	$ (925.00)	**Worst Draw on Win**	-16	$ (800.00)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
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MAY 2008

MON	TUE	WED	THU	FRI	WEEK #
			1	**2**	**18**
5 Crop Progress	**6** Weather & Crop Summary	**7**	**8**	**9** US Winter Wheat Production US and World Supply/Demand	**19**
12 Crop Progress	**13** Weather & Crop Summary	**14**	**15**	**16** COF	**20**
19 Crop Progress	**20** Weather & Crop Summary	**21**	**22** Cold Storage	**23** Slaughter	**21**
26 **MEMORIAL DAY**	**27** Crop Progress	**28** Weather & Crop Summary	**29**	**30**	**22**

MAJOR REPORTS

1 1ST NEW CROP PRODUCTION REPORT ON 9TH
2 WINTER WHEAT PRODUCTION

IMPORTANT SEASONALITY

1 WORST MONTH ON RECORD FOR WHEAT
2 TYPICAL SEASONAL HIGHS SEEN FOR CORN, SOYBEANS

WEEKLY PERFORMANCE

	WEEK#18	WEEK#19	WEEK#20	WEEK#21	WEEK#22
			CORN		
# Up	13	15	12	14	14
# Down	13	11	13	11	12
CHANGE	1	5 2/4	2 2/4	-0	3/4
RALLY	6	11	7 3/4	13	4 1/4
BREAK	-5 1/4	-7	-4 3/4	-12 3/4	-4 2/4
RANGE	11 1/4	17 3/4	12 2/4	25 3/4	8 3/4
			CBOT WHEAT		
# Up	12	14	10	10	11
# Down	14	12	16	16	14
CHANGE	-1	3 3/4	-3	- 1/4	-3 1/4
RALLY	9	11 3/4	8	10	6 2/4
BREAK	-7 3/4	-7	-8 3/4	-7	-9 2/4
RANGE	16 3/4	18 3/4	16 3/4	17	16
			SOYBEANS		
# Up	16	16	13	11	15
# Down	10	10	13	15	11
CHANGE	6 3/4	2 3/4	1 2/4	-1 3/4	-3
RALLY	17 3/4	12 2/4	16 1/4	12 3/4	12
BREAK	-9 2/4	-11	-12	-13	-16 1/4
RANGE	27 1/4	23 1/4	28 1/4	25 3/4	28 1/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

CBOT WHEAT WEAKEST MONTH...
HARVEST PRESSURES & CBOT WHEAT

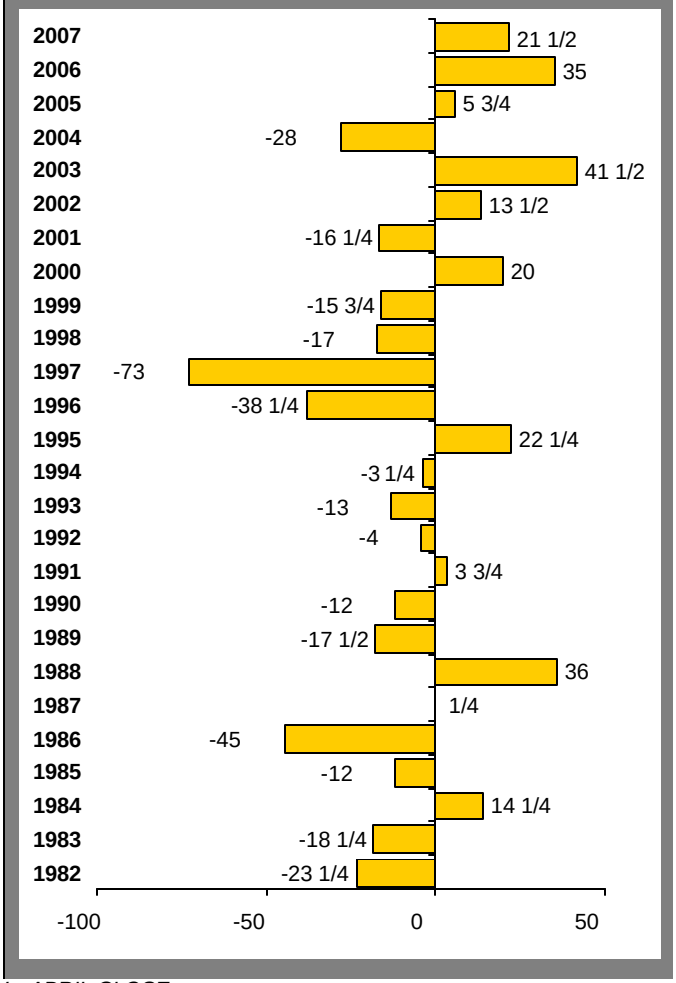
Winter Wheat is planted in the Fall and Harvested in the summer. Typically, May is the weakest month on record for CBOT Wheat, falling a total of -$1.22 ¾ per bushel since 1982. July Wheat has declined in May in 15 years (57.6%), with an average break of -18 ¼ cents/bu.

The worst May's usually follow April strength, with July futures reversing April rallies in 8 of the last 12 years for a total loss of --$1.25 ¾ cents per bushel.

JULY CBOT WHEAT CHANGES IN CENTS/BU

YEAR	MAY CLOSE	MAY CHANGE	MAY RALLY	MAY BREAK
1982	351 1/2	-23 1/4	2 3/4	-23 3/4
1983	343 1/4	-18 1/4	6 1/2	-18 1/2
1984	356	14 1/4	34	-3 3/4
1985	315	-12	3/4	-14 3/4
1986	248 1/2	-45	4 1/2	-47 1/2
1987	274 1/4	1/4	42 1/2	- 1/2
1988	351 1/2	36	43	-11 1/2
1989	387 1/2	-17 1/2	16	-18 3/4
1990	333 3/4	-12	9 3/4	-17 1/4
1991	287	3 3/4	15 3/4	-1 3/4
1992	349 1/2	-4	24 1/2	-15 1/2
1993	288 1/4	-13	- 1/4	-14 1/4
1994	327 1/2	-3 1/4	7 3/4	-13 3/4
1995	373 1/4	22 1/4	36 1/2	0
1996	528 3/4	-38 1/4	50	-48
1997	360 1/2	-73	1 1/2	-76 1/2
1998	284 1/4	-17	19 3/4	-18 1/2
1999	252 1/4	-15 3/4	6 3/4	-21 1/4
2000	274 3/4	20	31 1/4	2 1/4
2001	267	-16 1/4	3 1/2	-24 3/4
2002	282 1/4	13 1/2	15 1/4	-3
2003	324 1/4	41 1/2	63	-3 3/4
2004	362	-28	26	-33 1/4
2005	331 3/4	5 3/4	15	-23 1/2
2006	393 1/2	35	74 1/2	2
2007	517	21 1/2	28 1/2	-27 1/2
	AVERAGE	**-4 3/4**	**22 1/4**	**-18 1/4**
	# UP	**11**	**25**	**2**
	# DOWN	**15**	**1**	**23**

APRIL CHANGES GRAPHICALLY



MAY RALLY = MAY HIGH – APRIL CLOSE, MAY BREAK = MAY LOW – APRIL CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Traders may wish to look to establish short positions going into the winter wheat harvest, as 10 of the last 15 down May's have continued lower through June as well. The July futures have settled June below their April close in 18 of the 26 years (69.2%), falling a total of -$2.01 cents since 1982.

Harvest pressure in the Wheat market is very real. However, the few odd years when supply is coming up short, Wheat can post significant gains during harvest – such as the +86 ½ cent/bu gain seen in 2007. But, in most years, CBOT Wheat falls under the pressure of impending supply, typically making its seasonal low in May or June.

MAY GRAIN SPREAD...
LONG JULY / SHORT DECEMBER SOYMEAL

With the Corn crop nearing pollination and the planting effort completed, "New Crop" – or the Crop in the ground, growing – tends to gain relative to the "Old Crop" futures – or the crop in storage. Basically, this spread comes down to a matter of crop risk and potential adverse weather, or a lack of demand. However, in most years, crop risk and demand win out over the opposite.

DECEMBER – JULY CORN
ENTER ROUGHLY MAY 18TH / EXIT ROUGHLY JUNE 2ND

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
5/18/2007	4.75	6/2/2007	0.75	-4.00	$ (200.00)	5.50	-2.75
5/18/2005	18.00	6/2/2005	18.00	0.00	$ -	18.25	16.00
5/18/2004	-8.75	6/3/2004	-0.75	8.00	$ 400.00	-0.75	-9.75
5/19/2003	-2.25	6/3/2003	-0.25	2.00	$ 100.00	0.00	-2.25
5/20/2002	15.00	6/4/2002	16.50	1.50	$ 75.00	17.00	15.00
5/18/2001	19.00	6/4/2001	19.25	0.25	$ 12.50	19.25	18.50
5/18/2000	18.25	6/2/2000	19.50	1.25	$ 62.50	19.50	18.25
5/19/1999	13.25	6/2/1999	14.00	0.75	$ 37.50	14.50	13.25
5/18/1998	12.50	6/2/1998	7.75	-4.75	$ (237.50)	12.75	7.50
5/19/1997	-19.00	6/3/1997	-17.75	1.25	$ 62.50	-12.25	-19.00
5/20/1996	-153.50	6/4/1996	-102.50	51.00	$ 2,550.00	-102.50	-159.25
5/18/1995	8.50	6/2/1995	11.00	2.50	$ 125.00	11.00	8.50
5/18/1994	-12.25	6/2/1994	-10.75	1.50	$ 75.00	-7.75	-12.50
5/18/1993	10.00	6/3/1993	10.75	0.75	$ 37.50	12.00	10.00
5/18/1992	3.75	6/2/1992	7.75	4.00	$ 200.00	7.75	2.00

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	66.00	$ 3,300.00	**Maximum Draw**	-7.50	$ (3,150.00)
# Win	12	**Average P&L**	4.40	$ 220.00	**Average Draw**	-1.58	$ (665.00)
# Loss	3	**Average Win**	5.44	$ 272.12			
% Win	80%	**Average Loss**	-2.38	$ (118.75)	**Worst Draw on Win**	-7.50	$ (3,150.00)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.

SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.

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HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

JUNE 2008

MON	TUE	WED	THU	FRI	WEEK #
					22
2 Crop Progress	**3** Weather & Crop Summary	**4**	**5**	**6**	**23**
9 Crop Progress	**10** US Winter Wheat Production US and World Supply/Demand Weather & Crop Summary	**11**	**12**	**13**	**24**
16 Crop Progress	**17** Weather & Crop Summary	**18**	**19**	**20** COF Cold Storage Slaughter	**25**
23 Crop Progress **30** **US Grain & Oilseed Acreage** **US Grain & Oilseed Stocks** Crop Progress	**24** Weather & Crop Summary	**25**	**26**	**27** Hogs & Pigs	**26**

MAJOR REPORTS

1 CROP PRODUCTION REPORT ON 10TH
2 WINTER WHEAT PRODUCTION ON 10TH
3 GRAIN & OILSEED ACREAGE ON 30TH
4 GRAIN & OILSEED STOCKS ON 30TH

IMPORTANT SEASONALITY

1 JUNE WEAKNESS CONTINUES IN BOTH CORN AND SOYBEANS THROUGH JULY

WEEKLY PERFORMANCE

	WEEK#22	WEEK#23	WEEK#24	WEEK#25	WEEK#26
			CORN		
# Up	15	10	12	11	12
# Down	10	16	12	15	14
CHANGE	3/4	-2 2/4	1 3/4	-1 1/4	3/4
RALLY	5	3 3/4	7 3/4	6 1/4	8
BREAK	-5 2/4	-8	-4 3/4	-7 2/4	-7 1/4
RANGE	10 3/4	11 3/4	12 2/4	13 2/4	15 2/4
			CBOT WHEAT		
# Up	11	11	8	13	8
# Down	14	15	18	13	18
CHANGE	-3 1/4	-2 3/4	1	-1	-2
RALLY	6 2/4	6 1/4	11 1/4	9 3/4	10 1/4
BREAK	-9 2/4	-9 1/4	-6 2/4	-7 1/4	-8 1/4
RANGE	16	15 2/4	17 2/4	17	18 2/4
			SOYBEANS		
# Up	15	13	14	12	13
# Down	11	13	12	13	13
CHANGE	-3	-3 1/4	5 2/4	1 1/4	1
RALLY	12	11	17 2/4	16	22
BREAK	-16 1/4	-17	-10 2/4	-13 1/4	-17 1/4
RANGE	28 1/4	28	28	29 2/4	39 1/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

JUNE GRAIN SPREAD...
LONG DECEMBER CBOT WHEAT / SHORT CORN

The Wheat crop is being harvested and hence current supply is a known, and prices usually reflect this lack of risk. The Corn crop is still in the ground, and hence pricing is uncertain. However, the Corn crop has pollinated, hence making future supply more certain. However, the Wheat crop is approaching planting (Sep/Oct) and as such future supply is uncertain. As such, Wheat gains relative to Corn as uncertainty regarding future supply drives prices up, while certainty sends them lower.

DECEMBER CBOT WHEAT – DECEMBER CORN
ENTER ROUGHLY JUNE 30TH / EXIT ROUGHLY JULY 20TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
6/29/2007	259 3/4	7/20/2007	300	40 1/4	$ 2,012.50	300	247 1/2
6/30/2006	154 1/4	7/20/2006	165 1/4	11	$ 550.00	112 1/2	93
6/30/2005	112 1/4	7/20/2005	96	-16 1/4	$ (812.50)	112 1/2	93
6/30/2004	90 1/4	7/21/2004	103	12 3/4	$ 637.50	133 1/2	84 3/4
6/30/2003	96 3/4	7/22/2003	130	33 1/4	$ 1,662.50	133 1/2	94 3/4
6/28/2002	80	7/22/2002	92 3/4	12 3/4	$ 637.50	102 3/4	80
6/29/2001	64 3/4	7/20/2001	77 1/2	12 3/4	$ 637.50	77 1/2	51 3/4
6/30/2000	81	7/20/2000	66 3/4	-14 1/4	$ (712.50)	81	66 1/2
6/30/1999	53 1/4	7/21/1999	54 1/2	1 1/4	$ 62.50	63 1/2	53 1/4
6/30/1998	43 3/4	7/22/1998	49 3/4	6	$ 300.00	54 1/2	43 3/4
6/30/1997	107	7/22/1997	114 3/4	7 3/4	$ 387.50	114 3/4	95 3/4
6/28/1996	131	7/22/1996	137 3/4	6 3/4	$ 337.50	141 3/4	119 3/4
6/30/1995	170	7/20/1995	179 3/4	9 3/4	$ 487.50	179 3/4	143 1/2
6/30/1994	92 1/4	7/20/1994	121 1/2	29 1/4	$ 1,462.50	121 1/2	92 1/4
6/30/1993	60 1/2	7/21/1993	71	10 1/2	$ 525.00	71	56 3/4

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	163 2/4	$ 8,175.00	**Maximum Draw**	-61 1/4	$ (3,062.50)
# Win	13	**Average P&L**	11	$ 545.00	**Average Draw**	-12	$ (601.67)
# Loss	2	**Average Win**	15	$ 746.15			
% Win	86.7%	**Average Loss**	-15 1/4	$ (762.50)	**Worst Draw on Win**	-61 1/4	$ (3,062.50)

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JUNE SOYBEAN BREAKS CONTINUE IN JULY… FOLLOW JUNE WEAKNESS

July is the worst month on record for Soybean futures. It tends to be especially bad following June weakness. Usually by June the South American crop is fully harvested, and the U.S. crop is blooming, with a well established root system making the crop much less vulnerable to drought and extreme heat. As such, future supply becomes more certain, a factor which tends to weigh on prices.

NOVEMBER SOYBEAN FUTURES CHANGES IN CENTS/BU

YEAR	JUN CLOSE	JUN CHANGE	JUL HIGH	JUL LOW	JUL CLOSE	JUL RALLY	JUL BREAK	JUL CHANGE
1982	624 1/2	-21	632 1/2	599 1/2	605	8	-25	-19 1/2
1983	628 1/4	4 3/4	754	624	726	125 3/4	-4 1/4	97 3/4
1984	728	-17 1/2	732	601	610	4	-127	-118
1985	554 1/2	-7 1/2	591	521	528 1/2	36 1/2	-33 1/2	-26
1986	484 1/2	-22	519	479 1/2	500 1/2	34 1/2	-5	16
1987	550 1/2	-6	553	507 1/2	525 1/2	2 1/2	-43	-25
1988	971 1/2	155 1/2	997	754	787 1/2	25 1/2	-217 1/2	-184
1989	653 1/2	25	712	577	578 1/2	58 1/2	-76 1/2	-75
1990	650 1/2	28 1/4	680 1/2	591	610	30	-59 1/2	-40 1/2
1991	536 1/2	-58	618	517	600 1/2	81 1/2	-19 1/2	64
1992	618 1/2	-8 3/4	617	551	552	-1 1/2	-67 1/2	-66 1/2
1993	658 1/2	52	757 1/2	647 1/2	688	99	-11	29 1/2
1994	628 1/2	-45	623 1/2	554	565 1/2	-5	-74 1/2	-63
1995	595	-4 1/2	661	599	614	66	4	19
1996	746 1/4	-5 1/4	825	720 1/2	733	78 3/4	-25 3/4	-13 1/4
1997	617 1/2	-67	660	577	658	42 1/2	-40 1/2	40 1/2
1998	616 1/2	27	637	560	560 1/2	20 1/2	-56 1/2	-56
1999	460 1/2	-13 1/2	484	405 1/4	433 1/4	23 1/2	-55 1/4	-27 1/4
2000	476 3/4	-48 3/4	477 1/2	445 1/2	454	3/4	-31 1/4	-22 3/4
2001	464	31 3/4	538	460 1/2	512 1/2	74	-3 1/2	48 1/2
2002	506 3/4	19 3/4	560	498	536 1/2	53 1/4	-8 3/4	29 3/4
2003	552 1/2	-7 3/4	561 1/2	507 1/2	509	9	-45	-43 1/2
2004	669	-15 1/2	685	568	569	16	-101	-100
2005	666 1/4	-15 3/4	751	666	686 3/4	84 3/4	- 1/4	20 1/2
2006	622 1/2	18 1/4	673	647	599 3/4	50 1/2	24 1/2	-22 3/4
2007	881 3/4	45 1/2	949 1/2	834	857 1/2	67 3/4	-47 3/4	-24 1/4
AVERAGE		**1 1/2**				**41 3/4**	**-44 1/4**	**-21 1/2**
# UP		**10**				**24**	**2**	**9**
# DOWN		**16**				**2**	**24**	**17**
Following a Down June					**AVERAGE**	**30**	**-43 1/4**	**-22 3/4**
					# UP	**14**	**1**	**5**
					# DOWN	**2**	**15**	**11**

JUL RALLY = JULY HIGH – JUNE CLOSE, JUL BREAK = JULY LOW – JUNE CLOSE.
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Trader's should view June weakness as a warning sign that July could be especially ugly. Eleven of the last 16 June breaks have continued in July, with an average monthly decline of -22 ¾ cents. July breaks post a June decline tend to be about average in size, however July Rallies tend to be smaller. As such, if the trend is down going into July, be warned that prices could still go even lower.

JUNE WEAKNESS SIGNALS CONTINUED WEAKNESS... FOLLOW JUNE CORN BREAKS

The U.S. Corn crop pollinates in between the end of June and early July in most years. This time period is a critical developmental stage. Successful crop pollination (silking) usually ensures future supply – *or in Chicago vernacular, the crop is "MADE."* Typically when future supply is more certain, prices tend to break as evidenced by the fact that September Corn futures have declined during July on 14 of the last 18 occurrences (77.7%) following a June decrease in pricing.

JULY CORN FUTURES CENTS/BU CHANGES

YEAR	JUN CLOSE	JUN CHANGE	JUL HIGH	JUL LOW	JUL CLOSE	JUL RALLY	JUL BREAK	JUL CHANGE
1982	265 1/4	-11 1/4	266 1/4	241 3/4	245 3/4	1	-23 1/2	-19 1/2
1983	297 1/4	5 1/4	333 3/4	296 1/4	320 1/4	36 1/2	-1	23
1984	328 1/2	2 3/4	328 1/2	285 1/2	294 1/4	0	-43	-34 1/4
1985	255 1/2	-3	256 1/2	230	231	1	-25 1/2	-24 1/2
1986	184	-16 1/2	184 3/4	165	165 1/4	3/4	-19	-18 3/4
1987	186 1/2	-1 1/2	185 3/4	160 1/2	163 1/2	- 3/4	-26	-23
1988	337 3/4	104 1/2	361	264 1/2	275	23 1/4	-73 1/4	-62 3/4
1989	255 1/2	16	277 3/4	222 1/4	222 1/2	22 1/4	-33 1/4	-33
1990	289 1/2	16 3/4	297	255	260 1/4	7 1/2	-34 1/2	-29 1/4
1991	224	-21	259 3/4	218 1/2	258	35 3/4	-5 1/2	34
1992	253 1/4	-10 3/4	259 1/2	219 3/4	220 1/4	6 1/4	-33 1/2	-33
1993	229	- 1/4	251	229 1/2	235 3/4	22	1/2	6 3/4
1994	244 1/2	-28 1/4	242 1/2	214 3/4	218 3/4	-2	-29 3/4	-25 3/4
1995	278	6 1/2	299 1/2	277	281 3/4	21 1/2	-1	3 3/4
1996	397 3/4	-2 1/4	438	347 1/4	354 1/4	40 1/4	-50 1/2	-43 1/2
1997	238	-18 1/4	266 1/2	227 1/2	265 1/2	28 1/2	-10 1/2	27 1/2
1998	253 1/4	10 1/2	258	217 1/4	217 1/2	4 3/4	-36	-35 3/4
1999	216 1/4	-8	216	184	203 1/4	- 1/4	-32 1/4	-13
2000	195 3/4	-37 1/4	193 3/4	177 1/2	180 1/4	-2	-18 1/4	-15 1/2
2001	197 1/4	-3 1/4	235 1/2	194	218 3/4	38 1/4	-3 1/4	21 1/2
2002	233	12 1/2	250	220 1/4	247 1/4	17	-12 3/4	14 1/4
2003	223 3/4	-19 1/4	225 3/4	204 1/2	206	2	-19 1/4	-17 3/4
2004	262 1/2	-37 1/4	263 1/2	216 1/2	217 1/4	1	-46	-45 1/4
2005	222 1/4	-8 1/2	263	222 1/2	236 1/2	40 3/4	1/4	14 1/4
2006	246	-16 1/2	268 3/4	235 1/4	239	22 3/4	-10 3/4	-7
2007	340	-51 1/2	356 3/4	308 1/2	325 3/4	16 3/4	-31 1/2	-14 1/4
	AVERAGE	**-4 1/2**				**14 3/4**	**-23 3/4**	**-13 1/2**
	#UP	**8**				**21**	**2**	**8**
	#DOWN	**18**				**4**	**24**	**18**
	FOLLOWING DOWN JUNE							
	AVERAGE					**14**	**-21 1/4**	**-11**
	#UP					**14**	**2**	**5**
	#DOWN					**4**	**16**	**13**

APR RALLY = APRIL HIGH – MARCH CLOSE; APR BREAK = APRIL LOW – MARCH CLOSE
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Following the last 18 June's, Corn futures have declined by an average of -11 cents, with an average July Break of -21 ¼ cents and an average July Rally of only +14 cents, showing the tenacity of breaks following June weakness. Besides, July is the weakest month on record for Corn futures.

JULY 2008

MON	TUE	WED	THU	FRI	WEEK #
	1 Weather & Crop Summary	**2**	**3**	**4** **INDEPENDENCE DAY**	**27**
7 Crop Progress	**8** Weather & Crop Summary	**9**	**10**	**11** US Winter Wheat Production US and World Supply/Demand	**28**
14 Crop Progress	**15** Weather & Crop Summary	**16**	**17**	**18**	**29**
21 Crop Progress	**22** Cold Storage Weather & Crop Summary	**23**	**24**	**25** Semi-Annual Cattle Report COF Slaughter	**30**
28 Crop Progress	**29** Weather & Crop Summary	**30**	**31**	**1**	**31**

MAJOR REPORTS

1 FIRST FIELD BASED CROP PRODUCTION ON 11TH

IMPORTANT SEASONALITY

1 WORST MONTH FOR SOYBEANS, SOYMEAL, SOYOIL, AND CORN
2 MOST VOLATILE MONTH
3 JULY WEAKNESS OFTEN REVERSED IN AUGUST

WEEKLY PERFORMANCE

	WEEK#27	WEEK#28	WEEK#29	WEEK#30	WEEK#31
			CORN		
# Up	27	-26	-25	-24	-23
# Down	9	11	12	10	9
CHANGE	17	15	14	16	16
RALLY	-2 1/4	-3 2/4	1 2/4	-6 3/4	-3 1/4
BREAK	5 3/4	5 1/4	8	4 3/4	4 3/4
RANGE	-7 3/4	-6 3/4	-7 1/4	-12 1/4	-8 3/4
			CBOT WHEAT		
# Up	10	9	11	13	10
# Down	15	17	15	13	16
CHANGE	-2	-4 1/4	3 3/4	3/4	- 3/4
RALLY	7 3/4	7	11 3/4	9 2/4	9 1/4
BREAK	-9 3/4	-9	-6 2/4	-8	-10
RANGE	17 2/4	16	18 1/4	17 2/4	19 1/4
			SOYBEANS		
# Up	10	11	13	10	8
# Down	15	15	13	16	18
CHANGE	-6 2/4	-7 1/4	6	-12 2/4	-10 1/4
RALLY	14 1/4	14	20	14	9 1/4
BREAK	-20 3/4	-19	-16 1/4	-26 2/4	-21 1/4
RANGE	35	33	36	40 2/4	30 2/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

JUNE WEAKNESS CONTINUES THROUGH JULY… FOLLOW JUNE BREAKS IN BEAN OIL

July is the worst month on record for Soybean Oil futures. July weakness is especially violent and happens with great consistency when June weakness precedes it - showing in this case that the trend way be a traders friend. Weakness this time of the year is usually associated with solid crop progress in the U.S. and the availability of South American products as their harvest draws to a close.

Since 1982, September Soybean futures have declined in June 15 times (57.7%). Following these 15 years, the September futures have continued lower by an average of -1.33 cents/lb on 12 occasions (80.0%). This post down June weakness is evident by more severe breaks and milder rallies in July.

SEPTEMBER SOYBEAN OIL FUTURES CENTS/LB CHANGES

YEAR	JUN CLOSE	JUN CHANGE	JUL HIGH	JUL LOW	JUL CLOSE	JUL CHANGE	JUL RALLY	JUL BREAK
1982	18.85	-1.20	19.23	18.18	18.20	-0.65	0.38	-0.67
1983	19.65	0.72	24.35	19.30	23.38	3.73	4.70	-0.35
1984	30.53	-3.62	31.00	25.00	25.98	-4.55	0.47	-5.53
1985	27.70	-0.22	27.65	24.60	25.03	-2.67	-0.05	-3.10
1986	16.50	-1.30	17.30	15.86	16.02	-0.48	0.80	-0.64
1987	16.95	0.18	17.33	15.52	16.36	-0.59	0.38	-1.43
1988	31.87	5.98	33.65	25.05	26.08	-5.79	1.78	-6.82
1989	20.92	-0.68	22.50	18.10	18.14	-2.78	1.58	-2.82
1990	24.62	1.45	25.62	22.85	24.55	-0.07	1.00	-1.77
1991	18.79	-1.99	21.91	18.37	21.51	2.72	3.12	-0.42
1992	20.94	-0.73	21.02	18.63	18.64	-2.30	0.08	-2.31
1993	23.95	2.29	25.94	23.10	23.34	-0.61	1.99	-0.85
1994	26.41	-1.74	26.32	23.50	24.03	-2.38	-0.09	-2.91
1995	25.78	0.11	28.72	26.20	26.64	0.86	2.94	0.42
1996	25.39	-1.38	27.30	24.02	24.45	-0.94	1.91	-1.37
1997	22.02	-2.10	23.10	21.59	22.56	0.54	1.08	-0.43
1998	25.74	-0.43	26.80	23.82	24.34	-1.40	1.06	-1.92
1999	16.64	-1.50	16.61	14.80	15.21	-1.43	-0.03	-1.84
2000	16.24	-0.08	16.13	15.38	15.58	-0.66	-0.11	-0.86
2001	15.48	0.18	19.18	15.35	19.01	3.53	3.70	-0.13
2002	18.49	-0.39	20.51	17.86	20.24	1.75	2.02	-0.63
2003	22.07	0.03	22.55	19.29	19.33	-2.74	0.48	-2.78
2004	26.35	-0.60	27.95	21.48	21.65	-4.70	1.60	-4.87
2005	23.99	0.63	26.15	23.99	24.33	0.34	2.16	0.00
2006	26.62	0.97	28.02	25.96	26.92	0.30	1.40	-0.66
2007	37.16	0.99	38.33	36.40	38.03	0.87	1.17	-0.76
	AVERAGE	**-0.17**				**-0.77**	**1.37**	**-1.75**
	#UP	**11**				**9**	**22**	**1**
	#DOWN	**15**				**17**	**4**	**24**
	FOLLOWING DOWN JUNE							
	AVERAGE					**-1.33**	**0.92**	**-2.02**
	#UP					**3**	**11**	**0**
	#DOWN					**12**	**4**	**15**

JUL RALLY = JULY HIGH – JUNE CLOSE; JUL BREAK = JULY LOW – JUNE CLOSE
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL RISK DISCLAIMER

SOYBEAN'S WEAKEST MONTH...
POLLINATION AND HARVEST PRESSURES

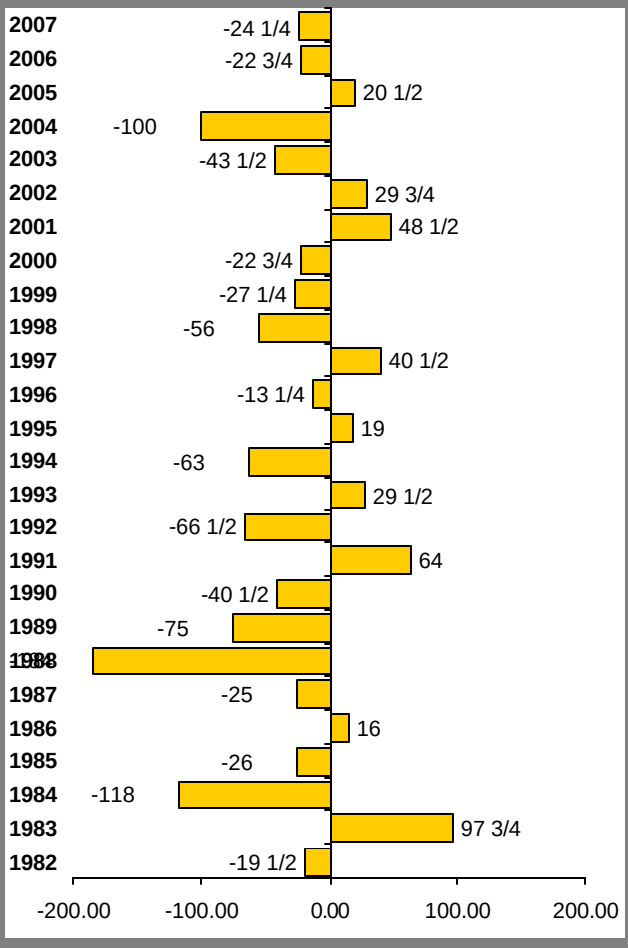
In July the U.S. Soybean Crop is blooming and getting ready to set pods. In the Southern Hemisphere, Brazil and Argentina are harvesting their crops. In other words, future supply is becoming more certain. A guiding theory for grain pricing is they move opposite the level of certainty regarding future supply – meaning more supply certainty is translated into lower prices. July is evidence that this may be true.

Since 1982, November Soybeans have declined in July 17 times (65.4%). The average July Break is -44 ½ cents. However, July Breaks are not without risk, as the average July Rally is also in excess of +40 cents/bu, making July the most volatile month on record as well.

NOVEMBER FUTURES CHANGES IN CENTS/BU.

YEAR	JUL CLOSE	JUL CHANGE	JUL RALLY	JUL BREAK
1982	605	-19 1/2	8	-25
1983	726	97 3/4	125 3/4	-4 1/4
1984	610	-118	4	-127
1985	528 1/2	-26	36 1/2	-33 1/2
1986	500 1/2	16	34 1/2	-5
1987	525 1/2	-25	2 1/2	-43
1988	787 1/2	-184	25 1/2	-217 1/2
1989	578 1/2	-75	58 1/2	-76 1/2
1990	610	-40 1/2	30	-59 1/2
1991	600 1/2	64	81 1/2	-19 1/2
1992	552	-66 1/2	-1 1/2	-67 1/2
1993	688	29 1/2	99	-11
1994	565 1/2	-63	-5	-74 1/2
1995	614	19	66	4
1996	733	-13 1/4	78 3/4	-25 3/4
1997	658	40 1/2	42 1/2	-40 1/2
1998	560 1/2	-56	20 1/2	-56 1/2
1999	433 1/4	-27 1/4	23 1/2	-55 1/4
2000	454	-22 3/4	3/4	-31 1/4
2001	512 1/2	48 1/2	74	-3 1/2
2002	536 1/2	29 3/4	53 1/4	-8 3/4
2003	509	-43 1/2	9	-45
2004	569	-100	16	-101
2005	686 3/4	20 1/2	84 3/4	- 1/4
2006	599 3/4	-22 3/4	50 1/2	24 1/2
2007	857 1/2	-24 1/4	67 3/4	-47 3/4
	AVERAGE	**-21 1/2**	**41 3/4**	**-44 1/2**
	# UP	**9**	**24**	**2**
	# DOWN	**17**	**2**	**24**

JULY CHANGES GRAPHICALLY



JUL RALLY = JUL HIGH – JUN CLOSE, JUL BREAK = JULY LOW – JUN CLOSE.
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Due to the extreme volatility in July, it is hard for traders to establish long-term positions, especially because 17 of the last 26 years have seen August reverse the July trend. So be warned, and be prepared for a wild ride in July – but volatility tends to decline after July, so it may be a good month to establish short volatility option strategies.

CORN'S WEAKEST MONTH...
POLLINATION AND SUPPLY CERTAINTY

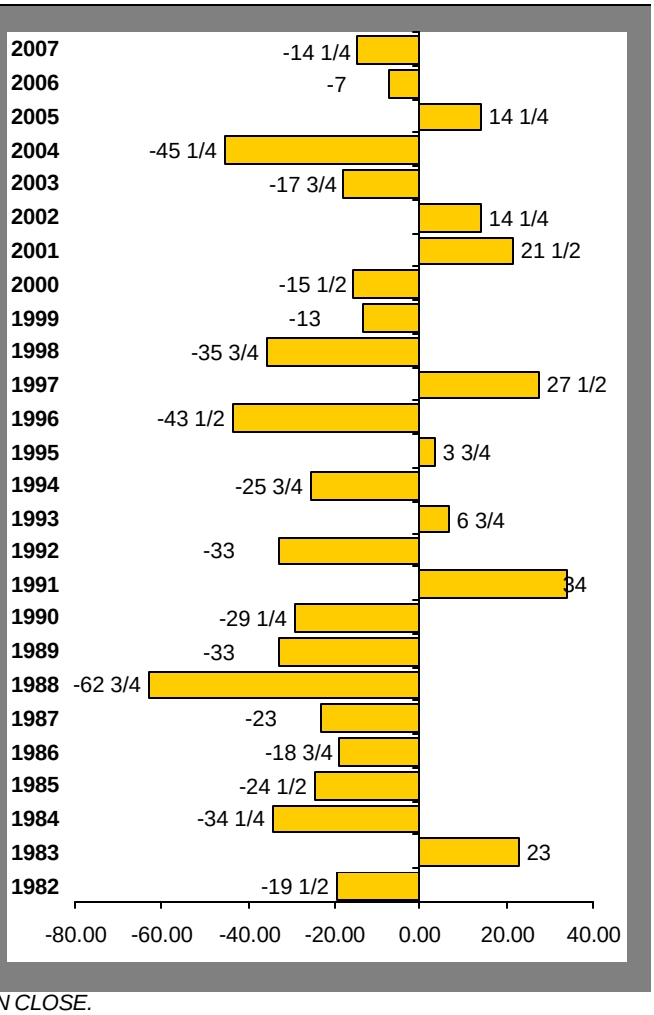
Corn begins silking – or developing fine hairs on the ends of its ears – in mid to late June. Usually by the first week in July, the bulk of the U.S. Corn has pollinated. After pollination many analysts consider the crop "made" – meaning it is almost impervious to weather related damages.

Given the certainty of future supply following pollination, the market typically reacts by reducing prices. In 18 of the last 26 years (69.2%) September Corn futures have declined in July, declining by an average of -13 ½ cents/bu.

SEPTEMBER FUTURES CHANGES IN CENTS/BU.

YEAR	JUL CLOSE	JUL CHANGE	JUL RALLY	JUL BREAK
1982	245 3/4	-19 1/2	1	-23 1/2
1983	320 1/4	23	36 1/2	-1
1984	294 1/4	-34 1/4	0	-43
1985	231	-24 1/2	1	-25 1/2
1986	165 1/4	-18 3/4	3/4	-19
1987	163 1/2	-23	- 3/4	-26
1988	275	-62 3/4	23 1/4	-73 1/4
1989	222 1/2	-33	22 1/4	-33 1/4
1990	260 1/4	-29 1/4	7 1/2	-34 1/2
1991	258	34	35 3/4	-5 1/2
1992	220 1/4	-33	6 1/4	-33 1/2
1993	235 3/4	6 3/4	22	1/2
1994	218 3/4	-25 3/4	-2	-29 3/4
1995	281 3/4	3 3/4	21 1/2	-1
1996	354 1/4	-43 1/2	40 1/4	-50 1/2
1997	265 1/2	27 1/2	28 1/2	-10 1/2
1998	217 1/2	-35 3/4	4 3/4	-36
1999	203 1/4	-13	- 1/4	-32 1/4
2000	180 1/4	-15 1/2	-2	-18 1/4
2001	218 3/4	21 1/2	38 1/4	-3 1/4
2002	247 1/4	14 1/4	17	-12 3/4
2003	206	-17 3/4	2	-19 1/4
2004	217 1/4	-45 1/4	1	-46
2005	236 1/2	14 1/4	40 3/4	1/4
2006	239	-7	22 3/4	-10 3/4
2007	325 3/4	-14 1/4	16 3/4	-31 1/2
	AVERAGE	**-13 1/2**	**14 3/4**	**-24**
	# UP	**8**	**21**	**2**
	# DOWN	**18**	**4**	**24**

JULY CHANGES GRAPHICALLY



JUL RALLY = JUL HIGH – JUN CLOSE, JUL BREAK = JULY LOW – JUN CLOSE.
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Traders should note that June is the 2nd weakest month on record for Corn, highlighting the point that it is not uncommon to see the Corn market make its seasonal low in June/July, and then rally going into harvest – noting that October is the strongest month on record. In this age of strong demand for Corn, traders should look for this type of pattern.

JULY GRAIN SPREAD...
LONG DECEMBER KCBT WHEAT / SHORT CORN

With the Corn past pollination and the planting effort approaching for Wheat, future supplies of KCBT Wheat (Hard Red Winter or HRW) are much more uncertain than those of Corn. Given that grain prices tend to increase relative to the uncertainty of future supply, traders can see why in most years KCBT Wheat tends to outperform Corn this time of the year.

DECEMBER KCBT WHEAT – DECEMBER CORN
ENTER ROUGHLY JULY 15TH / EXIT ROUGHLY SEPTEMBER 30TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
8/14/2007	338	9/27/2007	532 3/4	194 3/4	$ 9,737.50	532 3/4	314
8/14/2006	223 2/4	9/27/2006	225 1/4	1 3/4	$ 87.50	244 1/4	216 1/4
8/14/2005	124 3/4	9/27/2005	164	39 1/4	$ 1,962.50	167 2/4	119
8/16/2004	97 3/4	9/27/2004	142 1/4	44 2/4	$ 2,225.00	150 2/4	94
8/14/2003	156 2/4	9/26/2003	130	-26 2/4	$(1,325.00)	162 1/4	114
8/14/2002	118	9/27/2002	212 1/4	94 1/4	$ 4,712.50	212 1/4	113
8/14/2001	78 1/4	9/27/2001	79	3/4	$ 37.50	85 2/4	71 1/4
8/14/2000	103 3/4	9/27/2000	113 1/4	9 2/4	$ 475.00	114 2/4	101 2/4
8/16/1999	81 1/4	9/27/1999	89	7 3/4	$ 387.50	91 3/4	79 2/4
8/14/1998	78 2/4	9/25/1998	98 2/4	20	$ 1,000.00	102	72 2/4
8/14/1997	112 2/4	9/26/1997	112 3/4	1/4	$ 12.50	130 1/4	109 3/4
8/14/1996	130	9/27/1996	139	9	$ 450.00	140 2/4	105 2/4
8/14/1995	174 1/4	9/27/1995	181	6 3/4	$ 337.50	189 1/4	164
8/15/1994	144 2/4	9/27/1994	182 1/4	37 3/4	$ 1,887.50	185 2/4	141 1/4
8/16/1993	73 2/4	9/27/1993	74	2/4	$ 25.00	81	68 1/4

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	440 1/4	$22,012.50	**Maximum Draw**	-42 2/4	$ (2,125.00)
# Win	14	**Average P&L**	29 1/4	$ 1,467.50	**Average Draw**	-8 3/4	$ (438.33)
# Loss	1	**Average Win**	31 1/4	$ 1,566.07			
% Win	93%	**Average Loss**	39 1/4	$ 1,962.50	**Worst Draw on Win**	-42 2/4	$ (2,125.00)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.
HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

SOYBEAN MEAL'S WEAKEST MONTH... POLLINATION AND HARVEST PRESSURES

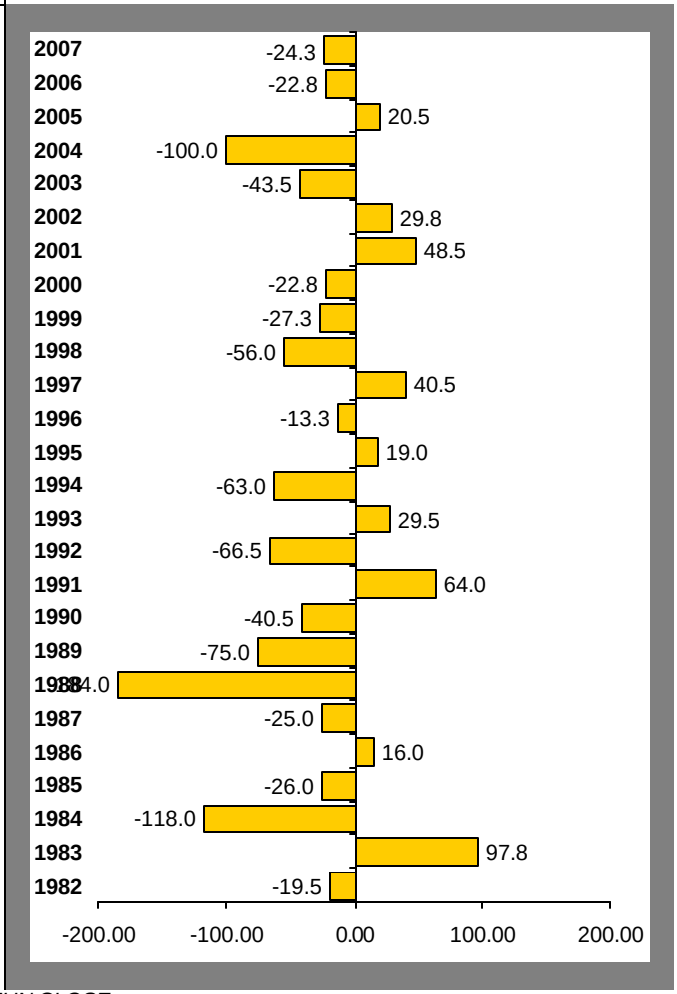
In July the U.S. Soybean Crop is blooming and getting ready to set pods. In the Southern Hemisphere, Brazil and Argentina are harvesting their crops. In other words, future supply is becoming more certain. A guiding theory for grain pricing is they move opposite the level of certainty regarding future supply – meaning more supply certainty is translated into lower prices. July is evidence that this may be true.

Since 1982, September Soybean Meal has declined in July 16 times (61.5%) The average July Break is -$6.4/ton and like its main crop the beans, Meal is prone to extreme volatility during July. The average July Rally has been +$12.6/ton and the average July Break has been -$13.7/ton, as such it is not uncommon the see the monthly range move close to +/-15% of Meal's value in July.

SEPTEMBER SOYBEAN FUTURES CHANGES IN $/TON

YEAR	JUL CLOSE	JUL CHANGE	JUL RALLY	JUL BREAK
1982	263.3	0.0	0.8	-8.8
1983	199.2	19.5	31.7	-3.7
1984	155.9	-27.8	0.6	-30.7
1985	122.6	-2.1	14.3	-4.1
1986	147.2	6.2	8.5	-2.0
1987	161.6	-4.4	1.7	-7.8
1988	240.7	-46.3	8.5	-60.0
1989	188.9	-14.2	17.4	-14.6
1990	170.5	-13.2	10.6	-15.1
1991	180.6	17.3	22.2	-3.3
1992	175.1	-8.1	-0.4	-10.6
1993	222.4	18.9	35.7	-2.7
1994	176.7	-14.6	-1.3	-17.4
1995	180.9	7.2	18.8	1.0
1996	238.8	-0.7	22.0	-3.4
1997	233.8	17.4	18.6	-12.9
1998	145.1	-21.0	3.9	-21.4
1999	130.5	-3.0	11.5	-13.3
2000	146.8	-10.2	0.0	-10.6
2001	172.2	5.6	12.9	-1.1
2002	176.4	4.0	11.6	-6.3
2003	163.4	-17.2	1.4	-17.6
2004	187.0	-54.5	28.2	-56.5
2005	210.6	3.3	22.2	-0.3
2006	164.5	-13.2	2.3	-14.4
2007	218.4	-15.3	24.8	-19.4
	AVERAGE	**-6.4**	**12.6**	**-13.7**
	# UP	**9**	**23**	**1**
	# DOWN	**16**	**2**	**25**

JULY CHANGES GRAPHICALLY



JUL RALLY = JUL HIGH – JUN CLOSE, JUL BREAK = JULY LOW – JUN CLOSE.
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Traders may wish to look at July weakness as an opportunity – not necessarily to establish short positions – but to buy Meal ahead of the placement rush in Cattle. August is the strongest month on record for Soybean Meal futures, and the December Meal futures have gained in 15 of the last 25 years from August through October, as feed demand pulls prices higher.

AUGUST 2008

MON	TUE	WED	THU	FRI	WEEK #
				1	**31**
4 Crop Progress	**5** Weather & Crop Summary	**6**	**7**	**8**	**32**
11 Crop Progress	**12** US Grain & Oilseed Production US and World Supply/Demand Weather & Crop Summary	**13**	**14**	**15**	**33**
18 Crop Progress	**19** Weather & Crop Summary	**20**	**21**	**22** COF Cold Storage Slaughter	**34**
25 Crop Progress	**26** Weather & Crop Summary	**27**	**28**	**29**	**35**

MAJOR REPORTS

1 CROP PRODUCTION ON 12TH

IMPORTANT SEASONALITY

1 2ND STRONGEST MONTH FOR SOYBEANS
2 STRONGEST MONTH FOR SOYMEAL
3 STRONGEST MONTH FOR WHEAT

WEEKLY PERFORMANCE

	WEEK#31	WEEK#32	WEEK#33	WEEK#34	WEEK#35
			CORN		
# Up	9	12	8	17	13
# Down	16	14	18	8	13
CHANGE	-3 1/4	1	-5 1/4	2	3/4
RALLY	4 3/4	9	3 2/4	7 3/4	5 2/4
BREAK	-8 3/4	-6	-10 1/4	-4 1/4	-5
RANGE	13 2/4	15	13 3/4	12	10 3/4
			CBOT WHEAT		
# Up	10	16	11	16	14
# Down	16	10	14	9	11
CHANGE	- 3/4	- 3/4	- 3/4	2	2/4
RALLY	9 1/4	9	8 1/4	10 1/4	7 3/4
BREAK	-10	-7 1/4	-9	-6 1/4	-8 1/4
RANGE	19 1/4	16 1/4	17	16 2/4	16
			SOYBEANS		
# Up	8	10	11	16	13
# Down	18	16	15	10	13
CHANGE	-10 1/4	8 3/4	-6 1/4	3 3/4	5
RALLY	9 1/4	24 3/4	13 3/4	17 1/4	16 1/4
BREAK	-21 1/4	-10 1/4	-22	-8	-11 3/4
RANGE	30 2/4	35	35 3/4	25 1/4	27 3/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

JULY WHEAT RALLIES CONTINUE THROUGH AUGUST… FOLLOW JULY STRENGTH

Winter Wheat in the Northern Hemisphere is typically harvested in June and July. Strength going into harvest is typically a harbinger of continued strength as producers prepare for further planting in a few months. This bias in the market is evident by the fact that September CBOT Wheat futures have continued July Rallies throughout August on 10 of the last 12 occasions (83.3%).

JULY T WHEAT FUTURES CHANGES IN CENTS/BU

YEAR	JUL CLOSE	JUL CHANGE	AUG HIGH	AUG LOW	AUG CLOSE	AUG RALLY	AUG BREAK	AUG CHANGE
1982	342 3/4	-13	352	327 3/4	334	9 1/4	-15	-8 3/4
1983	372 3/4	16	410 1/2	372 3/4	388 3/4	37 3/4	0	16
1984	349 1/4	-10	356 1/2	335 1/4	342 1/4	7 1/4	-14	-7
1985	295 1/4	-26	298 1/2	264 1/2	274 1/2	3 1/4	-30 3/4	-20 3/4
1986	257 1/2	11 1/2	267	245	258 1/2	9 1/2	-12 1/2	1
1987	261 1/4	-2	278 3/4	257 1/4	274	17 1/2	-4	12 3/4
1988	368 1/4	-27 1/4	398	371	397 1/2	29 3/4	2 3/4	29 1/4
1989	384 1/2	-20 1/4	401 1/2	382 1/2	386	17	-2	1 1/2
1990	288 1/4	-42 3/4	292 1/2	262 1/2	262 1/2	4 1/4	-25 3/4	-25 3/4
1991	294	19	311 1/2	278	310 1/2	17 1/2	-16	16 1/2
1992	317 1/4	-35 1/4	326	301 1/2	319 3/4	8 3/4	-15 3/4	2 1/2
1993	304	16 3/4	317	298	308 3/4	13	-6	4 3/4
1994	330 1/2	8 1/4	364 1/4	327 1/2	363 1/2	33 3/4	-3	33
1995	464 1/4	18 1/4	467	414 1/2	449 1/4	2 3/4	-49 3/4	-15
1996	440	-42 1/2	482 3/4	438	448 1/2	42 3/4	-2	8 1/2
1997	362	29 3/4	382	348	378 1/4	20	-14	16 1/4
1998	252 1/2	-35	264	237	237 1/2	11 1/2	-15 1/2	-15
1999	263 3/4	- 1/2	285	259	264 3/4	21 1/4	-4 3/4	1
2000	246 1/4	-25	251	232 1/4	250 3/4	4 3/4	-14	4 1/2
2001	278 1/2	20 1/2	279 1/2	262	278	1	-16 1/2	- 1/2
2002	334	21	363	332	362 1/4	29	-2	28 1/4
2003	348 1/2	38	387	347	367 1/2	38 1/2	-1 1/2	19
2004	312 1/4	-33 1/4	324	295 1/2	309 3/4	11 3/4	-16 3/4	-2 1/2
2005	327 3/4	-3 3/4	335 1/2	300 3/4	301 1/2	7 3/4	-27	-26 1/4
2006	397 1/2	1 1/2	405 1/2	357 1/2	404	8	-40	6 1/2
2007	630	33	795	620	767	165	-10	137
AVERAGE		**-3**				**22**	**-13 3/4**	**8 1/2**
# UP		**12**				**26**	**1**	**17**
# DOWN		**14**				**0**	**24**	**9**
Following Up July					**AVERAGE**	**31 1/4**	**-14 1/4**	**21 3/4**
					# UP	**12**	**0**	**10**
					# DOWN	**0**	**11**	**2**

AUG RALLY = AUGUST HIGH – JULY CLOSE, AUG BREAK = AUGUST LOW – JULY CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

August is historically the second strongest month on record for CBOT Wheat, as pricing usually begins building a “risk premium” ahead of the planting effort, which begins in mid/late September and continues through to mid November. This fall rally tends to be especially strong and reliable following July strength and as such traders should look to follow July rallies in August and September.

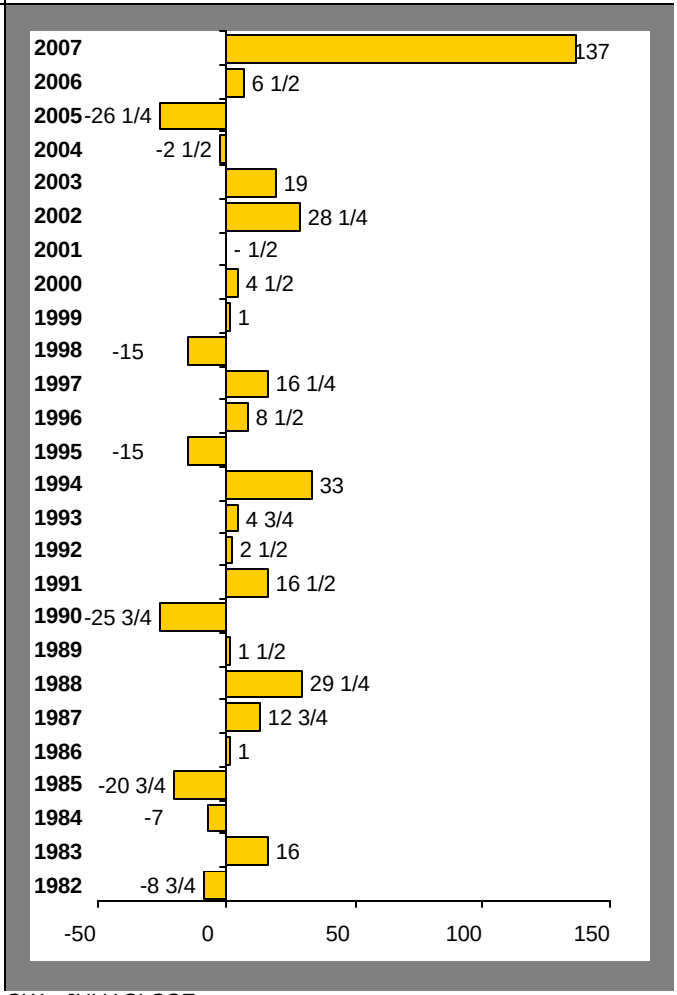
CBOT WHEAT 2ND STRONGEST MONTH… BUILDING A PLANTING OR RISK *"PREMIUM"*

Winter Wheat is planted in the Fall (September - November) and harvested in the Summer (May - July). Typically, as harvest begins prices reach their lows (May is the weakest month on record), but post harvest market attention turns from current supply to future supply. As attention moves to the future, Wheat prices tend to increase as future supply uncertainty takes center stage. This strength can be seen not only by the fact that August has the best "batting average" of any month with 17 advances and 9 declines since 1982, but also by the fact August

SEPTEMBER CBOT WHEAT CHANGES IN CENTS/BU

YEAR	AUG CLOSE	AUG CHANGE	AUG RALLY	AUG BREAK
1982	334	-8 3/4	9 1/4	-15
1983	388 3/4	16	37 3/4	0
1984	342 1/4	-7	7 1/4	-14
1985	274 1/2	-20 3/4	3 1/4	-30 3/4
1986	258 1/2	1	9 1/2	-12 1/2
1987	274	12 3/4	17 1/2	-4
1988	397 1/2	29 1/4	29 3/4	2 3/4
1989	386	1 1/2	17	-2
1990	262 1/2	-25 3/4	4 1/4	-25 3/4
1991	310 1/2	16 1/2	17 1/2	-16
1992	319 3/4	2 1/2	8 3/4	-15 3/4
1993	308 3/4	4 3/4	13	-6
1994	363 1/2	33	33 3/4	-3
1995	449 1/4	-15	2 3/4	-49 3/4
1996	448 1/2	8 1/2	42 3/4	-2
1997	378 1/4	16 1/4	20	-14
1998	237 1/2	-15	11 1/2	-15 1/2
1999	264 3/4	1	21 1/4	-4 3/4
2000	250 3/4	4 1/2	4 3/4	-14
2001	278	- 1/2	1	-16 1/2
2002	362 1/4	28 1/4	29	-2
2003	367 1/2	19	38 1/2	-1 1/2
2004	309 3/4	-2 1/2	11 3/4	-16 3/4
2005	301 1/2	-26 1/4	7 3/4	-27
2006	404	6 1/2	8	-40
2007	767	137	165	-10
	AVERAGE	**8 1/4**	**22**	**-13 3/4**
	# UP	**17**	**26**	**1**
	# DOWN	**9**	**0**	**24**

AUGUST CHANGES GRAPHICALLY



AUG RALLY = AUG HIGH – JULY CLOSE, AUG BREAK = AUGUST LOW – JULY CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

An old adage is that there are only three types of untruths: ***LIES, DAMN LIES, AND STATISTICS***. Bringing up the 3rd type, the standard deviation of monthly returns (a measure of volatility versus an average) favors August being a stronger month for Wheat – statistically speaking – than April. With a better "batting average" as well as a more logical reason (planting risk) for an advance, August appears to be the time to look to establish long positions in CBOT Wheat. As a side note, traders may do well to look for August Rallies following July strength, as 10 of the last 12 strong July's have seen over-sized August gains.

AUGUST CORN RALLIES REVERSED IN SEPTEMBER… FADE LATE SUMMER RALLIES

The U.S. Corn crop doughs, dents, and begins maturing in August – depending on location. In other words, the crop is "made" and fast approaching harvest. As such, future supply is fairly certain. Hence, when prices rally in August – usually on a production weather related scare – the increase in prices tends to be short-lived. This is evident by the fact that December Corn future futures have decreased in September on 12 occasions following the last 14 August rallies.

DECEMBER CORN FUTURES CHANGES IN CENTS/BU

YEAR	AUG CLOSE	AUG CHANGE	SEP HIGH	SEP LOW	SEP CLOSE	SEP RALLY	SEP BREAK	SEP CHANGE
1982	229 1/2	-21 3/4	235	217 1/2	222	5 1/2	-12	-7 1/2
1983	359 1/2	33 3/4	372 3/4	342	354 3/4	13 1/4	-17 1/2	-4 3/4
1984	283 1/2	2	292	278	278 1/2	8 1/2	-5 1/2	-5
1985	218 3/4	-9	228	214 1/2	224 3/4	9 1/4	-4 1/4	6
1986	165 1/4	-4 3/4	181 1/2	161	176 3/4	16 1/4	-4 1/4	11 1/2
1987	166 1/2	-7	182 1/4	164 1/4	179 3/4	15 3/4	-2 1/4	13 1/4
1988	296 1/2	12 3/4	306	280	285 3/4	9 1/2	-16 1/2	-10 3/4
1989	236 3/4	16 1/4	240	226 1/2	233	3 1/4	-10 1/4	-3 3/4
1990	233 1/4	-22 1/4	237 3/4	221 1/2	228	4 1/2	-11 3/4	-5 1/4
1991	254 3/4	-8 1/2	258	244 3/4	249 1/4	3 1/4	-10	-5 1/2
1992	217 1/4	-5 1/2	226 3/4	212 3/4	215 1/4	9 1/2	-4 1/2	-2
1993	237 1/2	-4 1/4	250 1/2	232 1/2	244 3/4	13	-5	7 1/4
1994	222 3/4	3/4	228	214	215 3/4	5 1/4	-8 3/4	-7
1995	293 3/4	12 1/2	314 3/4	289 3/4	311 3/4	21	-4	18
1996	343 3/4	24	346	294	296 3/4	2 1/4	-49 3/4	-47
1997	269 1/4	1 1/2	274	255 1/2	257 3/4	4 3/4	-13 3/4	-11 1/2
1998	199 1/2	-24 1/4	215	197	209	15 1/2	-2 1/2	9 1/2
1999	219 1/4	4 3/4	226 1/2	207 3/4	208 1/4	7 1/4	-11 1/2	-11
2000	196 1/2	4 1/4	199 3/4	186 3/4	197 3/4	3 1/4	-9 3/4	1 1/4
2001	232 1/4	2	232	213 3/4	214 1/2	- 1/4	-18 1/2	-17 3/4
2002	268	11 1/2	296	249 1/2	251 1/2	28	-18 1/2	-16 1/2
2003	241 3/4	29 3/4	247 1/4	220	220 1/4	5 1/2	-21 3/4	-21 1/2
2004	237 3/4	12 1/4	245	204	205 1/2	7 1/4	-33 3/4	-32 1/4
2005	216 1/2	-31 3/4	222 1/2	202 1/2	205 1/2	6	-14	-11
2006	248	-8	267 3/4	236	262 1/2	19 3/4	-12	14 1/2
2007	340	-2 1/4	306 1/2	281 1/4	373	-33 1/2	-58 3/4	33
AVERAGE		**1/2**				**11**	**-12 1/2**	**-4**
# UP		**14**				**25**	**0**	**9**
# DOWN		**12**				**1**	**26**	**17**
Following Up August					**AVERAGE**	**8 1/2**	**-17 1/4**	**-12**
					# UP	**13**	**0**	**2**
					# DOWN	**1**	**14**	**12**

SEP RALLY = SEPTEMBER HIGH – AUGUST CLOSE, SEP BREAK = SEPTEMBER LOW – AUGUST CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

On average following an August price increase, the December Corn futures have dropped an average of -12 cents/bu, with an average rally of only +8 ½ cents and an average break of -17 ¼ cents/bu. As such traders should view August Corn rallies with great suspicion, using them to "fade" the price trend instead of following it, as the trend is not always a trader's friend, especially in August.

AUGUST GRAIN SPREAD...
LONG DECEMBER KCBT WHEAT /SHORT CORN

With the Corn past pollination and the planting effort approaching for Wheat, future supplies of KCBT Wheat (Hard Red Winter or HRW) are much more uncertain than those of Corn. Given that grain prices tend to increase relative to the uncertainty of future supply, traders can see why in most years KCBT Wheat tends to outperform Corn this time of the year – *NOTE THIS IS AN ADD ON BIAS TO THE JULY TRADE.*

DECEMBER KCBT WHEAT – DECEMBER CORN
ENTER ROUGHLY AUGUST 14TH / EXIT ROUGHLY SEPTEMBER 27TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
7/13/2007	258 3/4	10/1/2007	580 1/2	321 3/4	$ 16,087.50	580 3/4	258 3/4
7/14/2006	234 3/4	9/29/2006	233 1/2	-1 1/4	$ (62.50)	268	216 1/4
7/15/2005	95 3/4	9/30/2005	174 3/4	79	$ 3,950.00	174 3/4	95 1/4
7/15/2004	125 1/4	9/30/2004	131 1/4	6	$ 2,520.00	150 1/2	94
7/15/2003	109 1/2	9/30/2003	136 1/2	27	$ 11,340.00	162 1/4	109 1/2
7/15/2002	114 3/4	9/30/2002	223 3/4	109	$ 45,780.00	223 3/4	113
7/16/2001	99 1/4	9/28/2001	78	-21 1/4	$ (8,925.00)	105 1/2	71 1/4
7/17/2000	107	9/29/2000	122 1/4	15 1/4	$ 6,405.00	122 1/4	97 3/4
7/15/1999	77 1/4	9/30/1999	86	8 3/4	$ 3,675.00	93	74 1/2
7/15/1998	72 1/2	9/30/1998	94 1/4	21 3/4	$ 9,135.00	102	62 1/2
7/15/1997	105 1/2	9/30/1997	107 1/4	1 3/4	$ 735.00	138	104 1/4
7/15/1996	143 3/4	9/30/1996	145 1/4	1 1/2	$ 630.00	168 3/4	105 1/2
7/17/1995	181	9/29/1995	189	8	$ 3,360.00	190 1/4	164
7/15/1994	114	9/30/1994	195 1/4	81 1/4	$ 34,125.00	195 1/4	114
7/15/1993	62 3/4	9/30/1993	78 1/4	15 1/2	$ 6,510.00	81	62

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	674	$33,700.00	**Maximum Draw**	-38 1/4	$ (1,912.50)
# Win	13	**Average P&L**	45	$ 2,246.67	**Average Draw**	-10 2/4	$ (530.83)
# Loss	2	**Average Win**	18 3/4	$ 935.58			
% Win	87%	**Average Loss**	215 2/4	$10,768.75	**Worst Draw on Win**	-38 1/4	$ (1,912.50)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.
HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

SOYBEAN MEALS STRONGEST MONTH...
FEED DEMAND PULL & TIGHT SUPPLIES BULLISH

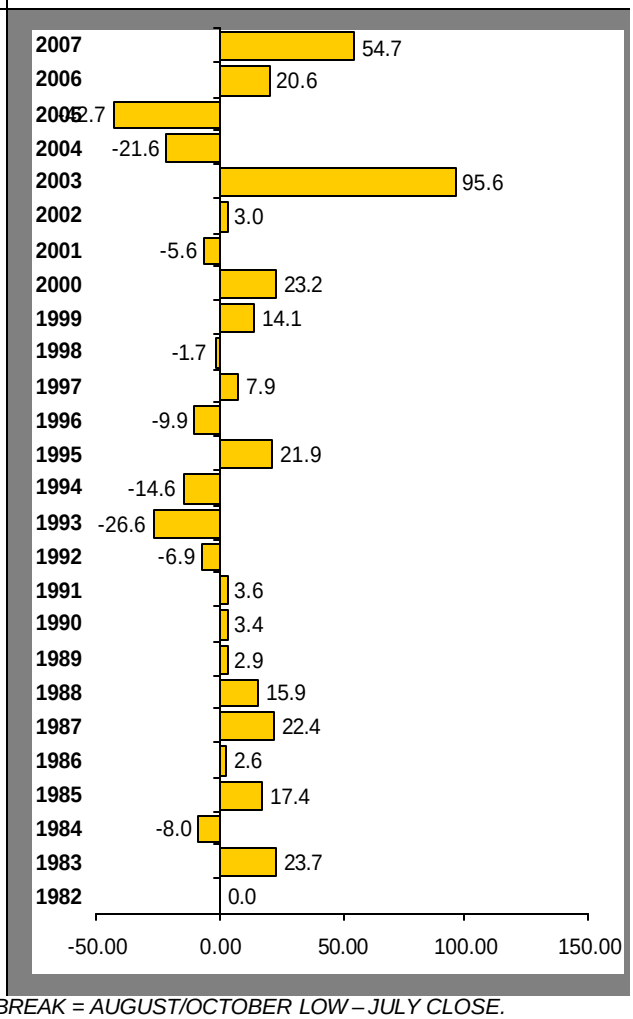
The main use for Soybean Meal is animal feed – livestock and poultry. For the Cattle market, the "Finishing" period is from late Fall to early Winter – just ahead of the Fall "Placement Rush" upon which Cow/Calf operations move their supplies to Feed Lots.

The increased demand for feed stock comes at a time when the available supply of Soybean Meal is low, as the U.S. Crop has not been harvested and the South American crop is being planted. As such, the general increase in usage combined with tight supplies tends to support prices.

DECEMBER SOYBEAN FUTURES CHANGES IN $/TON

YEAR	AUG CLOSE	AUG CHANGE	JUL-OCT RALLY	JUL-OCT BREAK
1982	263.3	0.0	0.8	-8.8
1983	242.2	35.0	61.3	-24.7
1984	159.4	-3.2	28.9	-15.4
1985	129.5	0.7	20.2	-3.4
1986	152.8	3.7	5.9	-10.9
1987	153.9	-5.6	24.4	-10.5
1988	264.2	26.5	55.3	-12.7
1989	185.2	5.5	35.5	-4.2
1990	179.6	4.8	25.7	-4.3
1991	186.7	6.1	17.9	-20.6
1992	189.8	0.5	10.5	-9.3
1993	208.9	-10.4	20.7	-32.3
1994	172.6	-2.8	11.6	-15.4
1995	188.7	2.3	23.6	-9.8
1996	252.5	23.1	32.3	-10.4
1997	207.2	-8.0	24.3	-29.2
1998	131.6	-13.7	24.7	-17.9
1999	146.1	12.0	25.4	-12.5
2000	170.9	24.5	27.9	-0.6
2001	168.6	2.2	11.1	-10.8
2002	170.2	3.5	22.6	-7.7
2003	183.4	26.9	100.0	-2.4
2004	181.2	5.7	40.0	-23.5
2005	185.6	-26.8	20.6	-47.2
2006	161.4	-7.6	22.8	-10.5
2007	245.7	20.8	68.1	-4.4
	AVERAGE	**4.8**	**29.3**	**-13.8**
	# UP	**17**	**26**	**0**
	# DOWN	**8**	**0**	**26**

AUGUST CHANGES GRAPHICALLY



JUL/OCT RALLY = AUGUST/OCTOBER HIGH – JULY CLOSE, JUL-OCT BREAK = AUGUST/OCTOBER LOW – JULY CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Traders should pay attention to the demand pull from the Livestock Industry, as Meal as the average July/October (end of July to end of October) Rally has been twice as large as the average break. In other words, look for Meal prices to rally in the coming months – August through October.

SEPTEMBER 2008

MON	TUE	WED	THU	FRI	WEEK #
1 LABOR DAY	**2** Weather & Crop Summary	**3**	**4**	**5**	**36**
8 Crop Progress	**9** Weather & Crop Summary	**10**	**11**	**12** US Grain & Oilseed Production US and World Supply/Demand	**37**
15 Crop Progress	**16** Weather & Crop Summary	**17**	**18**	**19** COF	**38**
22 **Cold Storage** Crop Progress	**23** Weather & Crop Summary	**24**	**25**	**26** Hogs & Pigs Slaughter	**39**
29 Crop Progress	**30** US Grain & Oilseed Stocks Wheat/Small Grain Crop Revisions Weather & Crop Summary	**1**	**2**	**3**	**40**

MAJOR REPORTS

1 CROP PRODUCTION ON 12TH
2 GRAIN & OILSEED STOCKS ON 30TH
3 SMALL GRAIN CROP REVISIONS ON 30TH

IMPORTANT SEASONALITY

1 2ND WEAKEST MONTH FOR SOYBEANS AND SOYOIL

WEEKLY PERFORMANCE

	WEEK#36	WEEK#37	WEEK#38	WEEK#39	WEEK#40
			CORN		
# Up	12	12	15	12	12
# Down	13	14	10	14	14
CHANGE	-1 3/4	- 2/4	7	- 1/4	- 3/4
RALLY	3 3/4	4 1/4	12 2/4	4 3/4	3 3/4
BREAK	-6 2/4	-5 2/4	-5 2/4	-4 1/4	-5 1/4
RANGE	10 1/4	9 2/4	18 1/4	9 1/4	9 1/4
			CBOT WHEAT		
# Up	16	14	5	16	18
# Down	10	12	20	10	8
CHANGE	2 1/4	3	-6 2/4	2 2/4	2 3/4
RALLY	8 3/4	9 2/4	6	9 3/4	10 1/4
BREAK	-7 1/4	-5 3/4	-11 3/4	-6	-8 1/4
RANGE	16	15 1/4	17 3/4	15 3/4	18 1/4
			SOYBEANS		
# Up	16	13	13	13	8
# Down	10	12	13	13	18
CHANGE	1	- 3/4	-5 2/4	- 1/4	-8
RALLY	14	10	12 1/4	13 1/4	7
BREAK	-12 2/4	-12 3/4	-15 1/4	-10 3/4	-14 3/4
RANGE	26 2/4	22 2/4	27 3/4	24	21 3/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

SEPTEMBER SOYBEAN BAROMETER ... FOLLOW SEPTEMBERS TREND IN OCTOBER

September and October mark the harvesting of the U.S. Soybean crop and the planting of the Southern Hemisphere one. Both of these phases of development either ensure future supply or hamper it. As such, the trend going into this period tends to be continued, as can be seen by the fact that November Soybean futures have continued their September trend in October in 18 of the last 26 years (69.2%), as well as 4 of the last 5 years.

NOVEMBER SOYBEAN FUTURES CHANGES IN CENTS/BU

YEAR	SEP CLOSE	SEP CHANGE	OCT HIGH	OCT LOW	OCT CLOSE	OCT RALLY	OCT BREAK	OCT CHANGE
1982	534 1/4	-25 1/4	549 1/2	518	533 1/4	15 1/4	-16 1/4	-1
1983	866	-45 1/2	896	796	812	30	-70	-54
1984	591 1/2	-45	642	586	619	50 1/2	-5 1/2	27 1/2
1985	512 1/2	1	517	497 1/2	514 1/4	4 1/2	-15	1 3/4
1986	486 1/2	7	502	469	498 1/4	15 1/2	-17 1/2	11 3/4
1987	532	27 3/4	550	513 1/2	533	18	-18 1/2	1
1988	813	-54 1/2	830 1/2	751	776 1/2	17 1/2	-62	-36 1/2
1989	568	-19 1/2	588 1/2	540	558 1/2	20 1/2	-28	-9 1/2
1990	617 1/2	4	636 1/2	589	592	19	-28 1/2	-25 1/2
1991	587	-3 1/2	591 1/2	539	558	4 1/2	-48	-29
1992	540 1/2	- 1/2	552	524 1/2	549 1/4	11 1/2	-16	8 3/4
1993	629 1/2	-34	627	604	619 1/2	-2 1/2	-25 1/2	-10
1994	536	-37 1/2	554 1/2	526 1/2	542 1/4	18 1/2	-9 1/2	6 1/4
1995	646	23	679	632	675 1/4	33	-14	29 1/4
1996	758	-36 1/2	759	666	667 1/2	1	-92	-90 1/2
1997	621 1/2	-4	729	620	690 1/2	107 1/2	-1 1/2	69
1998	520 1/2	9	570 1/2	515	558 1/2	50	-5 1/2	38
1999	491 1/4	8 1/4	508	464 1/2	470 1/2	16 3/4	-26 3/4	-20 3/4
2000	490 1/2	-14 1/2	493 1/2	453 1/2	459 3/4	3	-37	-30 3/4
2001	451 1/4	-34 3/4	458	420 1/2	428 1/2	6 3/4	-30 3/4	-22 3/4
2002	545 3/4	1	567 1/4	522	565 1/4	21 1/2	-23 3/4	19 1/2
2003	677 1/4	88 1/4	802	669	794 1/4	124 3/4	-8 1/4	117
2004	527	-100 1/4	545	506	527 1/2	18	-21	1/2
2005	573 1/4	-25 1/2	599 1/2	554 1/2	564 3/4	26 1/4	-18 3/4	-8 1/2
2006	547 1/2	-8 1/4	688	603	630 1/4	140 1/2	55 1/2	82 3/4
2007	991 1/4	108 3/4	1016	923	1010	24 3/4	-68 1/4	18 3/4
AVERAGE		**-8**				**30 3/4**	**-25**	**3 1/2**
# UP		**10**				**25**	**1**	**14**
# DOWN		**16**				**1**	**25**	**12**
Following Up September					**AVERAGE**	**32 7/9**	**-22 2/4**	**19**
					# UP	**10**	**0**	**8**
					# DOWN	**0**	**10**	**2**
Following Down September					**AVERAGE**	**29 2/7**	**-26 2/3**	**-6 1/9**
					# UP	**15**	**1**	**6**
					# DOWN	**1**	**15**	**10**

JUL RALLY = JULY HIGH – JUNE CLOSE, JUL BREAK = JULY LOW – JUNE CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Trader's should look for September trends to continue through October, especially bullish trends going into harvest.

SEPTEMBER GRAIN SPREAD...
LONG DECEMBER KCBT / SHORT CBOT WHEAT

The premium Wheat grown in the United States is "hard" meaning it has a higher protein content than soft wheat. The Wheat underlying the KCBT contract – Hard Red Winter or HRW – has a higher protein content than the Wheat underlying the CBOT contract – or Soft Red Winter Wheat (SRW). As such, HRW tends to gain relative to SRW, as the export season begins.

DECEMBER KCBT WHEAT – DECEMBER CBOT WHEAT
ENTER ROUGHLY SEPTEMBER 6TH / EXIT ROUGHLY NOVEMBER 26TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
9/6/2007	-14 1/4	11/27/2007	23 1/4	37 1/2	$ 1,875.00	27 3/4	-14 1/4
9/6/2006	60 1/2	11/27/2006	27 3/4	-32 3/4	$ (1,637.50)	71 3/4	- 1/2
9/6/2005	25	11/25/2005	50 3/4	25 3/4	$ 1,287.50	59 1/2	24 1/4
9/7/2004	18 1/4	11/29/2004	49 1/2	31 1/4	$ 13,125.00	51	18 1/4
9/8/2003	-2 3/4	11/28/2003	10 3/4	13 1/2	$ 5,670.00	10 3/4	-12 3/4
9/6/2002	54 1/4	11/29/2002	59 3/4	5 1/2	$ 2,310.00	103	29 1/2
9/6/2001	23	11/29/2001	7	-16	$ (6,720.00)	29 1/4	0
9/6/2000	40 3/4	11/29/2000	54 3/4	14	$ 5,880.00	57 3/4	38 3/4
9/7/1999	18 1/4	11/29/1999	28 1/2	10 1/4	$ 4,305.00	29	18 1/4
9/8/1998	24 3/4	11/27/1998	37	12 1/4	$ 5,145.00	37	23 1/4
9/8/1997	5 1/4	11/28/1997	15 3/4	10 1/2	$ 4,410.00	16 1/4	4 3/4
9/6/1996	3	11/29/1996	43 1/2	40 1/2	$ 17,010.00	43 1/2	-1 3/4
9/6/1995	4 1/2	11/29/1995	11 1/2	7	$ 2,940.00	21 3/4	0
9/6/1994	2 1/2	11/29/1994	13 1/2	11	$ 4,620.00	17 3/4	1 3/4
9/7/1993	1 3/4	11/29/1993	25 3/4	24	$ 10,080.00	25 3/4	- 3/4

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	194 1/4	$ 9,712.50	**Maximum Draw**	-61	$ (3,050.00)
# Win	13	**Average P&L**	13	$ 647.50	**Average Draw**	-9	$ (453.33)
# Loss	2	**Average Win**	13	$ 652.88			
% Win	87%	**Average Loss**	22 1/4	$ 1,116.67	**Worst Draw on Win**	-61	$ (3,050.00)

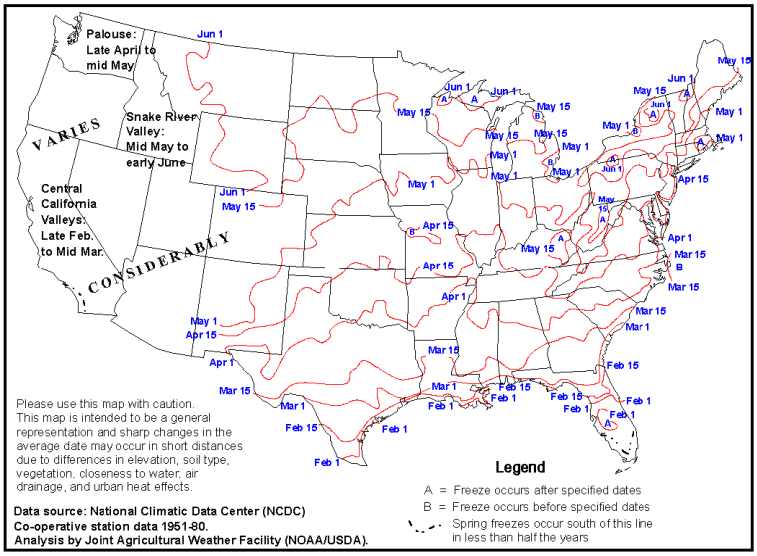
NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.
HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

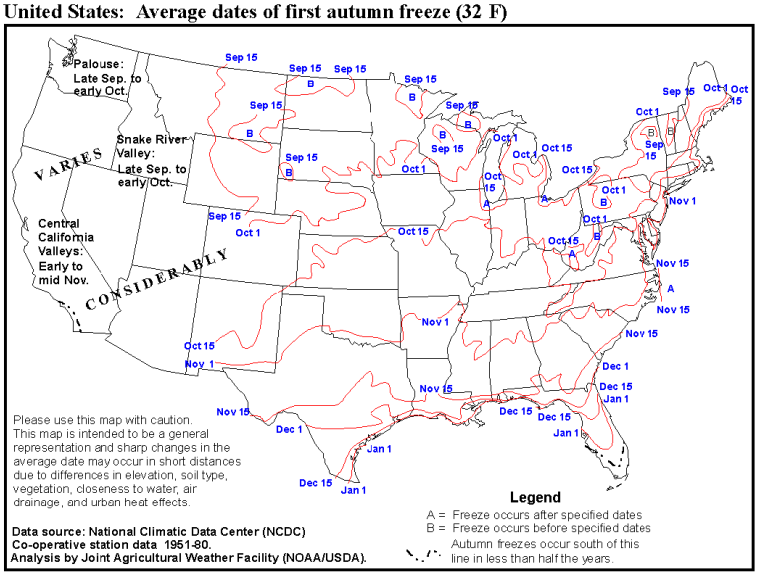
Frost Dates

Weather and the potential affect it can have on grain crops is tremendous. An early frost can cause harvest problems – especially in the Soybean market, while a late frost can cause serious damage to the freshly planted crops (Corn and Soybeans) and frost damage to Winter Wheat during while it is heading is a constant concern for farmers.

As the old saying goes… Everybody complains about the weather, but nobody does anything about it!

The Maps below depicts the usual dates for the last and first frosts to occur in the United States, using data compiled by the National Climatic Data Center (NCDC) and analysis by the United States Department of Agriculture and the National Agricultural Statistics Service (USDA/NASS).





Despite the shortcomings in this chart, it is valuable for grain traders as well as farmers to know when on average the risk of frost has tended to diminish and the possible affect it may have on the pricing of grain futures.

OCTOBER 2008

MON	TUE	WED	THU	FRI	WEEK #
		1	**2**	**3**	**40**
6 Crop Progress	**7** Weather & Crop Summary	**8**	**9**	**10** US Grain & Oilseed Production US and World Supply/Demand	**41**
13 Crop Progress	**14** Weather & Crop Summary	**15**	**16**	**17** COF	**42**
20 Crop Progress	**21** Weather & Crop Summary	**22** Cold Storage	**23**	**24** Slaughter	**43**
27 Crop Progress	**28** Weather & Crop Summary	**29**	**30**	**31**	**44**

MAJOR REPORTS

1 CROP PRODUCTION ON 10TH

IMPORTANT SEASONALITY

1 UP 16, DOWN 9 WHEAT BATTING AVERAGE BEST OF ANY MONTH

2 STRONGEST MONTH ON RECORD FOR CORN

WEEKLY PERFORMANCE

	WEEK#40	WEEK#41	WEEK#42	WEEK#43	WEEK#44
			CORN		
# Up	12	12	13	9	11
# Down	14	14	13	17	13
CHANGE	- 3/4	3/4	2 1/4	-1	1 1/4
RALLY	3 3/4	5 3/4	7 2/4	4 2/4	5 3/4
BREAK	-5 1/4	-4	-4 1/4	-4 1/4	-3 2/4
RANGE	9 1/4	9 3/4	11 2/4	9	9 1/4
			CBOT WHEAT		
# Up	18	15	16	14	11
# Down	8	11	10	12	14
CHANGE	2 3/4	2	4 1/4	4	1
RALLY	10 1/4	10 1/4	13 1/4	12 3/4	11
BREAK	-8 1/4	-7 2/4	-6 1/4	-5 3/4	-8 2/4
RANGE	18 1/4	17 3/4	19 2/4	18 2/4	19 2/4
			SOYBEANS		
# Up	8	9	16	16	10
# Down	18	17	10	10	16
CHANGE	-8	-3 2/4	7 1/4	- 2/4	2 3/4
RALLY	7	10 3/4	20 2/4	13	12 3/4
BREAK	-14 3/4	-13	-10	-10 1/4	-9 2/4
RANGE	21 3/4	23 3/4	30 2/4	23 1/4	22 1/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

CORN'S STRONGEST MONTH...
STRENGTH COMMON GOING INTO HARVEST

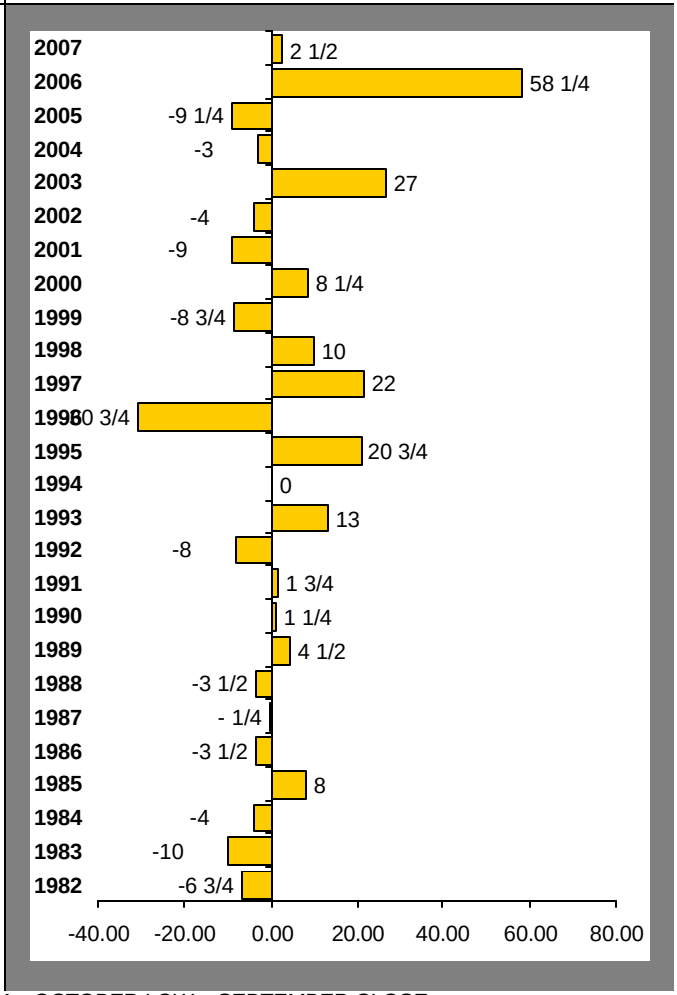
The United States is the world's largest producer of Corn, and well over half of the worlds Corn is produced in the Northern Hemisphere and follows the same general crop production timetable as the U.S.

In most years, the harvest effort for Corn begins in late September and runs through to mid November. By October, harvest is in full swing. Usually stocks are low, and the crop is still partially at risk. Too much precipitation can make field work difficult, while wet/warm weather can increase fungal growth and disease.

DECEMBER FUTURES CHANGES IN CENTS/BU.

YEAR	OCT CLOSE	OCT CHANGE	OCT RALLY	OCT BREAK
1982	215 1/4	-6 3/4	5 1/2	-8
1983	344 3/4	-10	4	-19 1/4
1984	274 1/2	-4	5 1/4	-5 1/2
1985	232 3/4	8	8 1/4	-6 1/2
1986	173 1/4	-3 1/2	1 1/4	-14 1/2
1987	179 1/2	- 1/4	9	-3 3/4
1988	282 1/4	-3 1/2	13 3/4	-13 1/4
1989	237 1/2	4 1/2	13 1/2	-1 1/2
1990	229 1/4	1 1/4	8 1/2	-5 1/4
1991	251	1 3/4	6 1/2	-7 1/4
1992	207 1/4	-8	- 3/4	-10 1/2
1993	257 3/4	13	13 1/2	-8 1/2
1994	215 3/4	0	4 1/4	-2 1/2
1995	332 1/2	20 3/4	22 1/4	-5 1/4
1996	266	-30 3/4	3 3/4	-31 1/4
1997	279 3/4	22	37 1/4	-2 1/4
1998	219	10	21 3/4	-4 1/2
1999	199 1/2	-8 3/4	- 3/4	-10 3/4
2000	206	8 1/4	13 1/4	-1
2001	205 1/2	-9	2 1/4	-12 1/2
2002	247 1/2	-4	10 1/4	-8 1/4
2003	247 1/4	27	30 3/4	-7
2004	202 1/2	-3	4	-8 1/2
2005	196 1/4	-9 1/4	4	-9 1/2
2006	320 3/4	58 1/4	71 1/2	- 3/4
2007	375 1/2	2 1/2	7	-38
	AVERAGE	**3**	**12 1/4**	**-9 1/2**
	# UP	**12**	**24**	**0**
	# DOWN	**13**	**2**	**26**

OCTOBER CHANGES GRAPHICALLY



OCT RALLY = OCTOBER HIGH – SEPTEMBER CLOSE, OCT BREAK = OCTOBER LOW – SEPTEMBER CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Though not the most consistently up month – with a 12 Up and 13 Down record since 1982 – October is the strongest month on record for Corn. When prices rally, they truly do so with a vengeance.

OCTOBER GRAIN SPREAD...
LONG JULY / SHORT DECEMBER SOYBEAN MEAL

Soybean Meal is a high protein feed. It is in high demand during the winter months when pasture land is unavailable. With the U.S> Soybean crop approaching harvest, end users tend to under buy feed as supplies are typically plenty. However, by the following summer supplies tend to be tight. As such, as harvest approaches, deferred contracts tend to gain relative to nearby contracts.

JULY SOYMEAL – DECEMBER SOYMEAL
ENTER ROUGHLY OCTOBER 2ND / EXIT ROUGHLY NOVEMBER 2ND

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
10/3/2007	-6.4	11/2/2007	-6.5	-0.1	$ (10.00)	-5.4	-8.3
10/3/2006	-7.7	11/2/2006	-8.9	-1.2	$ (120.00)	-8.6	-10.9
10/3/2005	-9.6	11/2/2005	-8.9	0.7	$ 70.00	-8.6	-10.9
10/4/2004	-9.1	11/2/2004	-8.8	0.3	$ 29.00	-7.1	-10.7
10/2/2003	8.5	10/31/2003	22.8	14.3	$ 1,429.00	34.7	7.2
10/2/2002	-2.0	11/1/2002	3.2	5.2	$ 520.00	3.2	-2.5
10/2/2001	3.2	11/2/2001	12.2	9.0	$ 901.00	12.2	3.2
10/2/2000	-0.7	11/2/2000	2.8	3.5	$ 350.00	4.1	-2.1
10/4/1999	-4.3	11/2/1999	-2.1	2.2	$ 220.00	-2.1	-6.0
10/2/1998	-15.6	11/2/1998	-13.3	2.3	$ 231.00	-13.1	-15.9
10/2/1997	4.8	10/31/1997	6.8	2.0	$ 199.00	7.6	1.4
10/2/1996	5.1	11/1/1996	8.2	3.1	$ 310.00	10.6	5.1
10/2/1995	-5.1	11/2/1995	-1.1	4.0	$ 400.00	-0.1	-5.8
10/3/1994	-11.8	11/2/1994	-13.9	-2.1	$ (210.00)	-9.8	-13.9
10/4/1993	-6.6	11/2/1993	-0.4	6.2	$ 621.00	-0.4	-6.6

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	49.4	$ 4,940.00	**Maximum Draw**	-3.4	$ (340.00)
# Win	12	**Average P&L**	3.3	$ 329.33	**Average Draw**	-1.3	$ (129.33)
# Loss	3	**Average Win**	3.3	$ 330.71			
% Win	80%	**Average Loss**	3.1	$ 310.00	**Worst Draw on Win**	-3.4	$ (340.00)

NOVEMBER 2008

MON	TUE	WED	THU	FRI	WEEK #
					45
3 Crop Progress	**4** Weather & Crop Summary	**5**	**6**	**7**	**46**
10 US Grain & Oilseed Production US and World Supply/Demand Crop Progress	**11** VETERANS' DAY	**12** Weather & Crop Summary	**13**	**14**	**47**
17 Crop Progress	**18** Weather & Crop Summary	**19**	**20**	**21** COF Cold Storage Slaughter	**48**
24 Crop Progress	**25** Weather & Crop Summary	**26**	**27** THANKSGIVING	**28**	**49**

MAJOR REPORTS

1 CROP PRODUCTION ON 10TH

IMPORTANT SEASONALITY

1 SOYBEANS AND SOYMEAL TEND TOWARDS STRENGTH DURING HARVEST

WEEKLY PERFORMANCE

	WEEK#45	WEEK#46	WEEK#47	WEEK#48	WEEK#49
			CORN		
# Up	11	14	14	13	11
# Down	13	12	10	13	13
CHANGE	1 1/4	2 3/4	- 3/4	-1 2/4	2/4
RALLY	5 3/4	6 3/4	5 2/4	4 2/4	3 3/4
BREAK	-3 2/4	-3 3/4	-4 3/4	-5 2/4	-3 2/4
RANGE	9 1/4	10 2/4	10 1/4	10	7 1/4
			CBOT WHEAT		
# Up	13	13	11	11	9
# Down	12	13	15	14	15
CHANGE	- 1/4	- 1/4	-1 1/4	- 3/4	- 1/4
RALLY	6 2/4	9 1/4	8 3/4	6 3/4	5 1/4
BREAK	-8 2/4	-8 1/4	-9 3/4	-9 1/4	-10 1/4
RANGE	15	17 2/4	18 2/4	16	15 2/4
			SOYBEANS		
# Up	20	13	16	11	16
# Down	6	12	10	15	10
CHANGE	9 2/4	-2	-2 3/4	2	1
RALLY	18 3/4	12 3/4	12 3/4	11	8 3/4
BREAK	-7 3/4	-13	-14	-10 1/4	-10 3/4
RANGE	26 2/4	25 3/4	26 3/4	21 1/4	19 2/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

HARVEST SOYBEAN OIL STRENGTH CONTINUES… FOLLOW OCTOBER STRENGTH

The North American Soybean crop is harvested in October and early November. Meanwhile, the South American crop is being planted. Usually stocks of Soybeans are very depleted, as are those of the products. As such, it is not uncommon for Soybean Oil futures to continue strong Octobers with November strength as well – as the December contract has done on 11 of the last 12 occurrences (91.7%).

DECEMBER SOYBEAN OIL FUTURES CENTS/LB CHANGES

YEAR	OCT CLOSE	OCT CHANGE	NOV HIGH	NOV LOW	NOV CLOSE	NOV CHANGE	NOV RALLY	NOV BREAK
1982	16.81	-0.28	17.70	16.56	16.76	-0.05	0.89	-0.25
1983	28.30	-3.95	30.12	25.15	26.90	-1.40	1.82	-3.15
1984	27.07	2.29	29.79	26.28	27.95	0.88	2.72	-0.79
1985	20.00	-1.31	21.10	18.84	19.11	-0.89	1.10	-1.16
1986	15.31	0.47	15.70	14.52	15.52	0.21	0.39	-0.79
1987	17.36	0.35	18.70	17.10	18.43	1.07	1.34	-0.26
1988	23.53	-1.14	23.83	21.10	21.72	-1.81	0.30	-2.43
1989	19.15	-0.29	20.09	18.65	18.92	-0.23	0.94	-0.50
1990	21.78	-1.78	21.82	19.78	21.36	-0.42	0.04	-2.00
1991	19.39	-0.88	19.57	18.56	18.88	-0.51	0.18	-0.83
1992	19.37	0.43	20.80	19.27	20.34	0.97	1.43	-0.10
1993	23.44	-0.25	26.95	23.12	26.14	2.70	3.51	-0.32
1994	25.66	1.60	29.26	25.53	28.73	3.07	3.60	-0.13
1995	26.61	-0.29	26.94	24.74	24.91	-1.70	0.33	-1.87
1996	22.59	-1.60	23.72	22.30	22.98	0.39	1.13	-0.29
1997	25.22	1.35	26.87	24.77	25.47	0.25	1.65	-0.45
1998	24.78	0.42	25.80	24.13	25.59	0.81	1.02	-0.65
1999	16.30	-0.42	16.90	15.69	16.90	0.60	0.60	-0.61
2000	14.62	-1.16	15.52	14.36	14.76	0.14	0.90	-0.26
2001	15.51	-0.04	16.61	15.39	16.14	0.63	1.10	-0.12
2002	21.84	2.01	22.88	21.65	22.82	0.98	1.04	-0.19
2003	26.09	1.43	27.75	24.72	27.72	1.63	1.66	-1.37
2004	21.50	0.76	21.80	19.82	20.62	-0.88	0.30	-1.68
2005	22.86	-1.09	23.58	20.80	21.05	-1.81	0.72	-2.06
2006	26.83	2.59	29.37	26.88	29.18	2.35	2.54	0.05
2007	42.31	2.31	46.78	41.70	45.64	3.33	4.47	-0.61
	AVERAGE	**0.06**				**0.40**	**1.37**	**-0.88**
	#UP	**12**				**16**	**26**	**1**
	#DOWN	**14**				**10**	**0**	**25**
	FOLLOWING UP OCTOBER							
	AVERAGE					**1.22**	**1.85**	**-0.58**
	#UP					**11**	**12**	**1**
	#DOWN					**1**	**0**	**11**

NOV RALLY = NOVEMBER HIGH –OCTOBER CLOSE; NOV BREAK = NOVEMBER LOW – OCTOBER CLOSE
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL RISK DISCLAIMER

Traders should also note the consistency of the pattern as well as its magnitude. Strength during harvest is typically a strong signal of strength up to expiry of the December contract.

DECEMBER 2008

MON	TUE	WED	THU	FRI	WEEK #
1	**2**	**3**	**4**	**5**	**50**
8	**9**	**10**	**11** US and World Supply/Demand	**12**	**51**
15	**16**	**17**	**18**	**19** COF	**52**
22 **Cold Storage**	**23**	**24**	**25** CHRISTMAS DAY	**26** Slaughter	**53**
29	**30** Hogs & Pigs	**31** NEW YEAR'S EVE	**1** NEW YEAR'S DAY	**2**	**1**

MAJOR REPORTS

1 CROP PRODUCTION ON 11TH

IMPORTANT SEASONALITY

1 QUIET MONTH, LOW VOLUME

2 DECEMBER WHEAT AND SOYBEAN TRENDS REVERSED IN JANUARY

WEEKLY PERFORMANCE

	WEEK#50	WEEK#51	WEEK#52	WEEK#53	WEEK#1
			CORN		
# Up	8	15	14	18	11
# Down	17	9	12	8	15
CHANGE	-2 1/4	1 1/4	1 2/4	2/4	-1 3/4
RALLY	2 3/4	4 1/4	4 2/4	3	2 3/4
BREAK	-5 2/4	-2 3/4	-2 3/4	-3	-4 3/4
RANGE	8 1/4	7	7 1/4	6	7 2/4
			CBOT WHEAT		
# Up	11	13	18	14	10
# Down	15	13	7	12	16
CHANGE	-4 3/4	-1 1/4	2 1/4	-1	- 2/4
RALLY	6 2/4	6 2/4	8 2/4	5 1/4	6
BREAK	-11	-7 3/4	-5 2/4	-6 2/4	-8 3/4
RANGE	17 2/4	14 1/4	14	11 3/4	15
			SOYBEANS		
# Up	14	15	15	13	8
# Down	12	11	10	13	16
CHANGE	-1 3/4	2	2 3/4	1 2/4	-5
RALLY	8 3/4	10 2/4	9 2/4	8 3/4	5
BREAK	-12	-9	-8 2/4	-8 1/4	-12 2/4
RANGE	20 3/4	19 2/4	18	17	17 3/4

NOTE: RALLY = WEEKS HIGH – PREVIOUS WEEKS CLOSE, BREAK = WEEKS LOW – PREVIOUS WEEKS CLOSE, RANGE = WEEKS HIGH – WEEKS LOW

DECEMBER'S TREND REVERSED IN JANUARY … ESPICIALLY HOLIDAY CHEER!

In eighteen of the last 25 years (72.0%), December Soybean trend has been reversed in January. The logic behind this pattern may well be due to the marketing habits of producers. In years when cash flows are tight, producers may well market early (in December), creating supply gluts during December when markets are thin and transportation is difficult. In years when supplies are tight, producers may with-hold supplies until January, causing the thin holiday markets to over react to the upside in December, a case which is quite consistently reversed in January.

MARCH SOYBEAN FUTURES CHANGES IN CENTS/BU

YEAR	DEC CLOSE	DEC CHANGE	JAN HIGH	JAN LOW	JAN CLOSE	JAN RALLY	JAN BREAK	JAN CHANGE
1982	626 1/4	-36 1/4	660	623 1/2	656 1/2	33 3/4	-2 3/4	30 1/4
1983	573 1/4	-11 3/4	607	568 1/2	604 1/2	33 3/4	-4 3/4	31 1/4
1984	832 1/2	20	820	720	730 1/2	-12 1/2	-112 1/2	-102
1985	585 1/4	-37	612 1/2	569 1/2	601 1/4	27 1/4	-15 3/4	16
1986	542 1/2	37	557	525 1/2	533	14 1/2	-17	-9 1/2
1987	494 1/2	-12 3/4	502 1/2	486 1/2	500 1/4	8	-8	5 3/4
1988	614 1/2	1 1/4	641 1/4	601	609 1/2	26 3/4	-13 1/2	-5
1989	819 1/4	43 3/4	832 1/2	740 1/2	772 1/2	13 1/4	-78 3/4	-46 3/4
1990	582 1/4	-13	586 1/2	553 1/2	561	4 1/4	-28 3/4	-21 1/4
1991	574 1/2	-30	589 1/4	549 1/2	566 1/2	14 3/4	-25	-8
1992	557	-6 1/2	585 1/2	548 1/2	572	28 1/2	-8 1/2	15
1993	574 1/4	5	588	567	574	13 3/4	-7 1/4	- 1/4
1994	712 1/2	34 1/2	721	681 1/2	686 1/2	8 1/2	-31	-26
1995	561 1/2	-11 1/2	563	547 1/4	547 1/2	1 1/2	-14 1/4	-14
1996	744 1/2	50	770	720 1/4	738 1/2	25 1/2	-24 1/4	-6
1997	687 1/2	-20	754	688	738 1/4	66 1/2	1/2	50 3/4
1998	676 1/4	-44 3/4	690	658	672 1/2	13 3/4	-18 1/4	-3 3/4
1999	541 1/4	-61 3/4	557 1/2	506 1/2	506 1/2	16 1/4	-34 3/4	-34 3/4
2000	469 1/2	-13 3/4	529	463 1/4	508	59 1/2	-6 1/4	38 1/2
2001	509 3/4	-3 1/4	510	456 1/4	459 1/2	1/4	-53 1/2	-50 1/4
2002	422 1/4	-25	454 1/2	415 3/4	430 1/4	32 1/4	-6 1/2	8
2003	565	-9	585	544	564	20	-21	-1
2004	794	40	855	785 1/2	819 1/2	61	-8 1/2	25 1/2
2005	547 1/4	11 1/4	551	510	514 3/4	3 3/4	-37 1/4	-32 1/2
2006	613 1/2	47 1/4	633	563 1/2	594 1/4	19 1/2	-50	-19 1/4
2007	697 1/4	-3	729 1/4	657	719 1/2	32	-40 1/4	22 1/4
AVERAGE		**-2**				**21 3/4**	**-25 3/4**	**-5 1/2**
# UP		**10**				**25**	**1**	**10**
# DOWN		**16**				**1**	**25**	**16**
Following Up September					**AVERAGE**	**17 2/5**	**-38**	**-22 1/6**
					# UP	**9**	**0**	**1**
					# DOWN	**1**	**10**	**9**

JAN RALLY = JANUARY HIGH – DECEMBER CLOSE, JANUARY BREAK = JANUARY LOW – DECEMBER CLOSE.
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. SEE HYPOTHETICAL DISCLAIMER

Traders should view December's trend with great suspicion. The market tends to lack volume and participants. However, as the New Year begins, volume comes back into the market and often the excesses of December are undone, especially December Rallies!

DECEMBER GRAIN SPREAD...
LONG MAY CORN/ SHORT CBOT WHEAT

Wheat tends to be more heavily marketed in the 1st quarter of the New Year than Corn. Typically Corn prices are pushed lower by harvest in the late Fall/early Winter, as harvest based marketings pressure pricing. Wheat marketings tend to increase in the 1st quarter of the New Year, and as such the available supply of Wheat tends to dwarf that of Corn, causing Corn to gain relative to Wheat.

MAY CORN – MAY CBOT WHEAT
ENTER ROUGHLY DECEMBER 26TH / EXIT ROUGHLY FEBRUARY 27TH

Entry Date	Spread Entry	Exit Date	Spread Exit	P&L in Points	P&L in $'s	High Price	Low Price
12/27/2006	-126 3/4	2/27/2007	-59 1/4	67 2/4	$ 3,375.00	-44 1/4	-126 3/4
12/27/2005	-124 3/4	2/27/2006	-146 3/4	-22	$ (1,100.00)	-116 2/4	-147
12/27/2004	-97 2/4	2/25/2005	-111 3/4	-14 1/4	$ (712.50)	-92 3/4	-111 3/4
12/26/2003	-126 1/4	2/27/2004	-84 2/4	41 3/4	$ 2,087.50	-84 2/4	-152 2/4
12/26/2002	-95 2/4	2/27/2003	-78 3/4	16 3/4	$ 837.50	-75 2/4	-97 1/4
12/26/2001	-75 3/4	2/27/2002	-71 3/4	4	$ 200.00	-70 1/4	-96 2/4
12/26/2000	-47 3/4	2/27/2001	-47	3/4	$ 37.50	-41 2/4	-71 3/4
12/27/1999	-43	2/25/2000	-34 3/4	8 1/4	$ 412.50	-34 3/4	-47 3/4
12/28/1998	-63 1/4	2/26/1999	-32 3/4	30 2/4	$ 1,525.00	-32	-69 2/4
12/26/1997	-68 2/4	2/27/1998	-66	2 2/4	$ 125.00	-53 3/4	-69 1/4
12/26/1996	-127	2/27/1997	-72 1/4	54 3/4	$ 2,737.50	-72 1/4	-135 3/4
12/26/1995	-140 2/4	2/27/1996	-120 2/4	20	$ 1,000.00	-120 2/4	-159 3/4
12/27/1994	-175 3/4	2/27/1995	-122 1/4	53 2/4	$ 2,675.00	-122 1/4	-175 3/4
12/27/1993	-70 1/4	2/25/1994	-65 3/4	4 2/4	$ 225.00	-64 2/4	-87
12/28/1992	-134	2/26/1993	-161	-27	$ (1,350.00)	-131 3/4	-172 3/4

			In points	In $'s		In points	In $'s
# Trades	15	**Total P&L**	241 2/4	$12,075.00	**Maximum Draw**	-38 3/4	$ (1,937.50)
# Win	12	**Average P&L**	16	$ 805.00	**Average Draw**	-13 3/4	$ (681.67)
# Loss	3	**Average Win**	25 2/4	$ 1,269.79			
% Win	80%	**Average Loss**	-21	$ (1,054.17)	**Worst Draw on Win**	-26 1/4	$ (1,312.50)

NOTE: THE TERM DRAW REFERS TO AN UNREALIZED LOSS ON AN OPEN POSITION, OR THE WORST P&L ACHIEVED DURING THE HYPOTHETICAL TRADE IN QUESTION.
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.
HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

STANDARDS OF WEIGHT AND MEASURE

MEASURES OF WEIGHT	EQUIVALENT
1 Kilogram	32.15075 Troy Oz.
1 Kilogram	2.20462 Lbs.
1 Metric Quintal	220.462 Lbs.
1 Metric Ton	2204.62 Lbs.
1 Short Ton	2000 Lbs.
1 Long Ton	2240 Lbs.
1 Metric Ton	1000 Kilograms
1 Metric Ton	1.10231 Short Tons
1 Metric Ton	0.98421 Long Tons

MEASURES OF LENGTH AND AREA	
1 Centimeter	0.39370 inches
1 Meter	39.370 inches
1 Meter	3.2808 Feet
1 Kilometer	0.6214 miles
1 Square Meter	1550.003 square inches
1 Square Meter	10.7639 square feet
1 Hectare	2.47105 acres
1 Hectare	10.000 square meters

MEASURES OF TEMPERATURE	
Celsius Degrees	.556 x (fahrenheit degrees)-32
Fahrenheit Degrees	1.8 x (celcius degress)+32

DOMESTIC AND METRIC CONVERSION FACTORS FOR BUSHELS AND YIELDS

	WEIGHT	Bushels
60 Lb. Bushel: Wheat, White Potatoes, Soybeans		
	1 Metric Ton	36.74 Bushels
	1 Metric Ton/Hectare	14.869 Bushels/Ac.
	1 Quinta/Hectare	1.4869 Bushels/Ac.
	1 Short Ton	33.33 Bushels
	1 Long Ton	37.33 Bushels
56 Lb. Bushel: Corn, Rye, Sorghum Grain, Flaxseed		
	1 Metric Ton	39.37 Bushels
	1 Metric Ton/Hectare	15.932 Bushels/Ac.
	1 Quinta/Hectare	1.5932 Bushels/Ac.
	1 Short Ton	35.71 Bushels
	1 Long Ton	40.00 Bushels

Source: National Bureau of Standards

Contract Specifications

	TRADING HOURS EST.	SYMBOL	CONTRACT SIZE*	UNITS QUOTED**	POINT VALUE**	MIN CHANGE**	DAILY TRADE LIMIT**
			GRAINS				
WHEAT	10:30-2:15	W	5000 BU	CTS/BU	1CT=$50	1/4CT=$12.50	30CT=$1500
CORN	10:30-2:15	C	5000 BU	CTS/BU	1CT=$50	1/4CT=$12.50	20CT=$1000
SOYBEANS	10:30-2:15	S	5000 BU	CTS/BU	1CT=$50	1/4CT=$12.50	50CT=$2500
SOYBEAN MEAL	10:30-2:15	SM	100 TONS	$/TON	$1=$100	$0.1=$10	$20 = $2,000
SOYBEAN OIL	10:30-2:15	BO	60,000 LBS	CTS/LB	1CT=$600	.01 CT=$6	2CT=$1,200
			FOOD & FIBER (SOFTS)				
COCOA	8:00-11:50	CO	10 TONS	$/TON	$1=$10	$1=$10.00	$88=$880
COFFEE	8:15-12:30	KC	37,500 LBS	CTS/LB	1CT=$375	0.05CT=$18.75	NONE
SUGAR	9:00-12:00	SB	112,000 LBS	CTS/LB	1CT=$1,120	0.01CT=$11.20	50CT=$560
			MEATS				
LIVE CATTLE	10:05-2:00	LC	40,000 LBS	CTS/LB	1CT=$400	0.025CT=$10.00	3CT=$1200
LEAN HOGS	10:10-2:00	LH	40,000 LBS	CTS/LB	1CT=$400	0.025CT=$10.00	2CT=$800

BU = Bushels, LB = Pounds,

Understanding Contract Specifications

A commodity futures contract is a legally binding agreement between a buyer and a seller to accept or make delivery of a predetermined amount of a commodity at a specified location, during a specific time. All aspects of the contract are standardized so the only the only aspect left to be negotiated – on an Exchange – is price.

Because futures contracts are standardized to size, quantity, quality and time of delivery each contract is interchangeable. For example, if a trader bought (long) a contract of Corn, he/she would not have to accept delivery of Corn if he/she "offset" the contract by selling the contract on the exchange before first notice day of the contract – the date upon which all which commodity contracts are subject to delivery.

Commodities are traded on a base unit basis. For example, if Corn is quoted at $4.10, it means that 1 bushel (the unit) of Corn is worth $4.10/bushel. The minimum fluctuation – or the smallest price change aloud by the exchange – is set at ¼ cent/bushel. With a contract size of 5,000 bushels per futures contract, each minimum move is worth $0.0025 bushel X 5,000 or $12.50 per contract.

The **Units Quoted** in the table above will show traders the normal pricing of the above mentioned commodities – for more information on non-listed commodities go to www.COMMODITYALMANAC.com. For example, Soybeans are quoted in cents/bushel (bu), so when you see a price of 589 ½, that would read as 589 ½ cents/bu - $5.89 ½ per bushel.

Futures contracts are standardized in size as well. The contract size represents how much of the commodity is controlled by a futures contract and also how much a move is worth. For example, Wheat futures represent 5,000 bushels of Wheat; as such each 1 cents/bushel move is worth $50 before trading costs (commissions and fees). For a listing what each contract is worth per unit move see the Point Value column in the table above.

The futures exchanges also designate a minimum and sometimes maximum amount of movement allowed. The minimum change is also known as a "tick" in trading lingo. The value of a "tick" is derived by multiplying the minimum change amount by the contract size. For example, with a minimum move in Corn being ¼ cent, a minimum move is worth $12.50/bushel given the 5,000 bushel contract size. The maximum amount of movement is also known as limit, meaning prices can not move than this amount in a single session. When they reach this threshold, trading beyond this price is halted.

APPENDIX #1

GRAIN SUPPLY & USAGE

- ✓ US CORN
- ✓ WORLD CORN
- ✓ US SOYBEANS, SOYBEAN MEAL, AND SOYBEAN OIL
- ✓ WORLD SOYBEANS
- ✓ US WHEAT ALL, HRW, SRW
- ✓ WORLD WHEAT ALL

U.S. Corn Supply and Usage

Crop Year	Supply						Usage				Ending Stocks
	Planted Acres	Harvested Acres	Yield per Acre	Begin Stocks	Prod	Total Supply	Feed	Food-Seed Industry	Exports	Total Use	
	In million acres		Bushels/acre	In 1,000 bushels							
1987-88	66.2	59.5	119.8	4,882	7,131	12,016	4,789	1,251	1,716	7,757	4,259
1988-89	67.7	58.3	84.6	4,259	4,929	9,191	3,934	1,297	2,028	7,260	1,930
1989-90	72.3	64.8	116.3	1,930	7,532	9,464	4,382	1,370	2,367	8,120	1,344
1990-91	74.2	67.0	118.5	1,344	7,934	9,282	4,609	1,425	1,727	7,761	1,521
1991-92	76.0	68.8	108.6	1,521	7,475	9,016	4,798	1,533	1,584	7,915	1,100
1992-93	79.3	72.1	131.5	1,100	9,477	10,584	5,252	1,556	1,663	8,471	2,113
1993-94	73.2	62.9	100.7	2,113	6,338	8,472	4,680	1,613	1,328	7,621	850
1994-95	78.9	72.5	138.6	850	10,051	10,910	5,460	1,715	2,177	9,352	1,558
1995-96	71.5	65.2	113.5	1,558	7,400	8,974	4,693	1,628	2,228	8,548	426
1996-97	79.2	72.6	127.1	426	9,233	9,672	5,277	1,714	1,797	8,789	883
1997-98	79.5	72.7	126.7	883	9,207	10,099	5,482	1,804	1,504	8,791	1,308
1998-99	80.2	72.6	134.4	1,308	9,759	11,085	5,471	1,846	1,981	9,298	1,787
1999-00	77.4	70.5	133.8	1,787	9,431	11,232	5,664	1,913	1,937	9,515	1,718
2000-01	79.6	72.4	136.9	1,718	9,915	11,639	5,838	1,967	1,935	9,740	1,899
2001-02	75.8	68.8	138.2	1,899	9,507	11,416	5,874	2,054	1,889	9,817	1,599
2002-03	78.9	69.3	129.3	1,596	8,697	10,578	5,563	2,340	1,588	9,491	1,087
2003-04	78.7	71.1	142.2	1,087	10,114	11,215	5,783	2,577	1,897	10,257	958
2004-05	80.9	73.6	160.4	958	11,807	12,775	6,160	2,688	1,815	10,663	2,112
2005-06	81.6	74.3	146.1	2,112	10,857	12,980	5,875	2,885	2,000	10,760	2,220
2006-07	78.3	70.6	149.1	1,967	10,535	12,514	5,598	3,488	2,117	11,210	1,304
2007-08	93.6	86.1	153.0	1,304	13,168	14,487	5,650	4,590	3,200	12,690	1,797
2008-09											

World Corn Supply & Usage

Crop Year	Begin Stocks	Prod	Total Supply	Feed	Other	Total Usage	Ending Stocks
			In million metric tons				
1987-88	205.1	451.1	656.2	315.6	143.4	459.1	197.1
1988-89	197.1	400.9	597.9	307.6	145.0	452.7	145.3
1989-90	145.3	461.2	606.5	324.9	149.1	474.0	132.5
1990-91	132.5	482.4	614.9	315.0	158.9	473.9	141.0
1991-92	141.0	491.4	632.3	337.1	154.7	491.8	140.6
1992-93	140.6	538.7	679.2	348.1	167.4	515.6	163.8
1993-94	163.8	476.2	640.0	341.8	169.6	511.5	128.5
1994-95	128.5	560.3	688.8	373.2	167.3	540.4	148.4
1995-96	148.4	517.4	665.7	365.4	176.1	541.5	124.3
1996-97	124.3	592.2	716.5	388.8	176.1	564.9	151.5
1997-98	151.5	575.4	726.9	401.3	176.6	577.9	149.1
1998-99	149.1	605.5	754.6	402.5	179.7	582.1	169.1
1999-00	169.1	607.0	776.1	421.0	184.2	605.2	170.9
2000-01	170.9	586.5	757.4	422.9	177.9	600.9	156.6
2001-02	153.5	596.2	749.6	439.2	181.6	620.8	128.4
2002-03	148.1	601.1	749.2	434.5	192.2	626.7	122.5
2003-04	122.5	619.0	741.5	445.9	199.8	645.7	95.8
2004-05	99.7	708.6	808.3	467.9	214.2	682.0	126.3
2005-06	131.3	695.2	826.5	474.6	226.3	700.9	125.6
2006-07	123.04	703.8	826.9	472.19	248.52	720.71	106.17
2007-08	104.98	768.22	873.2	484.17	282.26	766.43	109.06

U.S. Soybean Supply & Usage

	Supply						Usage					
Crop Year	Planted Acres	Harvested Acres	Yield per Acre	Beg Stocks	Production	Total Supply	Crush	Seed	Resid	Exports	Total Use	Ending Stocks
	In million acres		Bu/Acre	In 1,000 bushels								
1987-88	58.2	57.2	33.9	436	1,938	2,375	1,174	56	39	804	2,073	302
1988-89	58.8	57.4	27.0	302	1,549	1,855	1,058	59	29	527	1,673	182
1989-90	60.8	59.5	32.3	182	1,924	2,109	1,146	57	45	622	1,870	239
1990-91	57.8	56.5	34.1	239	1,926	2,169	1,187	55	41	557	1,840	329
1991-92	59.2	58.0	34.2	329	1,987	2,319	1,254	55	48	684	2,041	278
1992-93	59.2	58.2	37.6	278	2,190	2,470	1,279	64	66	771	2,179	292
1993-94	60.1	57.3	32.6	292	1,870	2,168	1,276	67	29	588	1,961	209
1994-95	61.6	60.8	41.4	209	2,515	2,729	1,405	72	81	840	2,396	335
1995-96	62.5	61.5	35.3	335	2,174	2,513	1,370	72	40	849	2,333	183
1996-97	64.2	63.3	37.6	183	2,380	2,572	1,436	82	41	886	2,441	132
1997-98	70.0	69.1	38.9	132	2,689	2,826	1,597	86	70	874	2,626	200
1998-99	72.0	70.4	38.9	200	2,741	2,944	1,590	88	113	805	2,595	348
1999-00	73.7	72.4	36.6	348	2,654	3,006	1,578	90	75	973	2,716	290
2000-01	74.3	72.4	38.1	290	2,770	3,063	1,630	91	97	995	2,813	250
2001-02	74.1	73.0	39.6	248	2,891	3,141	1,700	89	82	1,063	2,933	208
2002-03	74.0	72.5	38.0	208	2,756	2,969	1,615	89	41	1,044	2,791	178
2003-04	73.4	72.5	33.9	178	2,454	2,638	1,530	92	19	885	2,525	112
2004-05	75.2	74.0	42.2	112	3,124	3,242	1,696	88	107	1,095	2,987	256
2005-06	72.2	71.3	41.6	256	2,967	3,227	1,695	90	66	1,115	2,966	565
2006-07	75.5	74.6	42.7	449	3,188	3,647	1,806	78	71	1,118	3,074	573
2007-08	63.7	62.8	41.3	573	2,594	3,173	1,830	86	77	1,830	2,988	185
2008-09												

World Soybean Supply & Usage

Crop Year	Begin Stocks	Production	Total Supply	Total Usage	Ending Stocks
	In million metric tons				
1987-88	19.72	103.51	123.23	103.80	19.75
1988-89	19.75	96.01	115.76	98.99	17.77
1989-90	17.77	107.33	125.10	104.23	20.19
1990-91	20.19	104.19	124.38	103.98	20.47
1991-92	20.47	107.36	127.83	109.83	18.38
1992-93	18.38	117.43	135.81	117.69	20.20
1993-94	20.20	117.84	138.04	121.34	17.34
1994-95	17.34	137.73	155.07	134.23	23.69
1995-96	23.69	124.98	148.67	129.88	17.53
1996-97	17.53	132.19	149.72	135.58	13.40
1997-98	13.40	158.02	171.42	148.63	25.08
1998-99	25.08	159.81	184.89	159.96	26.64
1999-00	26.64	159.86	186.50	160.72	26.91
2000-01	26.91	172.10	199.01	173.43	29.13
2001-02	30.92	184.30	272.93	183.85	32.45
2002-03	33.22	196.81	230.03	190.41	40.67
2003-04	40.67	189.55	230.22	190.50	39.11
2004-05	35.19	213.35	248.54	205.58	43.02
2005-06	48.18	218.04	266.22	213.80	52.22
2006-07	52.81	235.57	288.38	225.02	61.11
2007-08	61.11	221.59	282.70	235.2	47.32

U.S. Soybean Meal Supply & Usage

Crop Year	Beginning Stocks	Production	Total Supply	Exports	Domestic	Total Use	Ending Stocks
	In 1,000 Tons						
1987-88	240	28,060	28,300	6,824	21,323	28,147	153
1988-89	153	24,943	25,113	5,443	19,497	24,940	173
1989-90	173	27,719	27,928	5,319	22,291	27,610	318
1990-91	318	28,325	28,688	5,537	22,866	28,403	285
1991-92	285	29,831	30,183	6,959	22,994	29,953	230
1992-93	230	30,364	30,687	6,254	24,229	30,483	204
1993-94	204	30,514	30,787	5,365	25,272	30,637	150
1994-95	150	33,265	33,479	6,715	26,541	33,256	223
1995-96	223	32,527	32,825	6,004	26,609	32,613	212
1996-97	212	34,211	34,524	6,994	27,322	34,316	210
1997-98	210	38,176	38,442	9,330	28,894	38,224	218
1998-99	218	37,792	38,109	7,122	30,657	37,779	330
1999-00	330	37,591	37,970	7,331	30,346	37,677	293
2000-01	293	39,142	39,475	7,750	31,450	39,200	275
2001-02	383	40,346	40,840	7,475	33,124	40,599	240
2002-03	240	38,213	38,619	6,019	32,379	38,399	220
2003-04	220	36,318	36,808	4,340	32,256	36,596	212
2004-05	211	40,634	40,960	7,300	33,400	40,700	260
2005-06	260	40,375	40,800	6,550	34,000	40,550	250
2006-07	314	43,027	43,497	8,786	34,360	43,146	351
2007-08	351	43,484	44,000	8,400	35,300	43,700	300
2008-09							

U.S. Soybean Oil Supply & Usage

Crop Year	Beginning Stocks	Production	Total Supply	Exports	Domestic	Total Use	Ending Stocks
	In Million Ponds						
1987-88	1,725	12,974	14,893	1,874	10,927	12,801	2,092
1988-89	2,092	11,737	13,967	1,661	10,591	12,252	1,715
1989-90	1,715	13,004	14,741	1,353	12,083	13,436	1,305
1990-91	1,305	13,408	14,730	808	12,136	12,944	1,786
1991-92	1,786	14,345	16,132	1,644	12,249	13,893	2,239
1992-93	2,239	13,778	16,027	1,461	13,011	14,472	1,555
1993-94	1,555	13,951	15,574	1,531	12,940	14,471	1,103
1994-95	1,103	15,613	16,733	2,683	12,913	15,596	1,137
1995-96	1,137	15,240	16,472	992	13,465	14,457	2,015
1996-97	2,015	15,752	17,820	2,033	14,267	16,300	1,520
1997-98	1,520	18,143	19,723	3,079	15,262	18,341	1,382
1998-99	1,382	18,081	19,546	2,372	15,655	18,027	1,520
1999-00	1,520	17,825	19,427	1,376	16,056	17,432	1,995
2000-01	1,995	18,315	20,395	1,500	16,450	17,950	2,445
2001-02	2,877	18,898	21,820	2,500	16,960	19,460	2,360
2002-03	2,358	18,438	20,843	2,263	17,089	19,352	1,491
2003-04	1,491	17,077	18,875	937	16,881	17,818	1,057
2004-05	1,076	19,320	20,421	1,350	17,500	18,850	1,571
2005-06	1,699	20,393	22,127	1,153	17,955	19,108	3,019
2006-07	3,010	20,487	23,667	1,888	18,743	20,630	2,904
2007-08	2,904	20,770	23,712	1,650	19,900	21,550	2,162
2008-09							

U.S. All Wheat Supply & Usage

Crop Year	Supply						Usage					Ending Stocks
	Planted Acres	Harvested Acres	Yield per Acre	Begin Stocks	Prod	Total[2/]	Food	Seed	Feed	Exports	Total	
	In Million Acres		Bu/Acre	In 1,000 Bushels								
1987-88	65.8	55.9	37.7	1,821	2,108	3,945	721	85	290	1,588	2,684	1,261
1988-89	65.5	53.2	34.1	1,261	1,812	3,096	726	103	151	1,415	2,394	702
1989-90	76.6	62.2	32.7	702	2,037	2,761	749	104	139	1,232	2,224	537
1990-91	77.0	69.1	39.5	537	2,730	3,303	790	93	482	1,070	2,435	868
1991-92	69.9	57.8	34.3	868	1,980	2,889	790	98	245	1,282	2,414	475
1992-93	72.2	62.8	39.3	475	2,467	3,012	835	99	194	1,354	2,481	531
1993-94	72.2	62.7	38.2	531	2,396	3,036	872	96	272	1,228	2,467	569
1994-95	70.3	61.8	37.6	569	2,321	2,981	853	89	345	1,188	2,475	507
1995-96	69.0	61.0	35.8	507	2,183	2,757	883	104	154	1,241	2,381	376
1996-97	75.1	62.8	36.3	376	2,277	2,746	891	102	308	1,002	2,302	444
1997-98	70.4	62.8	39.5	444	2,482	3,020	914	93	251	1,040	2,298	723
1998-99	65.8	59.0	43.2	723	2,547	3,373	910	81	394	1,042	2,427	946
1999-00	62.7	53.8	42.7	946	2,299	3,339	929	92	280	1,090	2,391	950
2000-01	62.6	53.1	42.0	950	2,223	3,263	960	80	289	1,061	2,390	873
2001-02	59.6	48.6	40.2	876	1,957	2,941	928	82	193	961	2,164	777
2002-03	60.3	45.8	35.0	777.0	1,606	2,468	923	83	120	850	1,976	491
2003-04	62.1	53.1	44.2	491.0	2,345	2,909	911	80	211	1,159	2,362	547
2004-05	59.7	50.0	43.2	546	2,158	2,775	907	79	187	1,063	2,235	540
2005-06	57.2	50.1	42.0	540	2,105	2,727	915	78	153	1,146	2,155	571
2006-07	57.3	46.8	38.7	571	1,812	2,505	933	81	125	1,140	2,049	456
2007-08	60.4	51.0	40.5	456	2,067	2,613	945	88	125	1,158	2,333	280
2008-09												

U.S. Hard Red and Soft Red Winter Wheat Supply & Usage

Year	Hard Red Winter Wheat							Soft Red Winter Wheat						
	Begin Stocks	Prod	Total Supply[2/]	Use	Export	Total Use	Ending Stocks	Begin Stocks	Prod	Total Supply[2/]	Use	Export	Total Use	Ending Stocks
	In 1,000 Bushels													
1987-88	973	1,019	1,992	524	901	1,425	567	77	349	427	192	160	352	75
1988-89	567	882	1,449	507	639	1,146	302	75	473	547	193	315	508	39
1989-90	302	711	1,013	439	359	798	215	39	549	588	212	345	557	32
1990-91	215	1,196	1,411	681	369	1,050	360	32	544	575	265	230	495	80
1991-92	360	901	1,261	507	559	1,067	194	80	325	405	259	105	364	41
1992-93	194	967	1,162	494	464	958	204	41	427	468	215	210	425	43
1993-94	204	1,066	1,273	560	486	1,046	227	43	401	444	226	173	399	45
1994-95	227	971	1,202	586	422	1,008	194	45	438	484	235	212	447	37
1995-96	194	825	1,019	481	384	865	154	37	456	492	207	250	457	35
1996-97	154	759	914	485	286	771	143	35	420	455	270	140	410	45
1997-98	143	1,098	1,242	573	362	935	307	45	472	517	257	180	437	80
1998-99	307	1,179	1,487	599	453	1,052	435	80	443	523	282	105	387	136
1999-00	435	1,051	1,486	542	486	1,028	458	136	454	590	287	170	457	133
2000-01	458	844	1,302	491	402	894	408	133	471	604	293	176	469	135
2001-02	411	767	1,179	467	348	815	363	135	400	535	258	199	475	78
2002-03	363	609	973	465	365	830	143	78	239	319	101	155	256	63
2003-04	188	1,071	1,260	520	512	1,033	227	55	380	457	254	140	393	64
2004-05	227	856	1,084	503	388	891	193	64	380	466	256	122	378	88
2005-06	193	925	1,123	509	425	934	185	88	385	504	260	135	398	106
2006-07	215	682	898	465	275	740	125	106	390	516	261	146	407	109
2007-08	165	962	1,127	518	500	1,018	109	109	358	477	238	195	433	45

World All Wheat Supply & Usage

Crop Year	Begin Stocks[2/]	Prod	Total Supply	Total Usage	Ending Stocks[2/]
	In Million Metric Tons				
1987-88	191.7	496.0	687.7	530.1	157.6
1988-89	157.6	495.0	652.6	518.6	134.0
1989-90	134.0	533.2	667.2	531.0	136.1
1990-91	136.1	588.1	724.2	556.1	168.2
1991-92	168.2	542.9	711.1	553.2	157.9
1992-93	157.9	562.4	720.3	550.5	169.8
1993-94	169.8	558.7	728.5	555.9	172.7
1994-95	172.7	524.0	696.7	546.2	150.4
1995-96	150.4	538.4	688.9	549.0	139.9
1996-97	139.9	581.9	721.8	576.4	145.4
1997-98	145.4	609.2	754.6	583.6	170.9
1998-99	170.9	588.8	759.7	585.1	174.6
1999-00	174.6	586.8	761.4	593.5	167.9
2000-01	167.9	578.8	746.7	589.0	157.7
2001-02	204.3	578.7	783.1	584.9	198.2
2002-03	202.06	566.9	769.0	601.6	167.4
2003-04	167.38	551.4	718.8	587.7	131.1
2004-05	131.67	625.2	756.8	608.1	148.7
2005-06	151.45	619.7	771.2	623.8	147.4
2006-07	147.84	593.66	741.5	617.20	124.3
2007-08	124.3	602.31	726.6	616.55	110.06
2008-09					

Appendix #2

The Modified Grandmill Method

The Modified Grandmill Method

The Concept of the Right Price for Grain Futures

Much akin to a super market shopper, grain traders need to know when the price of a is "cheap" compared to supply and use, or if the price is "dear" relative to supply and use, and should be sold. The key to this right price for grain prices is the relationship between the Total Supply of a particular grain and its Total Use (demand).

The Total Supply of a grain underlying a particular grain futures market is the Beginning Stocks, plus Production, and Imports. When Total Supply is large, grain prices tend to fall under the weight of this excess, as end users put off buying the grain they need until later in the season when the current year's production is available as well. When Total Supply is tight, grain prices tend to rally very strongly from planting to pollination as end users scramble to fulfill needs ahead of schedule when faced with probable higher prices.

Total Use is the amount of grain consumed or processed in any given marketing year. This includes domestic consumption (crushing), seed use, feed and residual use, exports, and other measures of disappearance. When Use is running at a strong pace, consumers tend to be aggressive in their purchases, while producers tend to withhold supply, causing early season rallies to be strong. However, when Use is slow, consumers tend to put off purchases, to avoid higher storage costs and increased chances of having their stocks spoil or become damaged. This tends to cause prices to break, especially during periods when the risk to supply is diminished (around pollination) or when supply is plentiful (harvest).

So even though in plenty of years, grain prices do tend to rally from planting to pollination and break from pollination to harvest, in many years they do not because of the current Supply and Use situation. But, if one can understand when prices are "cheap" or "expensive" relative to Supply and Use, then this "right price" can be used in conjunction with the seasonal nature of grain prices to make more accurate price forecasts.

Finding the "Right Price"

The author Wm. Grandmill's greatest contribution to grain futures trading was his work with comparing Ending Stocks to Total Use. Grandmill hypothesized *(we believe correctly)* that the relationship between supply as a percentage of Total Use can correctly forecast the general trend of grain futures prices months into the future.

Ending Stocks are used because Ending Stocks represent the amount of grain left over from this crop year "carried over" into next crop year. Ending Stocks is simply the surplus left over at the end of the year.

Total Supply - Total Use = Ending Stocks

By using Ending Stocks as the measure of supply, one can see in a nutshell when Supply is growing relative to Use, and vice versa. Because Ending Stocks can vary greatly from year to year, and the absolute size has increased dramatically in the past decade, this figure can not be used alone. Just using ending stocks is like saying that a person who weighs 200 pounds, is fat. If this person is 6' 6" tall, then a 200 pound person would be quite thin, while a 200 pound 5' tall person, may be quite portly. Just as doctors look at height relative to weight, the commodity trader must judge Ending Stocks relative to Total Use, to get an accurate forecast of the relationship between Supply and Use.

What Grandmill did was to compare all the Ending Stocks to Use ratios (Ending Stocks / Total Use) to the price of the particular commodity. What he found was that the higher the Ending Stocks to Use ratio was, the lower prices tended to be around harvest. Lower Ending Stocks to Use ratios generated higher prices, as supply was tight.

Modified Grandmill Method

The same basic principles of the relationship between supply and demand are kept intact with our modifications, however we have broken down supply to use into 5 categories and we use relative changes in prices (% change) instead of absolute price levels.

We examined the last 19 years of Ending Stocks to Use ratios and separated them into five descriptive classifications for both domestic and world data sets: Excessive, Plentiful, Normal, Tight, and Extremely Tight. For each of these classifications, we have calculated a typical market behavior for the percentage change to the seasonal high and low, and the percentage change from a start date to the end of the month prior to delivery of the futures contract being analyzed.

Sample Table for July Corn Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<12%	17.5%	-5.0%	8.0%
Tight	12 - 17	16.0%	-7.0%	4.0%
Normal	17 - 19	15.0%	-9.0%	1.0%
Plentiful	19 - 25	10.0%	-11.0%	-4.0%
Excessive	>25	8.0%	-13.0%	-8.0%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<10	28.5%	-3.5%	16.0%
Tight	10 - 15	12.5%	-5.0%	-4.5%
Normal	15 - 19	7.5%	-8.0%	-7.0%
Plentiful	19 - 22	6.0%	-9.0%	-8.0%
Excessive	>22	5.0%	-9.5%	-8.5%

Note: for July contract: % high refers to the average % change from the November 30th settle to highest price between December and June 30th. % Low refers to the average % change from the November 30th settle to the lowest price between December and June 30th. % Settle refers to the average % change from the November 30th settle to the June 30th Settle. December and November Contracts: same as above except the June settlement is used instead of the November settlement, and the November (October for Soybeans) settle is used instead of June. Past performance is not necessarily indicative of future results.

This methodology is intended to be used as a guide for identifying extreme pricing situations. These forecasts are not intended to predict absolute highs or lows, but are intended to identify periods where historically prices are “cheap” or “dear” relative to the known supply and usage situation. Pricing irregularities can and often do last for longer than usually can be expected, and prices can go to extremely irrational levels, well beyond what is predicted by this model. None of this discounts this method, as its purpose is to identify extreme valuation. It is our belief that this technique can assist participants in the grain futures markets to identify periods of irrational pricing, thus hopefully allowing grain traders to place the situation in its proper context and act accordingly. Obviously, past performance does not guarantee future results.

Using the Grandmill method, one can put the relationship between supply and usage into perspective. Each month, around the 12th, the USDA/NASS issues the necessary information to make a “guesstimate” of price.

For example, on June 11th, 2003, the USDA/NASS Supply and Demand Report reported the following for Soybeans:

Total Supply	2,999 million bushels
Total Use	2,749 million bushels
Ending Stocks	250 million bushels

On June 30th, the last trading day in June, November '03 Soybeans settled at 552 ½ . With a Stocks to Use Ratio (Ending Stocks/Total Use) of 9.1%, we check the tables for the November contract. A 9.1% Stocks to Use ratio is classified as "VERY TIGHT" and yields the following: % Low of –6.0% and a % High of 26.0%, we can expect that November '03 Soybeans will have a range of 520 to 696 between June 1st, 2003, and October 31st, 2003, and a October 31st, 2003, settlement of 600 basis the November '03 Soybean contract. These figures were arrived at in the following fashion:

Low Price from 6/1 to 10/30 = November settle * (1+% Low)
= 552 ½ * (1-.06) = 520

High Price from 6/1 to 10/30 = November Settle * (1+% High)
= 552 ½ * (1+.26) = 696

October 31st settlement price = November Settle * (1+% settle)
= 552 ½ * (1+.085) = 600

This will yield a "guesstimate" to use as a guide to pricing grain. The tables and classifications are based on historical averages, and therefore will yield expected ranges. Some years, trading is very rational and prices stay within these ranges. However, in other years – like 2003 – the grain markets can be driven by other outside factors and market psychology which drives prices far beyond these extremes. However, in some years, like 2002, the guides can be fairly accurate. From June 1st through October 31st, the range was 467 ¼ and 591, and November '02 Soybeans settled on October 31st, 2002 at 565 ¼. Though these guestimates did not hit the highs, lows, and settlement value exactly, hey were fairly close. The same method used on Corn lead to an estimated range for December '02 Corn of 215 to 278, while the actual contract traded between 219 and 296, and appears to be set to settle very near the estimated settlement guestimate of 232 ½.

Because these guestimates are not always exactly accurate, as nothing is totally, it is advised that market participants use this methodology as a guide, understanding that it will yield results based on historical averages. In other words, just because a grain market is "under valued" or "over valued" does not mean it can not continue to go lower or higher. What this method does is present a historical standard, and it is not meant as a guide for buying or selling, but as a means of representing value.

Before dealing with estimates, understand that they were derived on a sound principle, in the opinion of the author, but they are also subject to the limitations of hypothetical testing. As such, read these words from the CFTC regarding HPYTHETICALS:

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL, OR IS LIKELY TO, ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM, IN SPITE OF TRADING LOSSES, ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS, IN GENERAL, OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

Grandmill Analysis of July Corn

The following study covers the time period from the end of November until the end of June. All figures were calculated using the July Corn futures contract of the appropriate year and the ending stocks and total use figure for US Corn as reported by the USDA/WASDE in the July WASDE report.

July Corn Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<12%	18.0%	-4.5%	8.5%
Tight	12 - 17	14.5%	-8.0%	4.5%
Normal	17 - 19	12.0%	-10.0%	1.5%
Plentiful	19 - 25	9.5%	-12.0%	-4.5%
Excessive	>25	7.5%	-15.0%	-8.5%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<10	24.0%	-5.5%	13.0%
Tight	10 - 15	12.0%	-6.5%	-5.0%
Normal	15 - 19	9.5%	-11.0%	-7.5%
Plentiful	19 - 22	7.5%	-11.5%	-8.0%
Excessive	>22	5.5%	-13.0%	-8.5%

Use the following tables to record the "guesstimated" high, low, and projected month end prices for the July 2008 Corn, Soybean, and CBOT Wheat futures contracts. Use the tables on the following pages for Classification, % High, %Low, and % Settle figures.

July 2008 Corn for the 2007/08 Crop Year

					November Settle			
Report Date	November	December	January	February	March	April	May	June
US Corn								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								
World Corn								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								

November figures based on WASDE Reports. Past performance is not necessarily indicative of future results. Price estimates are strictly guides and not recommended for trading against.

Grandmill Analysis of December Corn

The following study covers the time period from the end of June until the end of November. All figures were calculated using the December Corn futures contract of the appropriate year and the ending stocks and total use figure for US Corn as reported by the USDA/WASDE in the December WASDE report.

December Corn Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<25%	15.0%	-12.0%	-1.5%
Tight	25 - 27	14.0%	-15.5%	-6.0%
Normal	27 - 30	10.5%	-16.5%	-7.5%
Plentiful	30 - 35	8.0%	-19.0%	-14.5%
Excessive	>35	5.0%	-21.5%	-16.0%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<11	15.5%	-11.5%	-2.5%
Tight	11 - 18	10.5%	-13.5%	-6.5%
Normal	18 - 23	9.5%	-14.5%	-7.5%
Plentiful	23 - 31	8.5%	-15.5%	-9.5%
Excessive	>31	4.5%	-17.5%	-14.5%

Use the following tables to record the “guesstimated” high, low, and projected month end prices for the December 2008 Corn futures contracts. Use the above tables for Classification, % High, %Low, and % Settle figures.

December 2008 Corn for the 2008/09 Crop Year

					June Settle			
Report Date	June	June	July	August	September	October	November	December
US Corn								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								
World Corn								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								

Grandmill Analysis of July Soybeans

The following study covers the time period from the end of November until the end of June. All figures were calculated using the July Soybean futures contract of the appropriate year and the ending stocks and total use figure for US Corn as reported by the USDA/WASDE in the July WASDE report.

July Soybean Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<12%	23.5%	-5.5%	18.5%
Tight	12 - 17	19.5%	-8.5%	6.5%
Normal	17 - 19	15.5%	-11.5%	-1.5%
Plentiful	19 - 25	10.5%	-14.5%	-6.5%
Excessive	>25	8.5%	-19.5%	-8.5%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<10	36.5%	-3.5%	25.5%
Tight	10 - 15	16.5%	-5.5%	8.5%
Normal	15 - 19	10.5%	-9.5%	-5.5%
Plentiful	19 - 22	8.5%	-10.5%	-7.5%
Excessive	>22	5.5%	-15.5%	-8.5%

Use the following tables to record the "guesstimated" high, low, and projected month end prices for the July 2008 Soybean futures contracts. Use the tables on the following pages for Classification, % High, %Low, and % Settle figures.

July 2008 Soybean for the 2007/08 Crop Year

					November Settle			
Report Date	November	December	January	February	March	April	May	June
US Soybeans								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								
World Soybeans								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								

November figures based on WASDE Reports. Past performance is not necessarily indicative of future results. Price estimates are strictly guides and not recommended for trading against.

Grandmill Analysis of November Soybeans

The following study covers the time period from the end of June until the end of November. All figures were calculated using the November Soybean futures contract of the appropriate year and the ending stocks and total use figure for US Corn as reported by the USDA/WASDE in the December WASDE report.

November Soybeans Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<12%	25.5%	-5.5%	+2.5%
Tight	12 - 17	18.5%	-9.5%	-1.5%
Normal	17 - 19	10.5%	-13.5%	-6.5%
Plentiful	19 - 25	9.5%	-15.5%	-8.5%
Excessive	>25	8.5%	-19.5%	-10.5%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<10	26.5%	-6.5%	8.5%
Tight	10 - 15	18.5%	-9.5%	-3.5%
Normal	15 - 19	9.5%	-15.5%	-12.5%
Plentiful	19 - 22	5.5%	-19.5%	-16.5%
Excessive	>22	4.5%	-21.5%	-18.5%

Use the following tables to record the "guesstimated" high, low, and projected month end prices for the November 2008 Soybean futures contracts. Use the above tables for Classification, % High, %Low, and % Settle figures.

November 2008 Soybean for the 2008/09 Crop Year

					May Settle	
Report Date	May	June	July	August	September	October
US Soybeans						
Total Supply						
Total Use						
Ending Stocks						
Class						
Dec to June High						
Dec to June Low						
June Settle						
World Soybeans						
Total Supply						
Total Use						
Ending Stocks						
Class						
Dec to June High						
Dec to June Low						
June Settle						

Grandmill Analysis of July CBOT Wheat

The following study covers the time period from the end of November until the end of June. All figures were calculated using the July CBOT Wheat futures contract of the appropriate year and the ending stocks and total use figure for US Wheat as reported by the USDA/WASDE in the July WASDE report.

July CBOT Wheat Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<26	18.5%	-8.5%	1.5%
Tight	26 to 29	15.5%	-9.5%	-2.5%
Normal	29 to 31	13.5%	-10.5%	-3.5%
Plentiful	31 to 33	11.5%	-11.5%	-4.5%
Excessive	>33	9.5%	-12.5%	-5.5%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<22	18.5%	-5.5%	1.5%
Tight	22 to 30	15.5%	-8.5%	-1.5%
Normal	30 to 41	12.5%	-11.5%	-3.5%
Plentiful	41 to 56	11.5%	-12.5%	-5.5%
Excessive	>56	9.5%	-14.5%	-6.5%

Use the following tables to record the "guesstimated" high, low, and projected month end prices for the July 2008 CBOT Wheat futures contracts. Use the tables on the following pages for Classification, % High, %Low, and % Settle figures.

July 2008 CBOT Wheat for the 2007/08 Crop Year

					November Settle			
Report Date	November	December	January	February	March	April	May	June
US Wheat								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								
World Wheat								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								

November figures based on WASDE Reports. Past performance is not necessarily indicative of future results. Price estimates are strictly guides and not recommended for trading against.

Grandmill Analysis of Dec CBOT Wheat

The following study covers the time period from the end of June until the end of November. All figures were calculated using the December CBOT Wheat futures contract of the appropriate year and the ending stocks and total use figure for US Wheat as reported by the USDA/WASDE in the December WASDE report.

December CBOT Wheat Futures

World

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<26	12.0%	-12.0%	-1.0%
Tight	26 to 29	11.0%	-13.0%	-2.5%
Normal	29 to 31	10.0%	-14.0%	-3.5%
Plentiful	31 to 33	8.0%	-15.0%	-4.5%
Excessive	>33	6.0%	-16.0%	-5.5%

US

Class	Stocks/Use	% High	% Low	% Settle
Very Tight	<20	13.0%	-9.5%	2.5%
Tight	20 to 25	11.5%	-10.5%	2.0%
Normal	25 to 34	11.0%	-11.0%	1.0%
Plentiful	34 to 54	9.0%	-12.0%	-2.5%
Excessive	>54	8.0%	-13.0%	-4.0%

Use the following tables to record the "guesstimated" high, low, and projected month end prices for the December 2008 CBOT Wheat futures contracts. Use the above tables for Classification, % High, %Low, and % Settle figures.

December 2008 CBOT Wheat for the 2008/09 Crop Year

					June Settle			
Report Date	June	June	July	August	September	October	November	December
US Wheat								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								
World Wheat								
Total Supply								
Total Use								
Ending Stocks								
Class								
Dec to June High								
Dec to June Low								
June Settle								

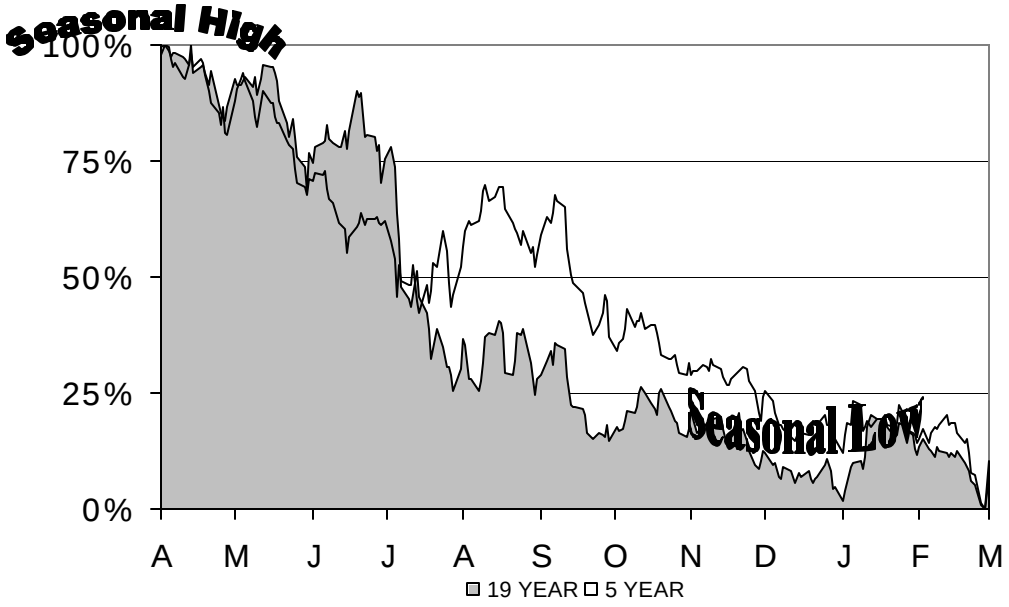
Appendix #3

Seasonal Charts

How To Read Seasonal Charts

The seasonal charts depicted in this publication are a pictorial presentation of the normal behavior of the markets. The charts are made for specific contract months, so that the trader can see the behavior of the specific contract they are looking at. This detail is of the utmost importance in markets with new and old crop contracts, such as the grain futures markets.
The charts depict behavior on a relative basis, meaning the actual prices are not forecast, just the relative position of the market versus its contract high and low. On the seasonal charts, the high is depicted as 1.0, or 100%, while the low is depicted as 0.0 or 0%. Using a 12-month period, we rank all 19 years analyzed in terms of where each day falls as a percentage of the highest and lowest price of that 12-month period for each specific year. These prices are then averaged and the average is depicted in our charts, for both the 19 year period as well as the 5 year period.

To read the chart, just remember that the top of the chart is the forecasted contract high for the 12 months displayed and the bottom is the forecasted contract low.

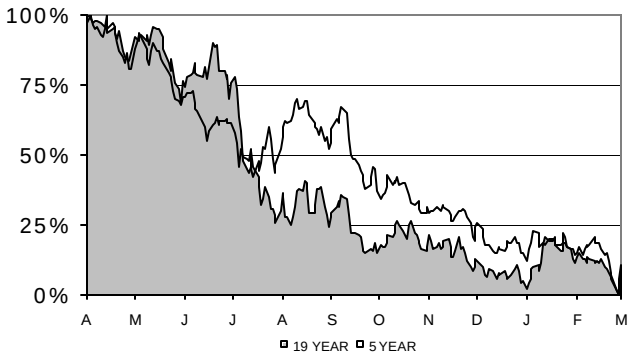


What these charts depict is the average behavior of the futures market. Similar to a map, the seasonal charts may be helpful in finding your direction and avoiding pitfalls. Trading using strictly the seasonal charts is similar to driving across the country with only a national map. You know the basic layout of the highways, but detours and construction can cause you to lose your way.

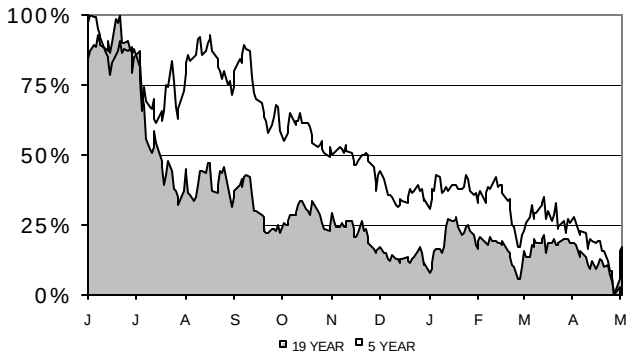
Obviously, the markets will not follow the patterns exactly, but they may be helpful in planning your market operations, showing the producer, purchaser, and speculator times of the year when the market has historically rallied or broken, and they can act accordingly. ***BUT, BE SURE TO REMEMBER THAT SEASONAL TENDENCIES ARE NOT GUARANTEED TO REPEAT THEMSELVES IN THE COMING YEAR AND SUCH PATTERNS SHOULD ONLY BE USED AS A GUIDE AS PAST PERFORMANCE IS NOT NESSARILY INDICATIVE OF FUTURE PERFORMANCE.***

Corn Futures Seasonal Charts

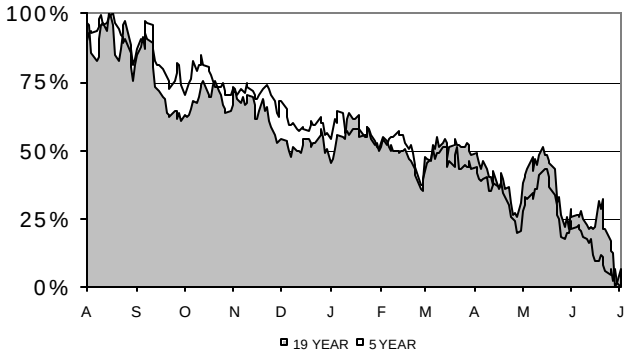
March Corn Futures
19 & 5 -Year Seasonal Chart



May Corn Futures
19 & 5 -Year Seasonal Chart

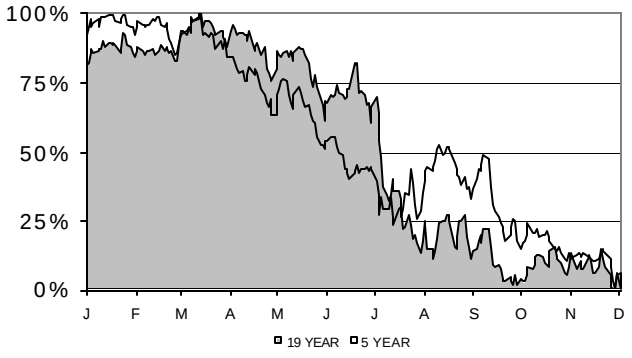


July Corn Futures
19 & 5 -Year Seasonal Chart



September Corn Futures
19 & 5 -Year Seasonal Chart

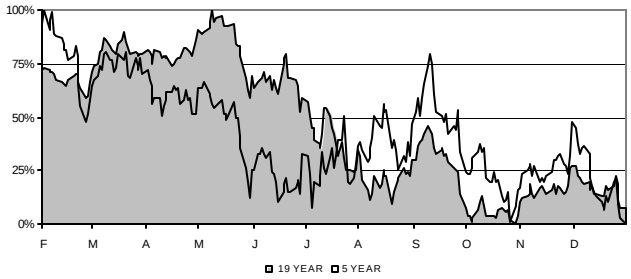
December Corn Futures
19 & 5 -Year Seasonal Chart



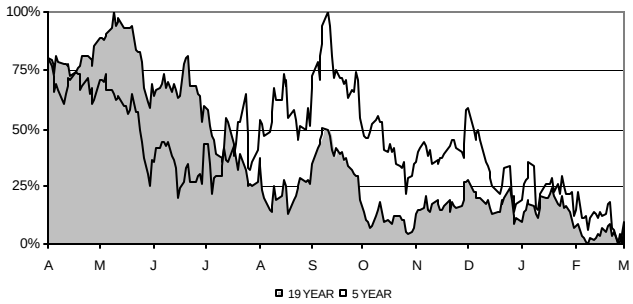
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN A SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.

Soybean Futures Seasonal Charts

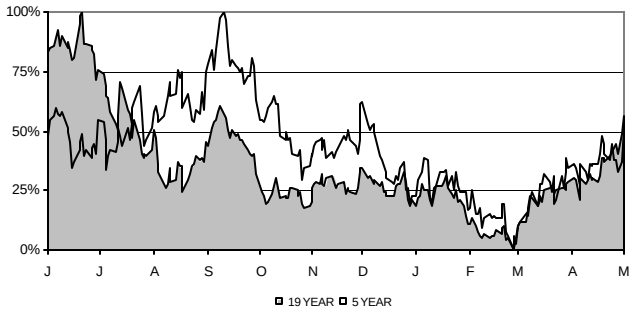
January Soybean Futures
19 & 5 -Year Seasonal Chart



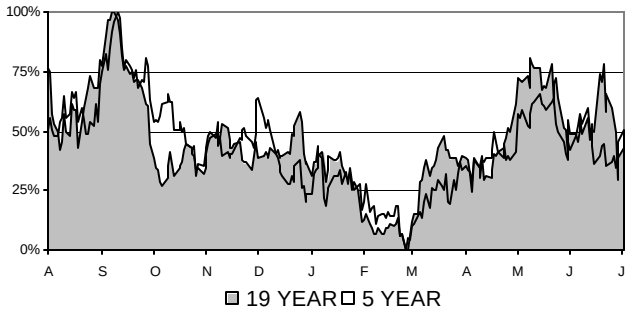
March Soybean Futures
19 & 5 -Year Seasonal Chart



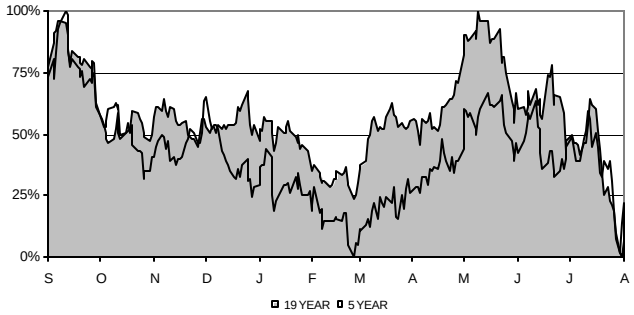
May Soybean Futures
19 & 5 -Year Seasonal Chart



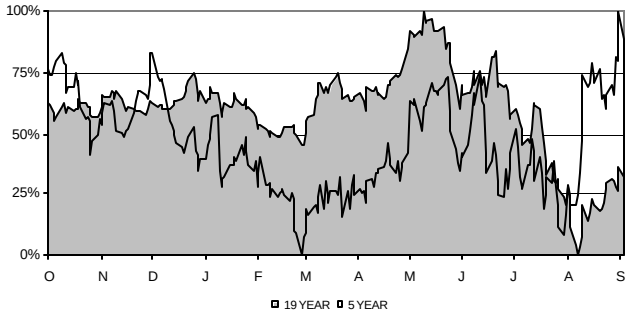
July Soybean Futures
19 & 5 -Year Seasonal Chart



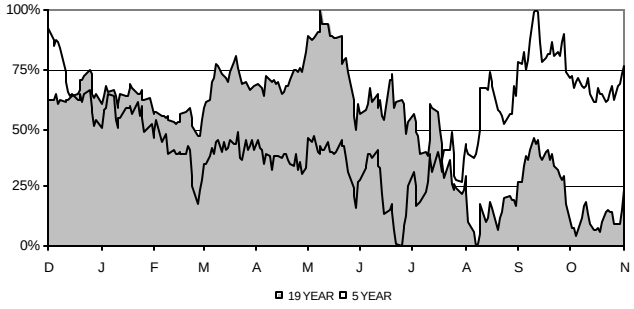
August Soybean Futures
19 & 5 -Year Seasonal Chart



September Soybean Futures
19 & 5 -Year Seasonal Chart



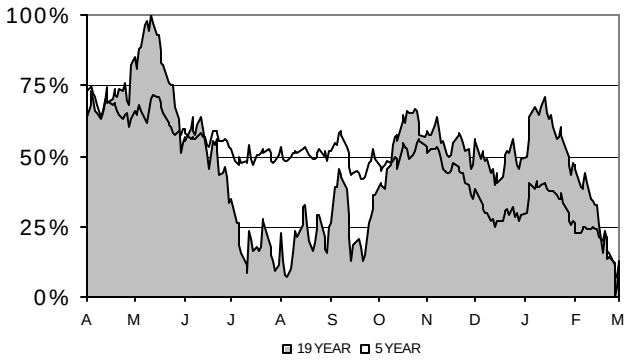
November Soybean Futures
19 & 5 -Year Seasonal Chart



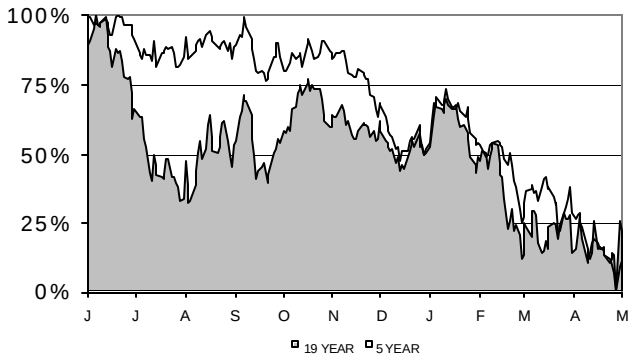
SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUA LLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN A SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.

CBOT Wheat Futures Seasonal Charts

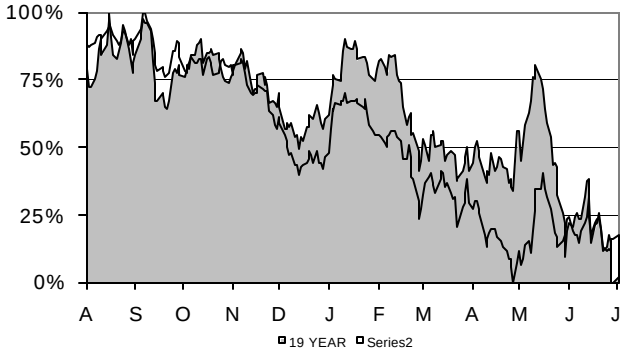
March Wheat Futures
19 & 5 -Year Seasonal Chart



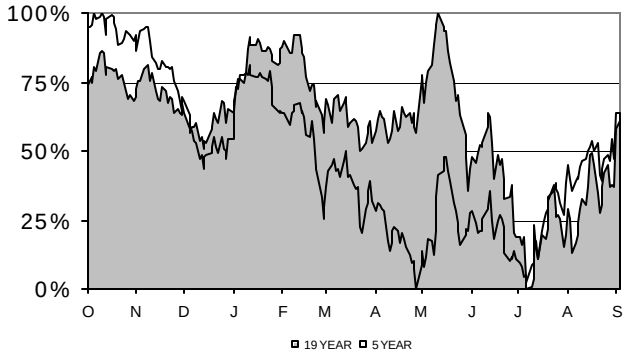
May Wheat Futures
19 & 5 -Year Seasonal Chart



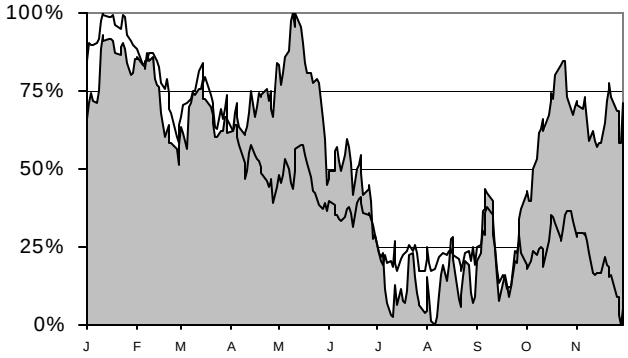
July Wheat Futures
19 & 5 -Year Seasonal Chart



September Wheat Futures
19 & 5 -Year Seasonal Chart



December Wheat Futures
19 & 5 -Year Seasonal Chart



SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN A SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.

Appendix #4

Average Volatility Charts

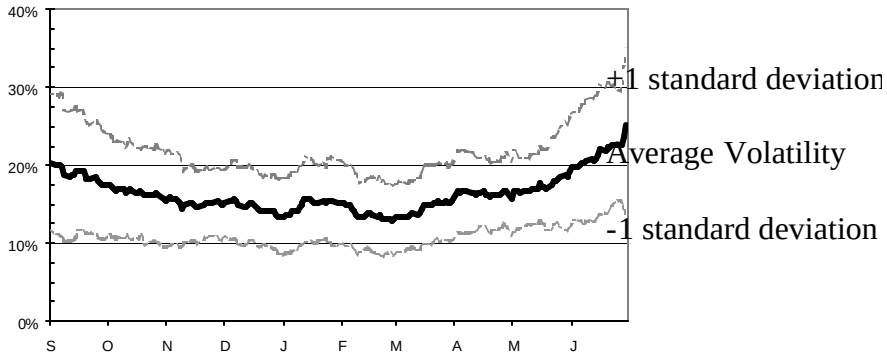
How to Read Average Volatility Charts

Historic volatility is the standard deviation of the day-to-day logarithmic closing price changes, expressed as an annualized percentage. Simply put, historical volatility is the degree to which prices fluctuate over a period.

All of the volatility measures presented here are 20 day average historical volatilities for the last 19-years. This information can help speculators watch for periods of volatility, knowing when prices should be volatile and when they should not, based on the past. Though the future (or futures/options) does not necessarily have to repeat the past, these charts can help you spot periods when volatility is normally high or low, and you can plan your future market operations accordingly. For options traders, this information can be invaluable, as volatility is a key component in pricing options.

The charts depict behavior on a average basis, meaning the average volatility is plotted as the dark center line. Above and below this average is plotted the standard deviation of the average volatility, giving traders a clue when current volatility is historically high of low.

July Soybean Futures
19-Year Average Volatility

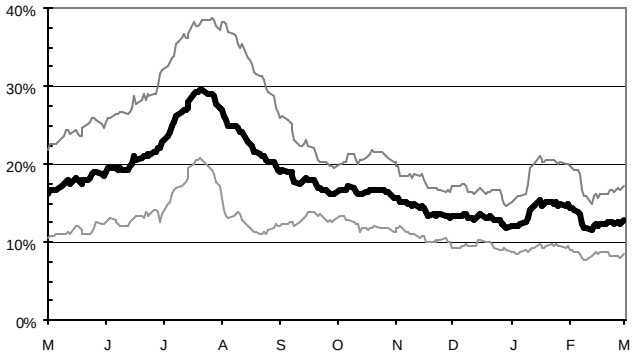


What these charts depict is the average behavior of the futures market. Similar to a map, the average volatility charts may be helpful in fine tuning stop losses, choosing to buy or sell options, as well as avoiding pitfalls. Trading using strictly the average volatility charts is similar to driving across the country with only a national map. You know the basic layout of the highways, but detours and construction can cause you to lose your way.

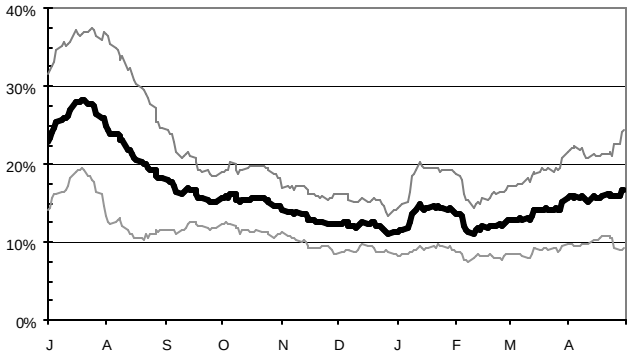
Obviously, the markets will not follow these patterns exactly, but they can be helpful in planning your market operations, showing the producer, purchaser, and speculator times of the year when the market has historically been wild or quiet, and they can act accordingly.

Corn Average Volatility Charts

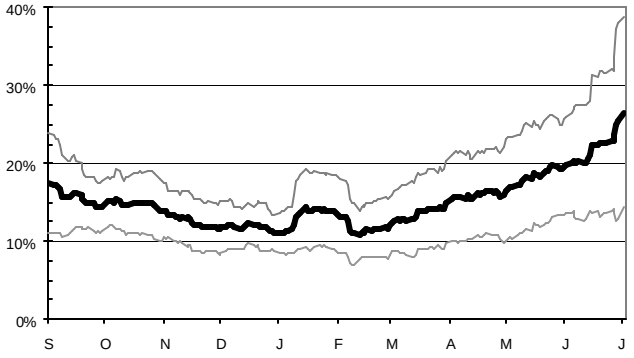
March Corn Futures
19-Year Average Volatility



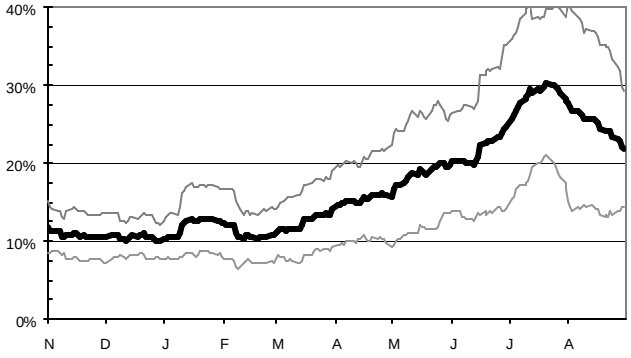
May Corn Futures
19-Year Average Volatility



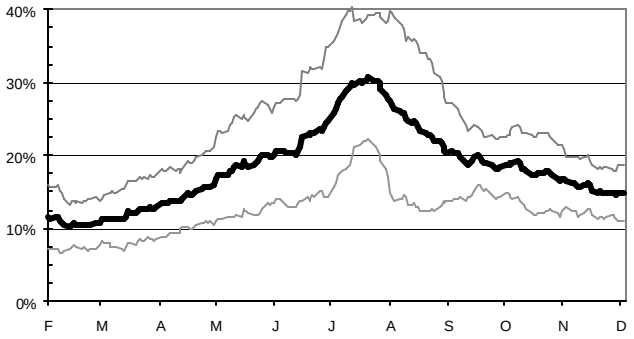
July Corn Futures
19-Year Average Volatility



September Corn Futures
19-Year Average Volatility



December Corn Futures
19-Year Average Volatility



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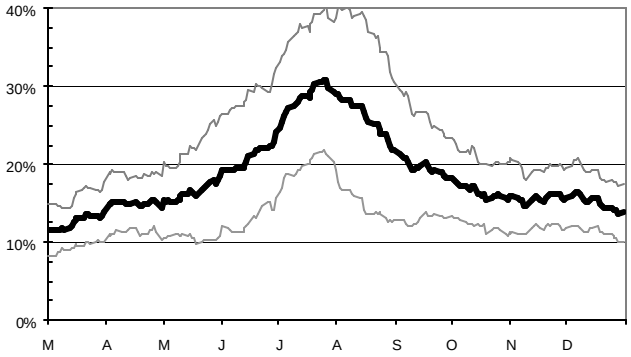
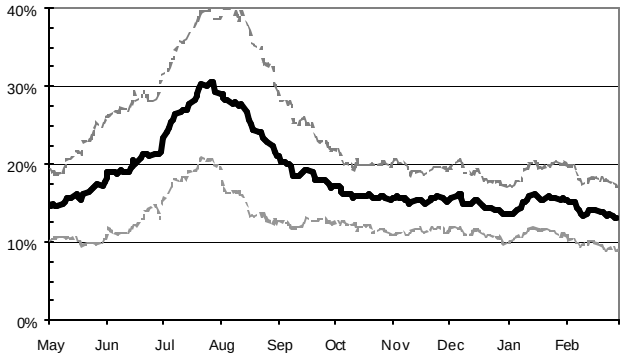
Soybean Average Volatility Charts

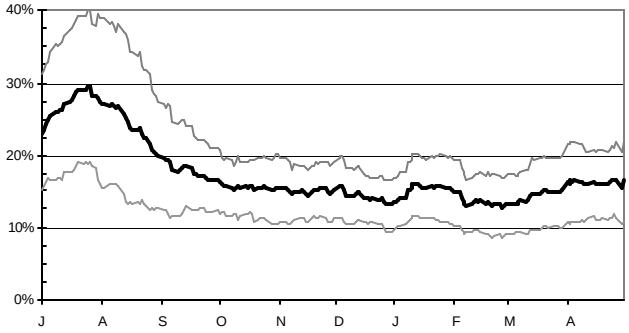
January Soybean Futures
19-Year Average Volatility



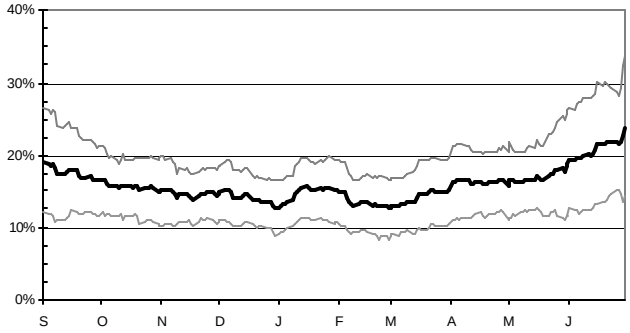
March Soybean Futures
19-Year Average Volatility



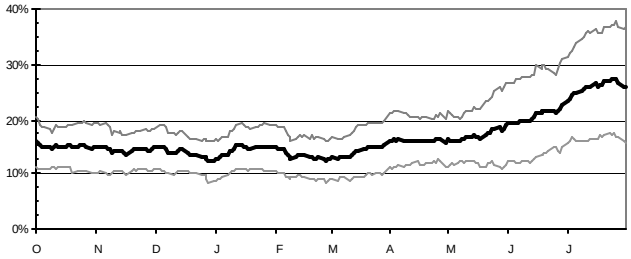
May Soybean Futures
19-Year Average Volatility



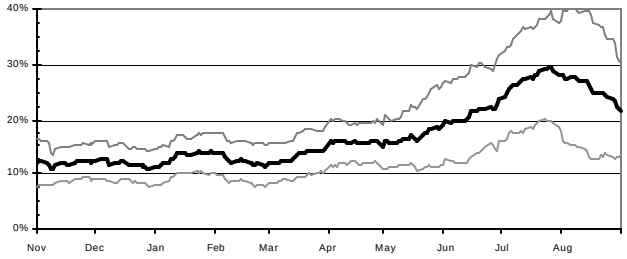
July Soybean Futures
19-Year Average Volatility



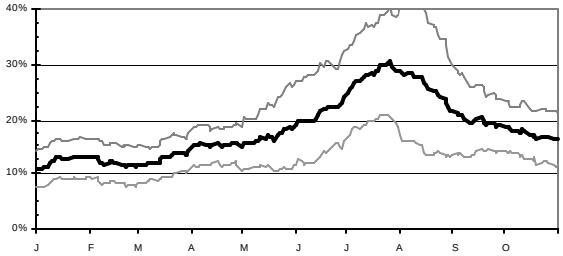
August Soybean Futures
19-Year Average Volatility



September Soybean Futures
19-Year Average Volatility



November Soybean Futures
19-Year Average Volatility



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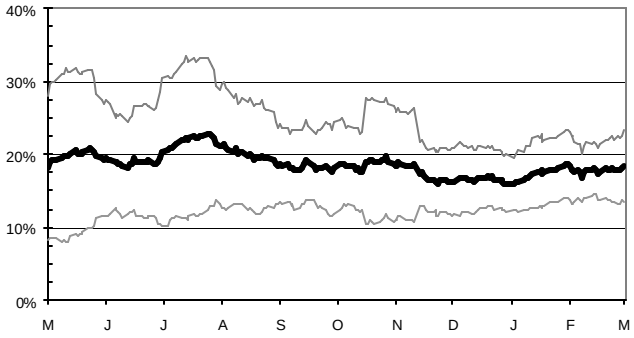
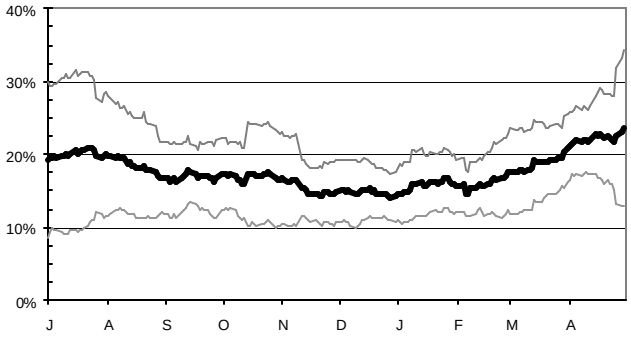
CBOT Wheat Average Volatility Charts

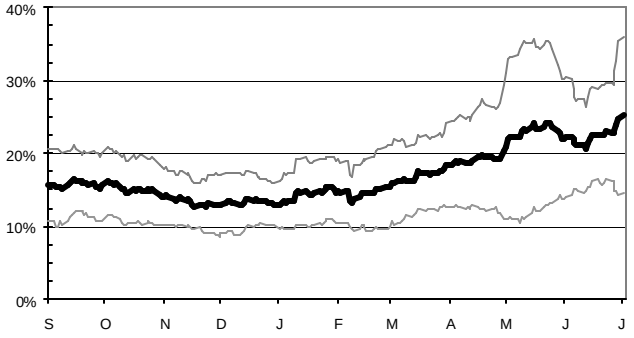
March Wheat Futures
19-Year Average Volatility



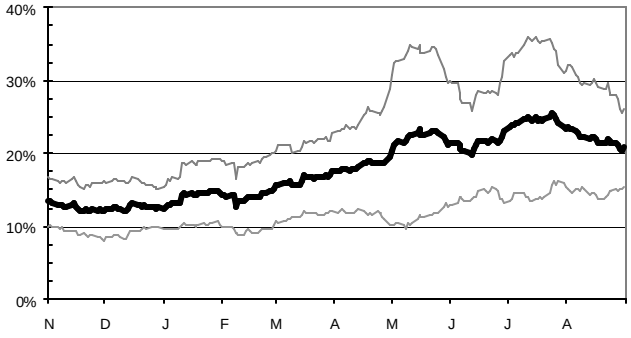
May Wheat Futures
19-Year Average Volatility



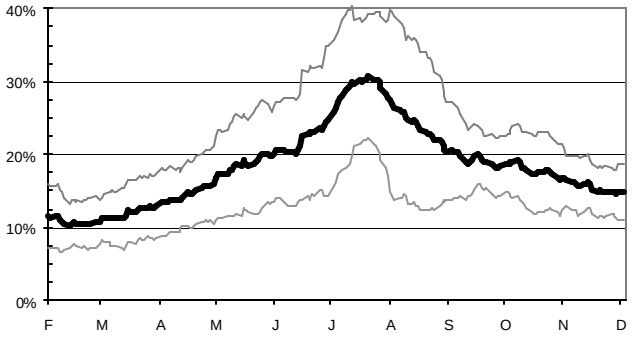
July Wheat Futures
19-Year Average Volatility



September Wheat Futures
19-Year Average Volatility



December Wheat Futures
19-Year Average Volatility



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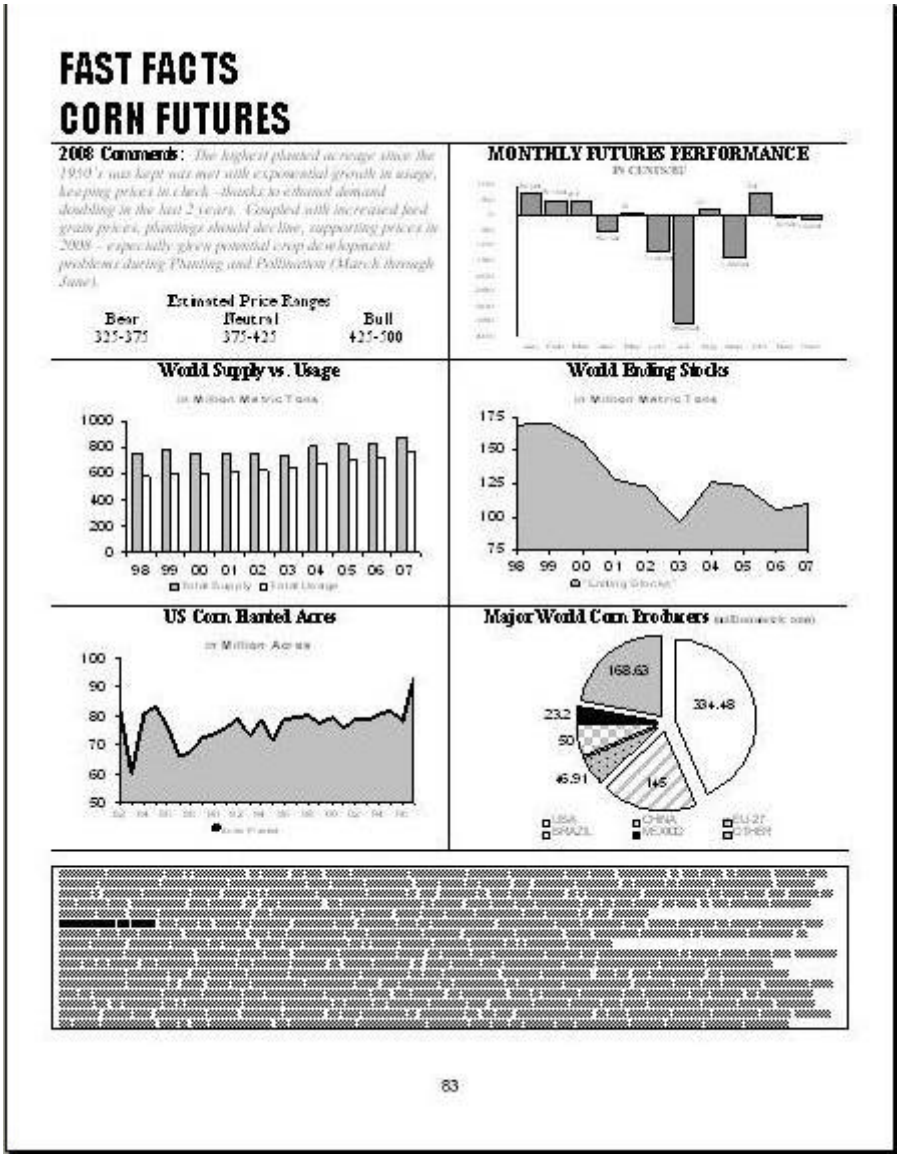
APPENDIX #5: FAST FACTS

GENERAL INFORMATION PRESENTED IN AN EASY REFERRENCE FORMAT OF THE MAJOR SUPPLY/DEMAND, AND SEASONAL TRAITS OF THE FOLLOWING MARKETS...

- ✓ CORN
- ✓ SOYBEANS
- ✓ CBOT WHEAT

UNDERSTANDING FAST FACTS PAGES

The Fast Facts pages are set-up to answer the basic questions regarding particular markets, such as who produces and consumes the commodity, where, when and how much is produced and consumed.



In the upper left hand corner of each page, a basic overview of the current situation is presented, along with price projections based on bearish, neutral and bullish supply and demand scenarios. These should serve as a guide to how prices should act within the coming year. The estimates are opinion, based on current facts, and are subject to change without notice. No guarantee, implicit or implied, is made towards the accuracy of these predictions.

These price projections are meant as a guide to possible pricing. They are prepared in advance, and therefore may not reflect the future exactly. As such, traders should use these caution, as they are estimates of what the future may hold, and do not take into account unforeseeable circumstances, such as droughts, disease, or political unrest which can severely effect supply and demand quickly.

The second page of the Fast Fact overview begins with a monthly performance chart – usually covering data from 1982 through June 2007 - showing past price behavior. These charts are created using data obtained from www.COMMODITYALMANAC.com, and represent the ranges of prices in the past based on front month futures contracts.

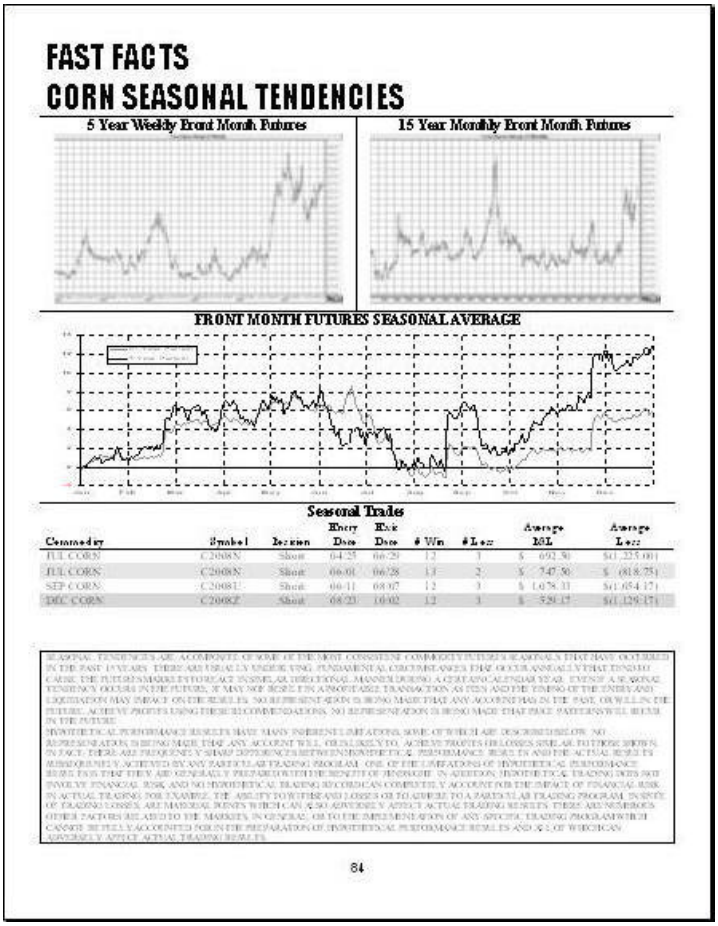
The next four charts show macro-economic or fundamental supply and demand statistics which may influence market pricing. The data presented is no way intended to be complete, but instead presented to show the major influences on market pricing, in the opinion of the reports authors, which may not necessarily be those of CFEA, or its employees.

The second page of the market overview sections contain pricing information for various commodities.

The Top 2 charts, created using Track 'N Trade Pro, show the weekly and monthly continuous contract pricing of various commodities. The Weekly Front Month Futures Chart shows the last 5 years – 2003 to December 15th 2007. The Monthly Front Month Futures Chart shows the previous 15 years – 1985 to December 15th, 2007.

The Seasonal Average charts show two seasonal patterns: The most recent 7 years and a longer term line, depending on how long the contract has actually traded. The most basic use of these charts is to spot when prices usually top or bottom, and the direction they have normally trended in. Traders should be aware however that these charts on based on average behavior, and very rarely will prices behave exactly as depicted. However, knowing the historical times of the year associated with price strength or weakness can be useful, as long as traders understand that the current year may be radically different than average.

The Seasonal Average chart is scaled on a percentage change from the beginning of the year basis. For example, a reading of 10 would indicate that the market being analyzed has on average over the period studied by 10% on the given date shown from the beginning of the year.


FAST FACTS

CORN SEASONAL TENDENCIES

5 Year Weekly Front Month Futures

15 Year Monthly Front Month Futures

FRONT MONTH FUTURES SEASONAL AVERAGE

Seasonal Trades

Commodity	Symbol	Decision	Entry Date	Exit Date	# Win	# Loss	Average 10Y	Average Loss
JUL CORN	C2008N	Short	04/25	06/25	12	1	$ 692.50	$(1,225.00)
JUL CORN	C2008N	Short	06/01	06/26	13	2	$ 747.50	$ (818.75)
SEP CORN	C2008U	Short	06/11	08/07	12	3	$ 1,078.33	$(1,054.17)
DEC CORN	C2008Z	Short	08/23	10/02	12	3	$ 930.17	$(1,129.17)

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84

The last section presents seasonal biases. Traders are presented with historically accurate hypothetically tested futures positions which have in the past been reliable. Like the seasonal charts, these reflect historical behavior which may or may not manifest itself in the coming year. These seasonal time frames are usually associated with an underlying fundamental reason, such as planting, harvest, or consumer preferences. Such factors are not unknown and may well be already be fully factored into prices by the dates mentioned. The performance results show the average closed position profit as well as the average loss incurred on years when the strategy did not work.

These hypothetical performance results are presented as a reference, and in no way reflect the range of profit or loss possibilities in the coming year. They are presented merely as a guide, and past performance, no matter how accurate, is not necessarily indicative of future results, nor are the results reflective of any account in the past.

The discussion of seasonality of prices and normal behavior can be useful, but is not a guaranteed path to profits in your trading. They are presented here strictly for reference, so that traders can understand how prices have behaved in the past and may behave in the current year.

Following each Seasonal Trade table is a disclaimer prepared by the Commodity Futures Trading Commission (http://www.CFTC.gov). This warning does an excellent job of explaining the weaknesses associated with styles of analysis and should be read carefully.

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DISCLOSURE OF RISK: THE RISK OF LOSS IN TRADING FUTURES AND OPTIONS CAN BE SUBSTANTIAL; THEREFORE, ONLY GENUINE RISK FUNDS SHOULD BE USED. FUTURES AND OPTIONS ARE NOT SUITABLE INVESTMENTS FOR ALL INDIVIDUALS, AND INDIVIDUALS SHOULD CAREFULLY CONSIDER THEIR FINANCIAL CONDITION IN DECIDING WHETHER TO TRADE. OPTION TRADERS SHOULD BE AWARE THAT THE EXERCISE OF A LONG OPTION WOULD RESULT IN A FUTURES POSITION.

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FAST FACTS
CORN FUTURES

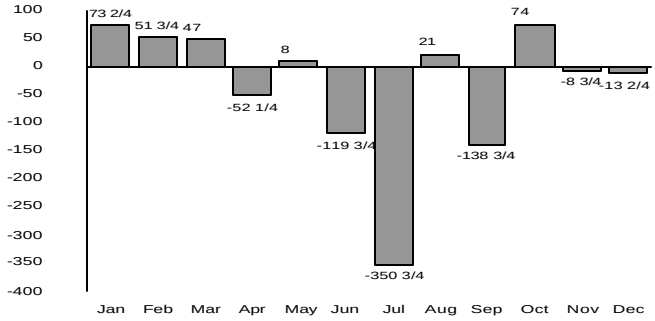
2008 Comments: *The highest planted acreage since the 1950's was kept was met with exponential growth in usage, keeping prices in check –thanks to ethanol demand doubling in the last 2 years. Coupled with increased feed grain prices, plantings should decline, supporting prices in 2008 – especially given potential crop development problems during Planting and Pollination (March through June).*

Estimated Price Ranges

Bear	Neutral	Bull
325-375	375-425	425-500

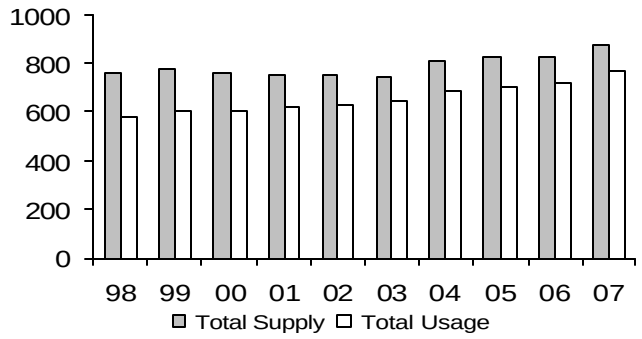
MONTHLY FUTURES PERFORMANCE

IN CENTS/BU



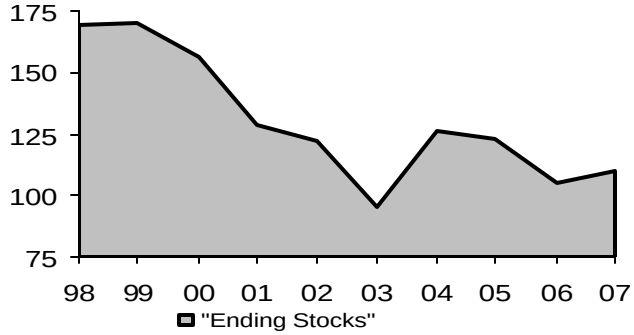
World Supply vs. Usage

in Million Metric Tons



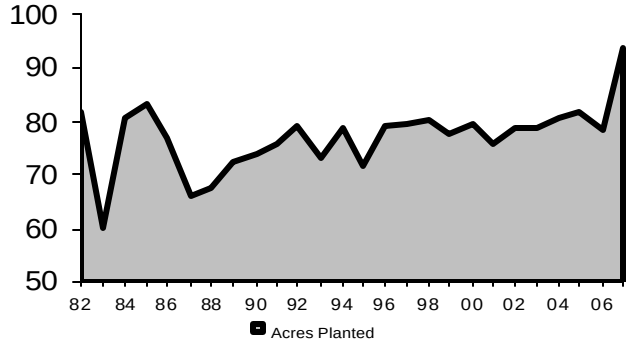
World Ending Stocks

in Million Metric Tons

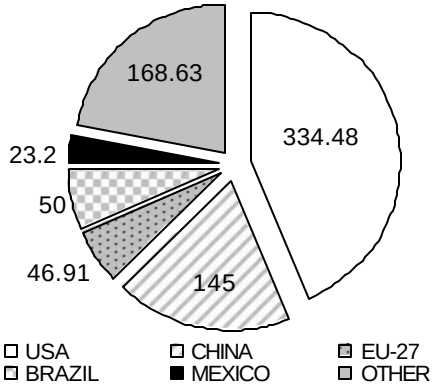


US Corn Planted Acres

in Million Acres

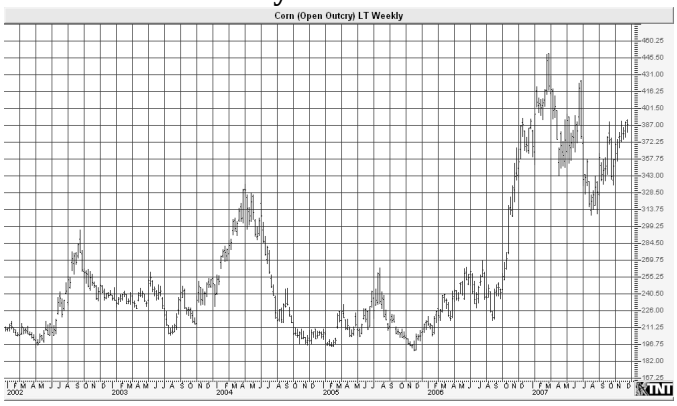


Major World Corn Producers (million metric tons)



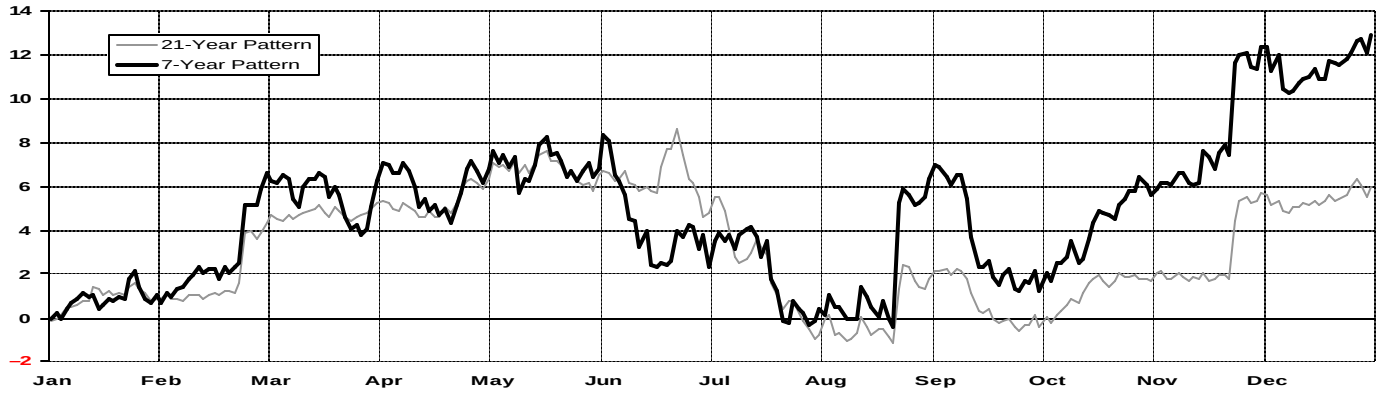
FAST FACTS
CORN SEASONAL TENDENCIES

5 Year Weekly Front Month Futures



15 Year Monthly Front Month Futures

FRONT MONTH FUTURES SEASONAL AVERAGE



Seasonal Trades

Commodity	Symbol	Position	Entry Date	Exit Date	# Win	# Loss	Average P&L	Average Loss
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DEC CORN	C2008Z	Short	08/23	10/02	12	3	$ 529.17	$(1,129.17)

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FAST FACTS
SOYBEAN FUTURES

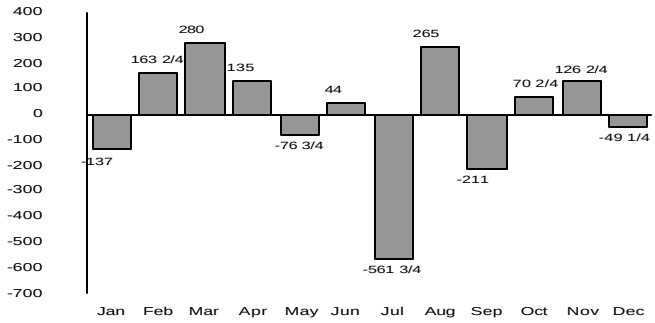
2008 Comments: *Acreage switching in the US from Soybeans to Corn caused a shortfall in US production, tipping the scales to higher Soybean prices in 2007. However, with $11/bu pricing in 2008, Soybeans may garner additional acreage – pressuring prices. Brazil is already seeing record plantings, hence the US may be demoted to the 2nd largest world producer if acreage falls too much. Expect Soy prices to be pressured post planting.*

Estimated Price Ranges

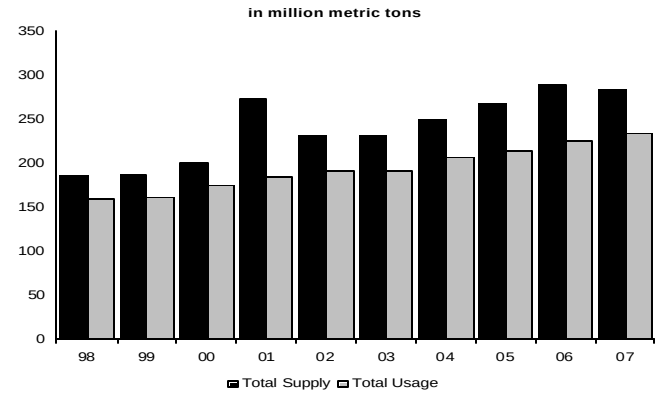
Bear	Neutral	Bull
800-1000	1000-1200	1200-1400

MONTHLY FUTURES PERFORMANCE

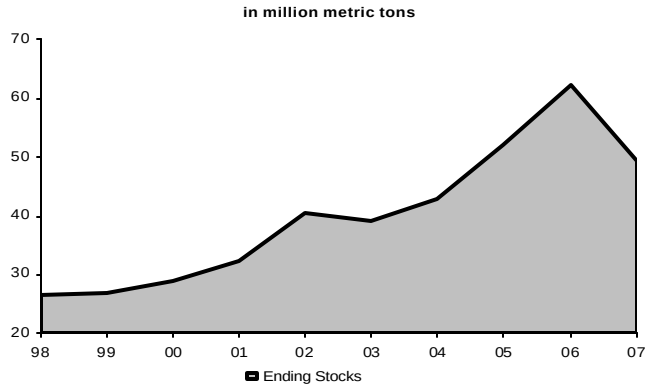
IN CENTS/BU



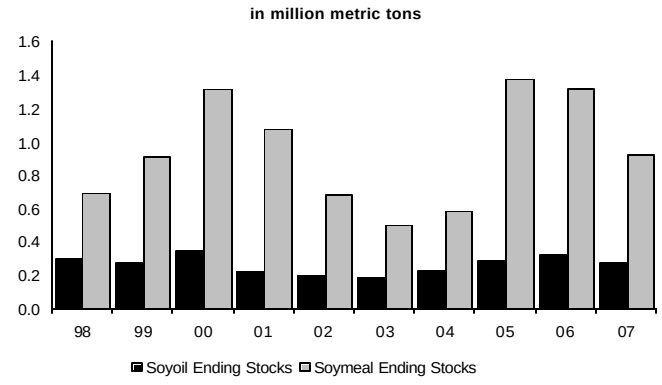
World Soybean Supply Vs Usage



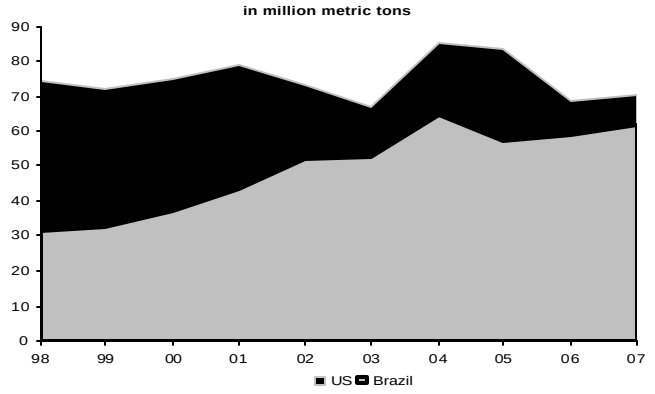
World Soybean Ending Stocks



World Soymeal & Soyoil Ending Stocks

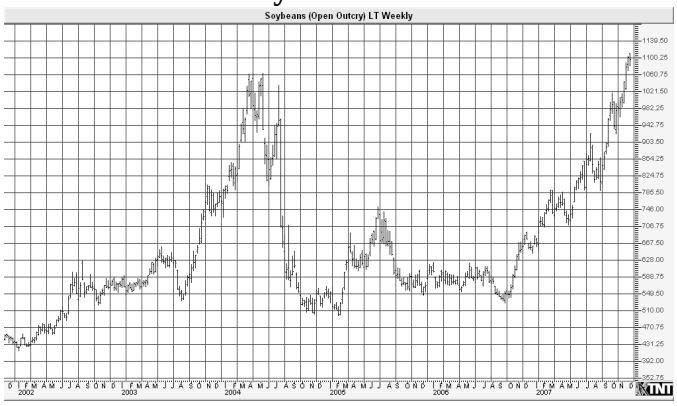


Brazilian Soybean Production

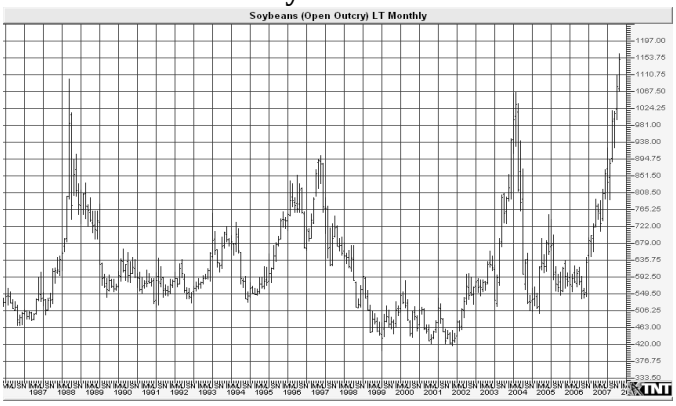


FAST FACTS
SOYBEAN SEASONAL TENDENCIES

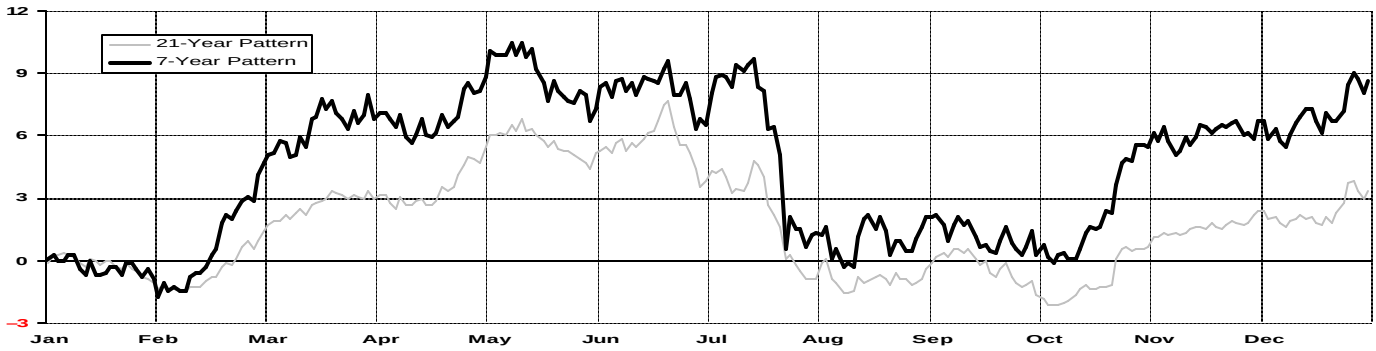
5 Year Weekly Front Month Futures



15 Year Monthly Front Month Futures



FRONT MONTH FUTURES SEASONAL AVERAGE



Seasonal Trades

Commodity	Symbol	Position	Entry Date	Exit Date	# Win	# Loss	Average P&L	Average Loss
MAR SOYBEANS	S2008H	Long	02/07	02/21	12	3	$ 657.50	$(1,012.50)
JUL SOYBEANS	S2008N	Long	03/05	03/29	12	3	$ 851.67	$ (820.83)
JUL SOYBEANS	S2008N	Long	04/17	05/07	12	3	$ 837.50	$ (429.17)
JUL SOYBEANS	S2008N	Long	06/06	06/20	12	3	$ 698.33	$ (883.33)
NOV SOYBEANS	S2008X	Short	07/13	08/07	12	3	$ 1,528.33	$(1,295.83)
NOV SOYBEANS	S2008X	Long	08/21	09/06	12	3	$ 612.07	$ (975.00)
JAN SOYBEANS	S2009F	Long	10/03	12/26	12	3	$ 1,648.33	$(1,745.83)
MAR SOYBEANS	S2009H	Short	12/26	01/10	12	3	$ 407.50	$ (575.00)

SEASONAL TENDENCIES ARE A COMPOSITE OF SOME OF THE MOST CONSISTENT COMMODITY FUTURES SEASONALS THAT HAVE OCCURRED IN THE PAST 15 YEARS. THERE ARE USUALLY UNDERLYING, FUNDAMENTAL CIRCUMSTANCES THAT OCCUR ANNUALLY THAT TEND TO CAUSE THE FUTURES MARKETS TO REACT IN SIMILAR DIRECTIONAL MANNER DURING A CERTAIN CALENDAR YEAR. EVEN IF A SEASONAL TENDENCY OCCURS IN THE FUTURE, IT MAY NOT RESULT IN A PROFITABLE TRANSACTION AS FEES AND THE TIMING OF THE ENTRY AND LIQUIDATION MAY IMPACT ON THE RESULTS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT HAS IN THE PAST, OR WILL IN THE FUTURE, ACHIEVE PROFITS USING THESE RECOMMENDATIONS. NO REPRESENTATION IS BEING MADE THAT PRICE PATTERNS WILL RECUR IN THE FUTURE.
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FAST FACTS
CBOT WHEAT FUTURES

2008 Comments: *With grains competing for acreage, winter wheat plantings in the Northern Hemisphere have increased substantially. 2008 may well see a record crop, which could pressure prices. Expect Spring Wheat planting to be light, but the market to remain on edge until the crop has headed.*

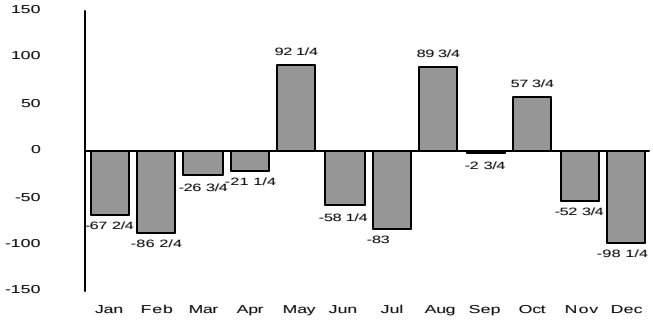
Traders should look for weakness at the beginning of the year and strength going into harvest.

Estimated Price Ranges

Bear	Neutral	Bull
50.00-70.00	70.00-90.00	90.00-110.00

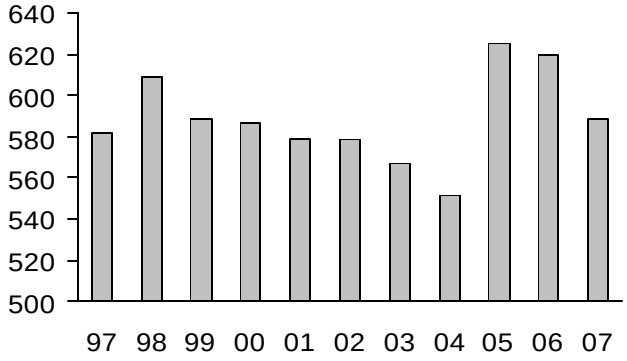
MONTHLY FUTURES PERFORMANCE

IN CENTS/BU



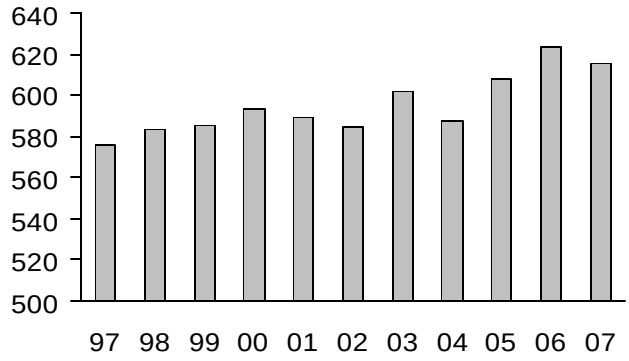
World Production

in Million Metric Tons



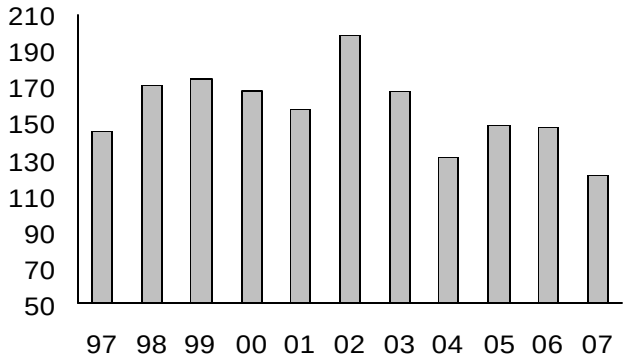
World Usage

in Million Metric Tons

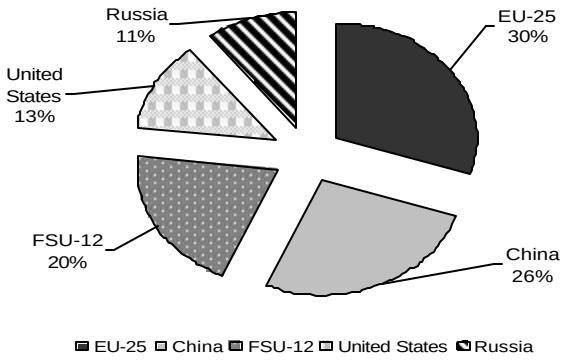


World Ending Stocks

in Million Metric Tons

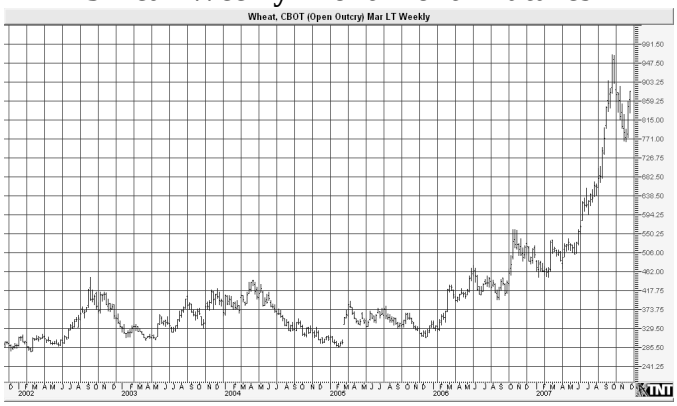


Top 5 Producers

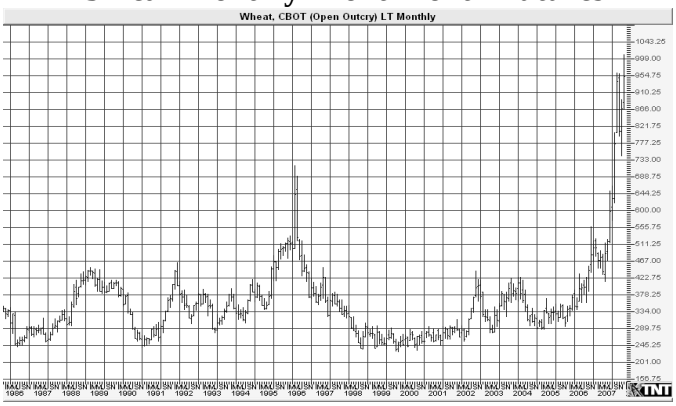


FAST FACTS
CBOT WHEAT SEASONAL TENDENCIES

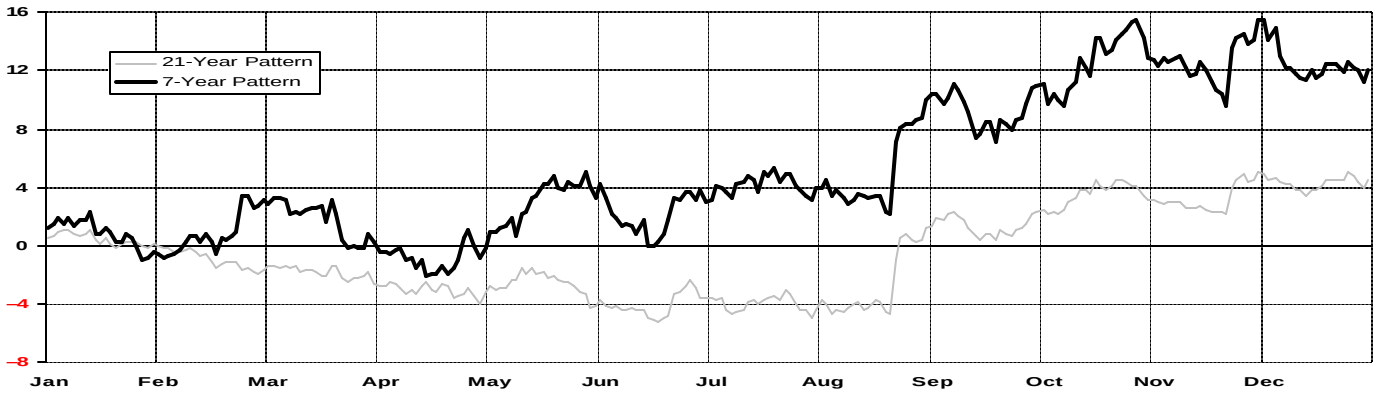
5 Year Weekly Front Month Futures



15 Year Monthly Front Month Futures



FRONT MONTH FUTURES SEASONAL AVERAGE



Seasonal Trades

Commodity	Symbol	Position	Entry Date	Exit Date	# Win	# Loss	Average P&L	Average Loss
MAY KCBT WHEAT	KW2008K	Short	02/12	03/23	12	3	$ 413.33	$(1,345.83)
DEC MPLS WHEAT	MW2008Z	Long	08/03	10/29	12	3	$ 1,505.83	$(1,462.50)
DEC CBOT WHEAT	W2008Z	Long	09/14	09/28	12	3	$ 640.83	$ (962.50)
DEC CBOT WHEAT	W2008Z	Short	10/29	11/13	12	3	$ 640.83	$ (916.67)

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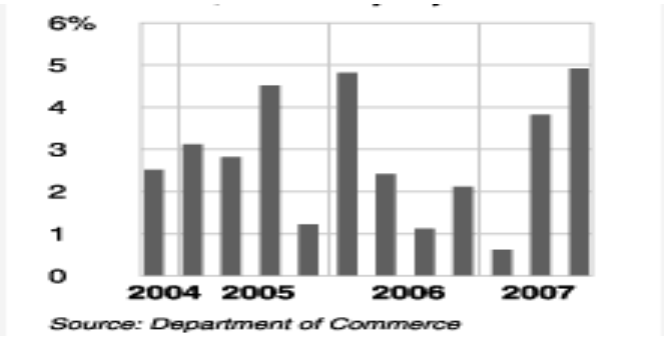
FAST FACT ON US ECONOMY

2008 Comments: *Despite a weakening US Dollar, and solid GDP growth, the US economy is teetering on the brink of a recession.*

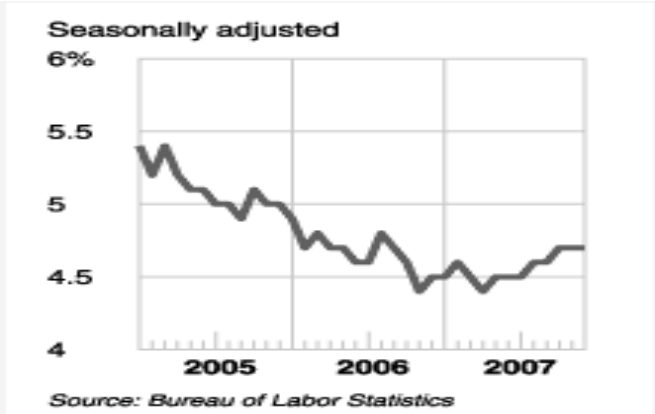
Increasing raw material costs, coupled with growing inflationary trends, a weakening housing market and financial discourse due to Mortgage lending is taking a toll on US Consumer Confidence, which is at the lowest level in years.

GROSS DOMESTIC PRODUCT



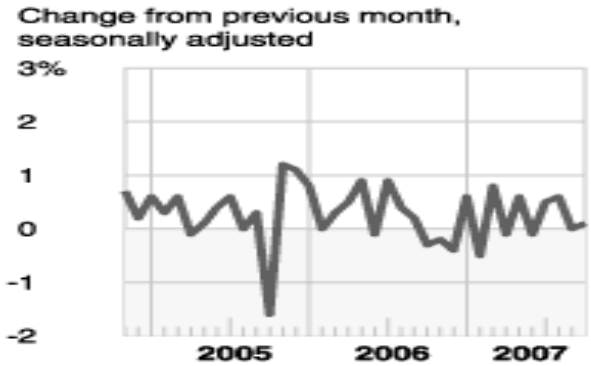
Source: Department of Commerce

UNEMPLOYMENT RATE



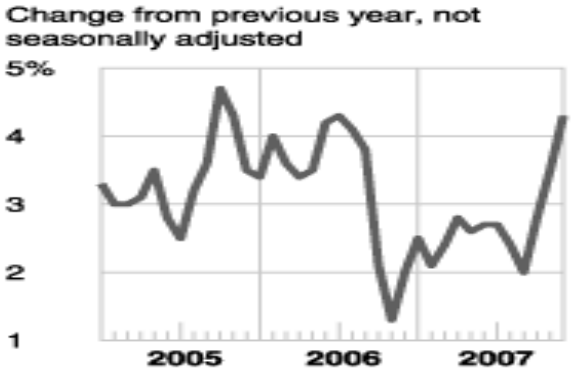
Source: Bureau of Labor Statistics

INDUSTRIAL PRODUCTION



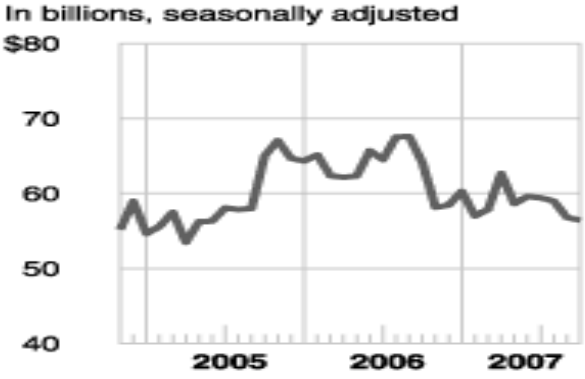
Source: Federal Reserve

CONSUMER PRICES



Source: Bureau of Labor Statistics

TRADE DEFICIT



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FAST FACTS ON WORLD ECONOMY

Source: www.ECONOMIST.com DEC 17TH ISSUE

	Trade balance* latest 12 months, $bn	Current-account balance latest 12 months, $bn	Current-account balance % of GDP 2007†	Currency units, per $ Dec 18th	Currency units, per $ year ago	Budget balance % of GDP 2007†	Interest rates, % 3-month latest	Interest rates, % 10-year gov't bonds, latest
United States	−806.4 Oct	−752.4 Q3	−5.5	–	–	−1.2	4.16	4.12
Japan	+107.6 Oct	+211.3 Oct	+4.7	113	118	−2.6	0.73	1.51
China	+259.8 Nov	+249.9 2006	+11.4	7.39	7.82	0.2	4.35	4.87
Britain	−165.8 Oct	−86.6 Q2	−3.3	0.50	0.51	−3.1	6.41	4.74
Canada	+49.0 Oct	+16.3 Q3	+1.5	1.01	1.16	1.0	3.86	4.02
Euro area	+51.7 Oct	+34.2 Sep	+0.1	0.69	0.76	−0.9	4.88	4.32
Austria	+0.9 Sep	+12.3 Q2	+2.8	0.69	0.76	−0.6	4.88	4.40
Belgium	+19.2 Oct	+13.0 Jun	+2.5	0.69	0.76	−0.4	4.94	4.42
France	−47.4 Oct	−28.3 Oct	−1.2	0.69	0.76	−2.4	4.88	4.39
Germany	+263.1 Oct	+207.8 Oct	+5.8	0.69	0.76	−0.3	4.88	4.31
Greece	−52.1 Sep	−43.2 Oct	−13.6	0.69	0.76	−2.7	4.88	4.59
Italy	−12.0 Oct	−47.7 Sep	−2.5	0.69	0.76	−2.4	4.88	4.59
Netherlands	+54.4 Oct	+57.2 Q3	+7.6	0.69	0.76	−0.3	4.88	4.38
Spain	−126.0 Sep	−126.1 Aug	−9.3	0.69	0.76	1.8	4.88	4.41
Czech Republic	+3.7 Oct	−5.4 Oct	−3.8	18.2	21.0	−3.9	4.09	4.72
Denmark	+4.2 Oct	+4.3 Oct	+1.5	5.18	5.66	3.8	5.00	4.40
Hungary	−0.8 Oct	−6.8 Q2	−5.8	177	193	−6.0	7.50	7.05
Norway	+56.3 Nov	+59.9 Q3	+14.6	5.59	6.19	18.9	5.89	4.69
Poland	−11.7 Oct	−16.2 Oct	−4.1	2.51	2.90	−1.8	5.69	5.95
Russia	+124.0 Oct	+73.5 Q3	+6.1	24.7	26.3	3.0	10.00	6.31
Sweden	+18.5 Oct	+29.4 Q3	+7.0	6.56	6.86	2.9	4.02	4.35
Switzerland	+11.2 Oct	+64.9 Q2	+16.2	1.15	1.22	0.3	2.78	2.99
Turkey	−59.6 Oct	−35.2 Oct	−7.4	1.19	1.43	−2.5	17.13	6.05‡
Australia	−15.9 Oct	−49.9 Q3	−5.8	1.16	1.28	1.6	7.35	6.28
Hong Kong	−21.9 Oct	+24.9 Q2	+9.6	7.80	7.78	2.0	3.73	3.26
India	−66.0 Oct	−9.7 Q2	−1.1	39.5	44.8	−3.4	7.42	8.15
Indonesia	+41.2 Oct	+11.0 Q2	+2.4	9,395	9,140	−1.4	8.04	6.61‡
Malaysia	+29.3 Oct	+27.6 Q2	+13.5	3.35	3.58	−3.2	3.62	4.77‡
Pakistan	−15.2 Nov	−7.3 Q3	−4.7	60.7	60.9	−4.6	9.84	8.19‡
Singapore	+35.8 Nov	+46.3 Q3	+24.5	1.46	1.54	0.3	2.56	2.76
South Korea	+17.4 Nov	+9.7 Oct	+1.0	939	932	0.7	5.71	5.79
Taiwan	+17.6 Nov	+28.4 Q3	+6.3	32.6	32.7	−2.1	2.70	2.61
Thailand	+10.5 Oct	+12.9 Oct	+4.6	33.7	35.9	−1.9	3.90	4.72
Argentina	+10.7 Oct	+7.4 Q2	+2.7	3.14	3.06	1.2	14.50	na
Brazil	+41.4 Nov	+7.4 Oct	+0.7	1.81	2.15	−1.8	11.18	6.16‡
Chile	+24.8 Nov	+6.7 Q3	+4.4	499	527	8.8	6.36	4.78‡
Colombia	−1.8 Sep	−4.8 Q2	−3.8	2,011	2,254	−0.2	8.90	5.88‡
Mexico	−12.1 Oct	−7.5 Q3	−0.5	10.9	10.8	nil	7.44	8.08
Venezuela	+23.4 Q3	+20.2 Q3	+9.2	5,675	3,283§	−1.4	11.35	6.55‡
Egypt	−15.8 Q2	+2.7 Q2	+1.8	5.53	5.71	−7.5	6.98	5.50‡
Israel	−9.7 Nov	+5.9 Q3	+3.8	3.95	4.19	−0.1	4.64	5.71
Saudi Arabia	+146.6 2006	+98.9 2006	+25.5	3.76	3.75	21.8	4.01	na
South Africa	−11.3 Oct	−19.9 Q3	−6.8	6.92	7.02	1.0	11.30	8.50

FAST FACTS
CURRENCY FUTURES

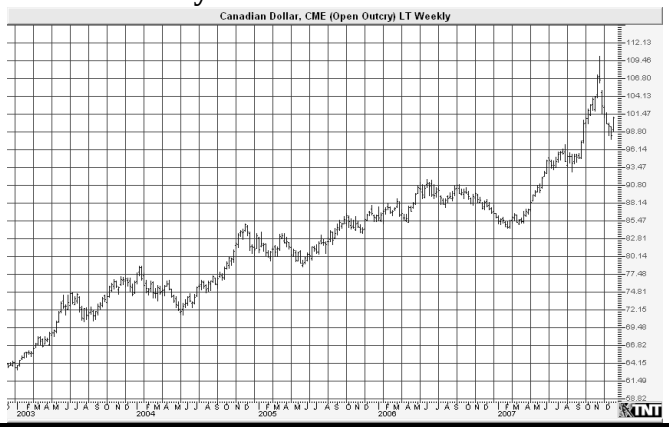
2008 Comments: *The old story of the twin deficits in the US – Trade and Government – appear to be pushing the US Dollar once again.*

More countries are moving away from the US Dollar as the global currency of choice and towards the Euro. However, such sentiment usually occurs near turning points – remember just a decade ago Central Banks were divesting themselves of Gold in a similar manner.

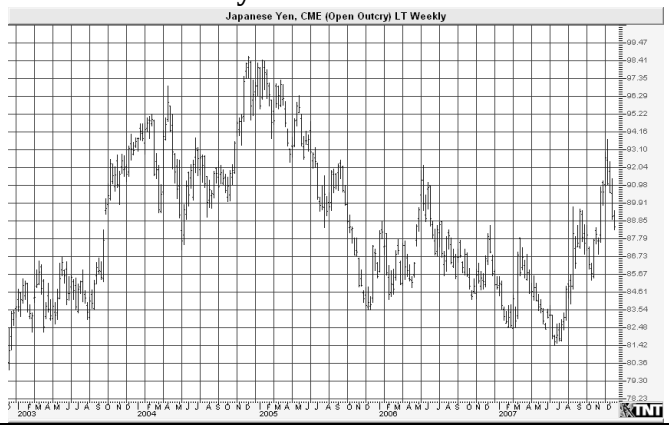
5 Year Weekly Front Month US Dollar Futures

5 Year Weekly Front Month Euro Futures

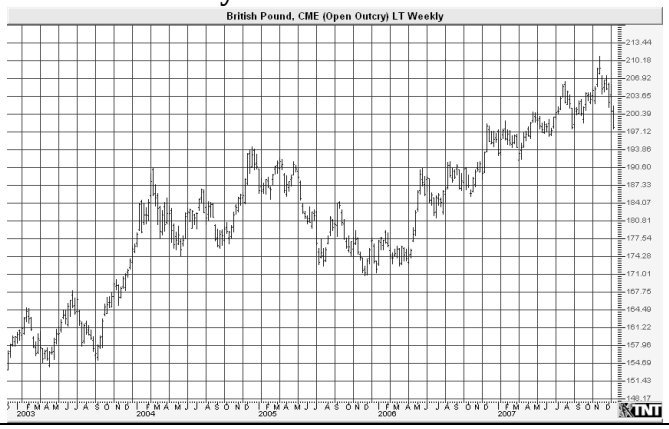
5 Year Weekly Front Month CA Dollar Futures



5 Year Weekly Front Month Yen Futures



5 Year Weekly Front Month Pound Futures



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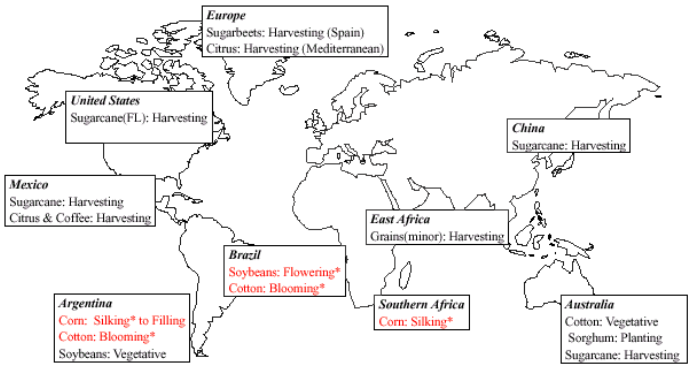
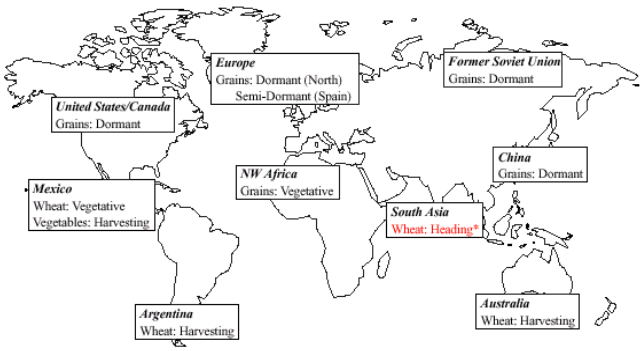
APPENDIX #6: WORLD CROP DEVELOPMENT MAPS

1ST QUARTER WORLD CROP DEVELOPMENT MAP

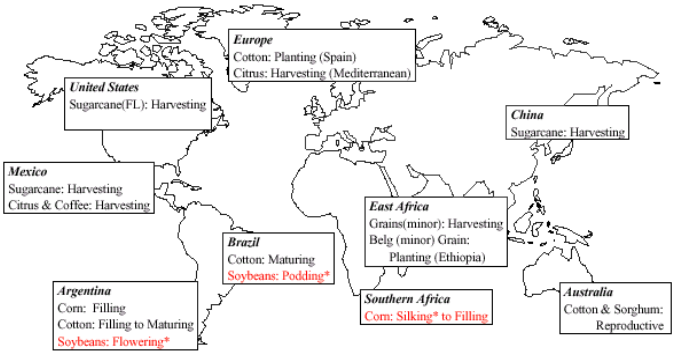
JANUARY (SPRING CROPS)



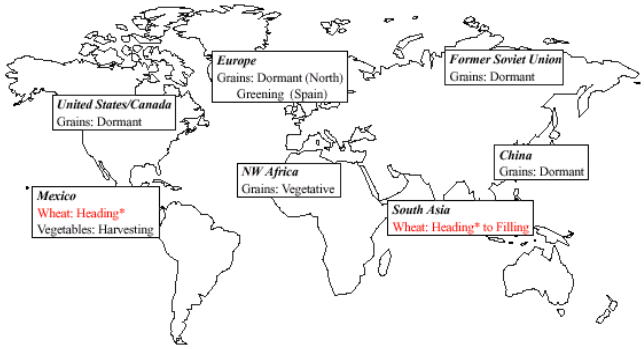
JANUARY (WINTER CROPS)



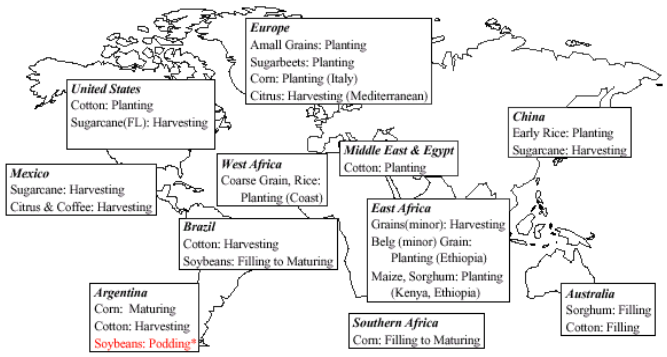
FEBRUARY (SPRING CROPS)



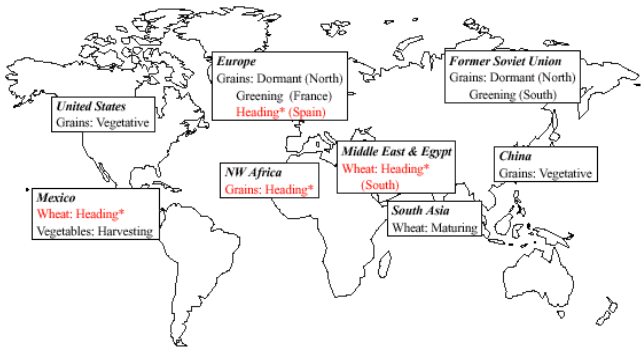
FEBRUARY (WINTER CROPS)



MARCH (SPRING CROPS)



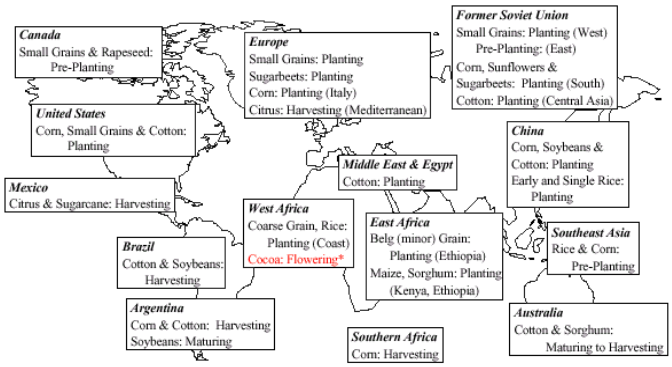
MARCH (WINTER CROPS)



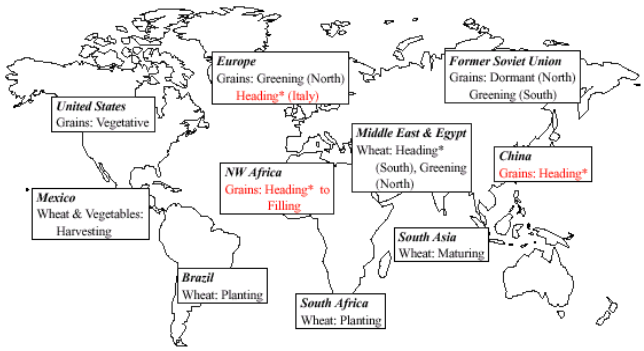
*SOURCE: USDA/NOAA * MOISTURE/TEMPERATURE SENSITIVE STAGE OF DEVELOPMENT*

2ND QUARTER WORLD CROP DEVELOPMENT MAP

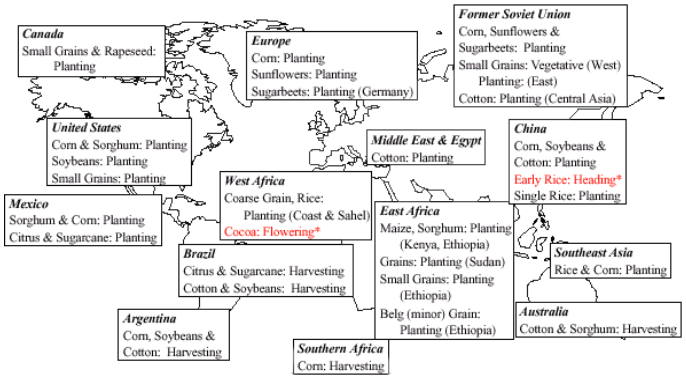
APRIL (SPRING CROPS)



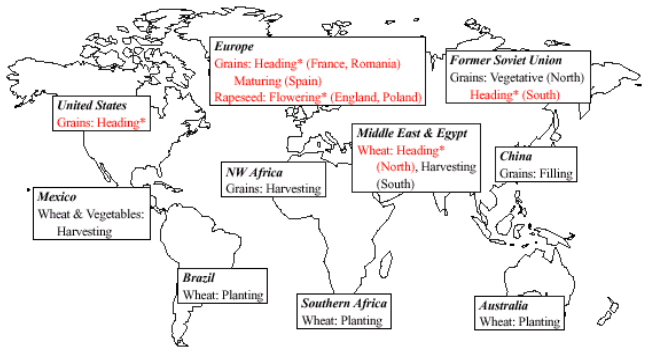
APRIL (WINTER CROPS)



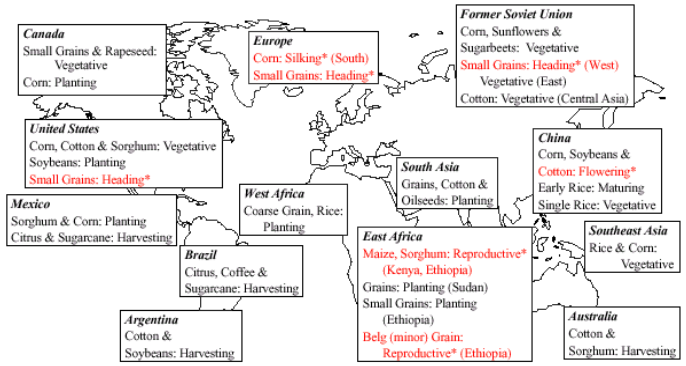
MAY (SPRING CROPS)



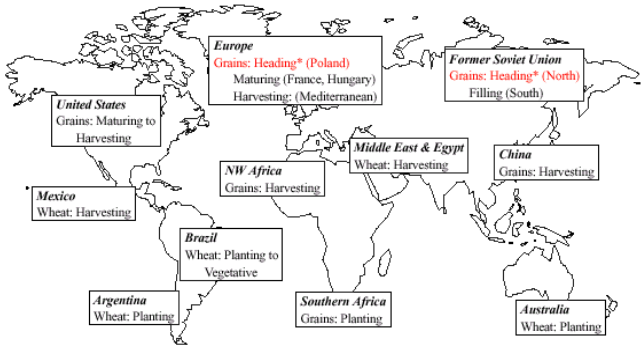
MAY (WINTER CROPS)



JUNE (SPRING CROPS)



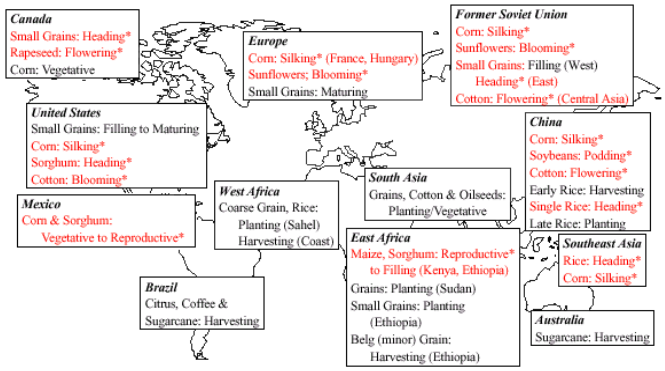
JUNE (WINTER CROPS)



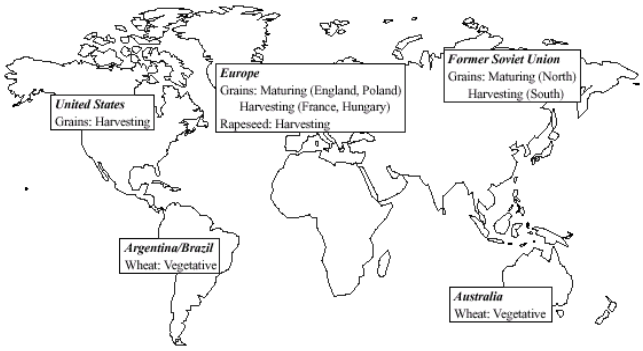
*SOURCE: USDA/NOAA * MOISTURE/TEMPERATURE SENSITIVE STAGE OF DEVELOPMENT*

3RD QUARTER WORLD CROP DEVELOPMENT MAP

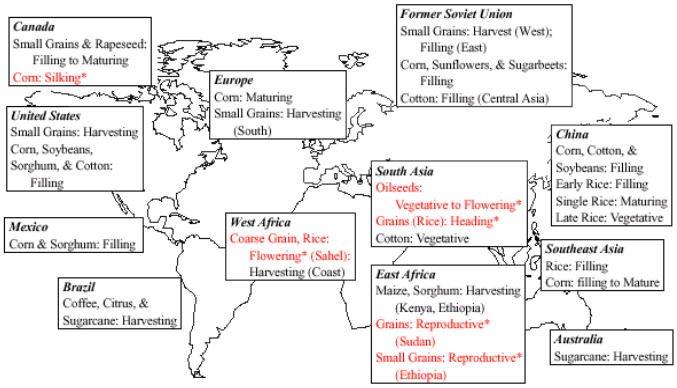
JULY (SPRING CROPS)



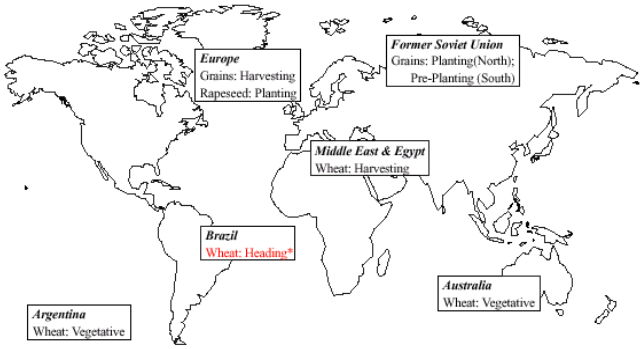
JULY (WINTER CROPS)



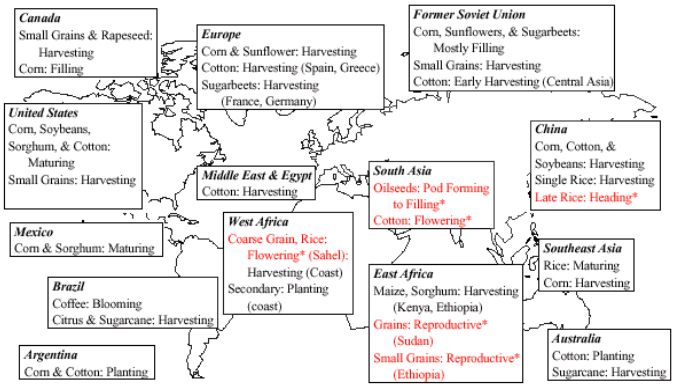
AUGUST (SPRING CROPS)



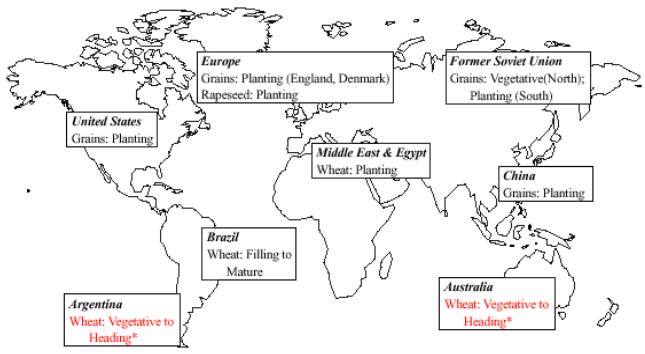
AUGUST (WINTER CROPS)



SEPTEMBER (SPRING CROPS)



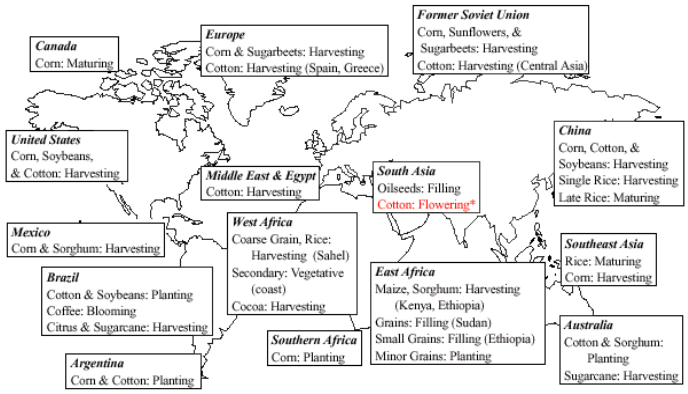
SEPTEMBER (WINTER CROPS)



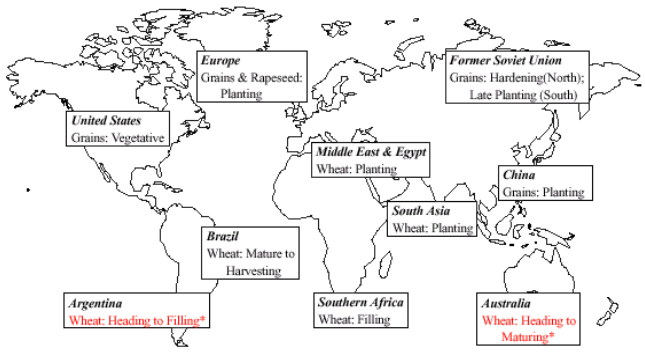
*SOURCE: USDA/NOAA * MOISTURE/TEMPERATURE SENSITIVE STAGE OF DEVELOPMENT*

4TH QUARTER WORLD CROP DEVELOPMENT MAP

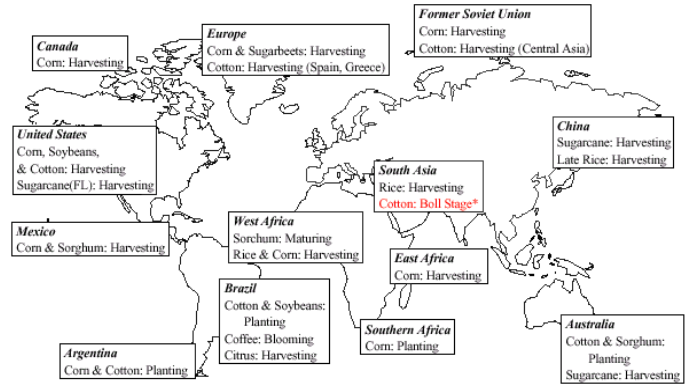
OCTOBER (SPRING CROPS)



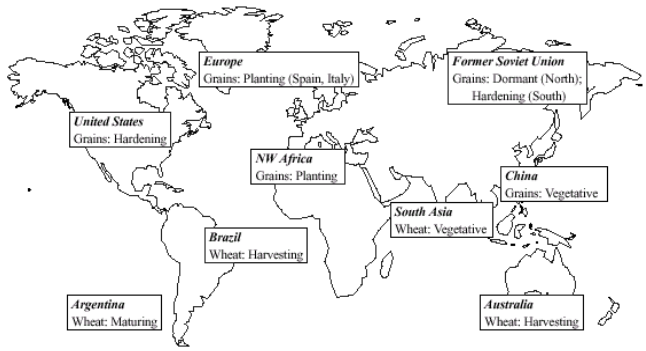
OCTOBER (WINTER CROPS)



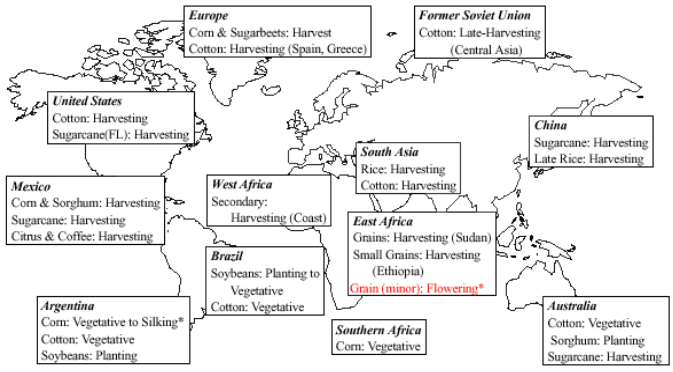
NOVEMBER (SPRING CROPS)



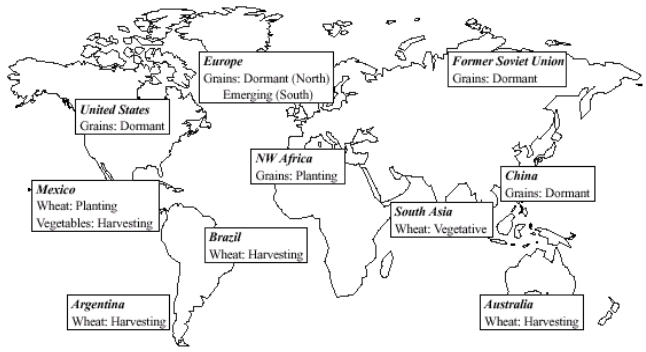
NOVEMBER (WINTER CROPS)



DECEMBER (SPRING CROPS)



DECEMBER (WINTER CROPS)



*SOURCE: USDA/NOAA * MOISTURE/TEMPERATURE SENSITIVE STAGE OF DEVELOPMENT*

NOTES: