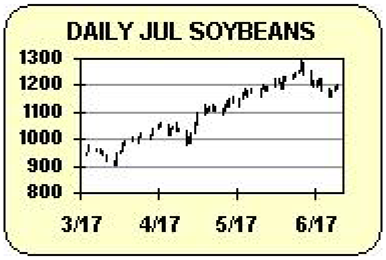
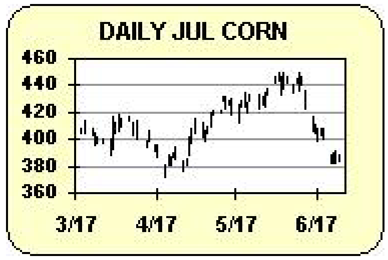
ADMIS DAILY GRAIN & LIVESTOCK MARKETS
Friday June 26, 2009



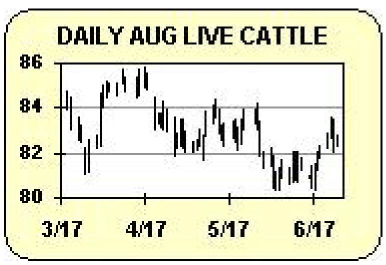


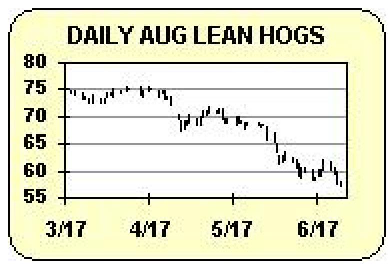
Grain Outlooks

BEANS: Avoid adding to existing shorts in new crop. Hold what you've got.

CORN: Fundamentals already priced into the market. Take cues from technicals.

WHEAT: No reason to try to pick a bottom, but fresh selling getting risky.





Livestock Outlooks

CATTLE: Heat in plains may provide temporary support; bounce for now

HOGS: Jump in pork may help provide underlying support; USDA report today

Overnight Price Changes
CORN +1.2, **SOY BEANS** +4.4, **BEAN OIL** +0.6, **SOYMEAL** +6.2

Grain Markets Fundamental Overview
SOYBEANS: Even though yesterday's US Census Bureau showed lower than expected crush usage in May, the report still confirmed what NOPA had already said. Namely, that soybean usage is running above current USDA projections for the remainder of the marketing year. The same holds true for export sales. This week's total was small for old crop at 28,000 tonnes, and there were further cancellations that are thought to be from China, but the low sales total is still higher than the weekly average needed to reach the USDA's export projection for the current crop year. That also suggests a further drop in 2008/09 ending stocks. Traders expect the reports next week to show an increase of near 2 million acres from the March intensions report of 76.024 million acres. We look for 79.25 million but remain concerned that there may be extra acres found for corn, soybeans and wheat from the March intensions so all the numbers could be well above expectations. For the June 1st stocks report, traders are looking for stocks to be down near 90 million bushels from last year's total of 676 million bushels. Close-in support

in the November contract is around 988 3/4 to 992 with the next support still at 970 1/2 and near 941 3/4. Resistance remains just under 1019 1/2 and at 1040.

CORN: Traders expect the reports next week to show a decline of near 1 million acres from the March intensions report of 84.98 million acres. We look for 84.25 million but remain concerned that there may be extra acres found for corn, soybeans and wheat from the March intensions. For the June 1st stocks report, traders are looking for stocks near 4.2 billion bushels as compared with 4.028 billion last year. A number of factors should be pushing corn higher. Strength in old crop meal, a strong recovery rally in crude oil, a lower dollar, expectations of lower US acreage on Tuesday's report and yesterday's recovery rally in equities should be enough to set off a flurry of short covering in corn. Good weather is the main bearish factor as we end the week, but we would not rule out nervousness over government proposals to restrict trading by index funds and other large speculators as a strong bearish factor as well. First support in the December contract dropped to 397 1/2 this morning with the next support still at 386 to 390. First resistance remains at near 409 with the next resistance at 418 and at 427 1/2.

WHEAT: A sharp decline in open interest yesterday combined with a substantial new low for the June break. Another round of liquidation, which looks very possible on a chart of daily open interest, could be enough to prolong the slide. The fact that all of this is happening at harvest time adds to the potential for further selling. First support in the December contract remains at 575 with the next support at 556 1/2. First resistance now starts at 596 to 600 and then at 611 3/4.

LIVESTOCK FUNDAMENTAL OVERVIEW

CATTLE: The technical action is bullish for futures but weakness in beef prices and a lack of leadership from the cash market is an issue. With demand already weak, perhaps a slowdown in beef production due to heat in the plains might actually provide a boost to the market next week. Once the 4th of July purchases are complete, beef prices have a tendency to shift lower for the last three weeks of July. Last year, beef prices hit a peak for the year on July 10th at $173.80 as compared with the current value of $139.69.

HOGS: The jump in pork cut-out values yesterday afternoon should help provide some support today but traders expect a quiet trade ahead of the USDA Hogs and Pigs report for release this afternoon. On negative news, resistance for August hogs comes in at the 59.70 with 55.90 as next downside target. On supportive news for the report, we could see another test of key resistance up at 61.65 for August hogs and 59.65 for December hogs.

TODAY'S GRAIN MARKET OUTLOOKS

SOYBEANS: We have pushed the sell side in November soybeans recently, but today may be a good day to stand aside. Softness in the dollar and strength in crude oil and old crop soybeans indicate that traders should not be overly aggressive at this point in selling new crop soybeans. Stick with current positions.

CORN: The modest new low in December corn overnight may be an indicator that this market is ready to make a more substantial move. While the obvious direction for an acceleration is down, we would not rule out a short term rally. It's up to the market to tell us which way it will be. A move below 396 in the December contract would indicate a break down to 382 or lower. Conversely, a push above 407 1/4 could generate enough follow-through buying to take us to 427 1/2 or higher.

WHEAT: Downtrend obviously still intact, but it is getting way too risky to add to shorts at this level. Stand aside into the weekend.