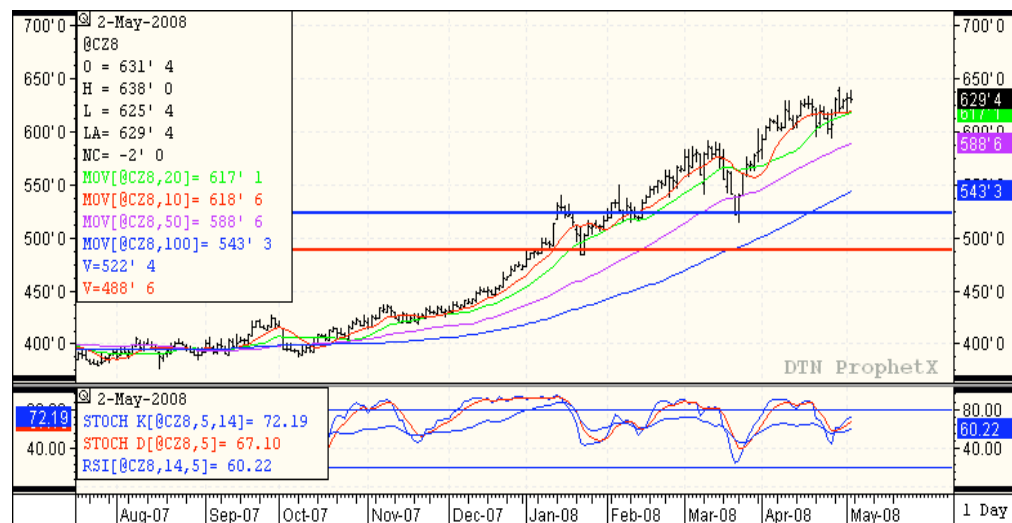


**May 2, 2008**

**Weekly Review-** Corn ended the week 22 ¼ cents in volatile and choppy trade. Beans closed the week down 32 ½ cents. Trade this week has been defined by 3 factors: Argentina farmer strike, weather and outside markets. We have seen light volume trade this week.

**Corn-** Corn planting is expected to be further behind average on this coming Monday's progress report. Expectations are for 25-32% planted vs. 63% average. Even with the slow progress, trade has struggled to push this market higher. Negative discussion on ethanol and a stronger dollar has put pressure on corn. Buying enthusiasm on any weather event will be tempered by mounting concerns that ethanol policy changes could be coming from Washington sooner than anyone has expected. More policymakers are taking a stance against ethanol. One senator has pushed to revamp the Energy Bill before June 1. The tight fundamentals will keep underlying support under the market but any policy change could change the balance sheets drastically. This chart shows our range-bound trade over the last two weeks. With the wet weather we have had, the market has not made new highs and trade has been light on positive days. Both of these factors are evidence that corn could be putting in a short-term high.



**Soybeans-** Beans have had a very wild week. I believe outside market influence has provided the most direction this week. The week ended on a strong note following Informa Economics cutting Brazilian production 3 MMT. The strike in Argentina has moved to a more peaceful strike with farmers agreeing to no longer blockade the export facilities. China has once again become a buyer of Argentine beans. The new crop corn/bean ratio has a distinct advantage favoring corn. The upcoming May S&D should show more than adequate new crop stocks but that could be the most bearish number we see this year. Weather will indicate how many acres beans can keep from planting prospects to the final acreage report.

**Recommendation-** Once again, put options look real attractive on grains right now. If coverage levels are light on '08 corn, right now is a great time to make catch up sales. The Return on Investment is as good as has ever been. Look to protect your bottom line!!

Have a good weekend and a safe next week!!